



**CIN: L24240MH1992PLC128651**

Regd. Office: 'UJALA HOUSE', Ramkrishna Mandir Road, Kondivita, Andheri (East), Mumbai- 400059

Ph: 91-22-66892800 Fax: 91-22-66892805

Email: [secretarial@jyothy.com](mailto:secretarial@jyothy.com), Website: [www.jyothylaboratories.com](http://www.jyothylaboratories.com)

### **NOTICE OF POSTAL BALLOT**

**{Pursuant to Section 110 of the Companies Act, 2013 read with the Companies  
(Management and Administration) Rules, 2014}**

**Dear Member(s),**

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and other applicable laws and regulations, that the resolution appended below is proposed to be passed by Members through means of Postal Ballot/ electronic voting (e-voting).

The proposed Special Resolution, along with the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out all material facts pertaining to the resolution and a Postal Ballot Form is enclosed for your consideration. The Board of Directors of the Company has appointed Mr. Himanshu S. Kamdar (Membership No. FCS 5171), Practicing Company Secretary, Partner, M/s. Rathi & Associates, Company Secretaries, Mumbai as a Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

In compliance with Clause 35B of the Listing Agreement, provisions of Section 108 & 110 of the Act read with the Rules made thereunder, the Company is pleased to provide e-voting facility to the Members to enable them to cast their votes electronically. Members holding shares either in physical form or in dematerialized form, as on the cut-off date September 4, 2015, may cast their vote electronically on the business as set out in the Notice of the Postal Ballot through electronic voting system of Central Depository Services (India) Limited ('CDSL').

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Form duly completed in the attached self-addressed Business Reply Envelope, so as to reach the Scrutinizer not later than 5.00 p.m. on Wednesday, October 14, 2015. The Ballot Form received after the said date will be treated as not received as per Rule 22(12) of the Companies (Management and Administration) Rules, 2014.

The Scrutinizer will submit his Report to the Chairman or any other Director of the Company after completion of the scrutiny of the voting by Postal Ballot and e-voting. The result of Postal Ballot and e-voting shall be declared and notified by the Chairman or any other Director authorized by him in this behalf, on Friday, October 16, 2015 at 5.00 p.m. at the Registered Office of the Company situated at 'Ujala House', Ramkrishna Mandir Road, Kondivita, Andheri (East), Mumbai- 400059. The aforesaid results shall be intimated to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), and also would be displayed on the Company's website at [www.jyothylaboratories.com](http://www.jyothylaboratories.com). The date of declaration of result shall be deemed to be date of passing of the said Resolution.

### **RESOLUTION:**

**To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** in furtherance to and partial modification of the Ordinary Resolution passed by the Shareholders of the Company at the Annual General Meeting held on August 13, 2014 and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such approval of Department/ Ministry of Corporate Affairs, Government of India, as may be required in this regard, consent of the Company be and is hereby accorded for ratification of payment of remuneration, perquisites/ benefits and amount debited to Profit and Loss Account on account of stock options for the financial year 2014-15 and for payment of remuneration, perquisites/ benefits and amount debitible to Profit and Loss Account on account of stock options for the remainder of the term after March 31, 2015 to May 31, 2017 to Mr. Raghunandan Sathyanarayan Rao (DIN: 02263845), Whole Time Director and Chief Executive Officer of the Company, as follows:

**Remuneration:****Salary:**

Rs. 33,00,000/- (Rupees Thirty Three Lac Only) per month.

**Perquisites/ benefits:**

- a) Housing: Deposit in respect of a house that may be leased by him in Mumbai and brokerage payable for leasing, if any.
- b) Medical Expenses: Reimbursement of medical expenses incurred for self and family including hospitalization, subject to a limit of Rs. 15,000/- per annum.
- c) Leave Travel Allowance: For self and family subject to a maximum of Rs. 2,00,000/- per annum.
- d) Personal Accident Insurance coverage for self, as per Rules of the Company.
- e) Use of Company Car with Driver and telephones at the residence. Use of car with driver and telephones for office purposes will not be considered as perquisites.
- f) Company's contribution towards Provident Fund as per Rules applicable to senior management staff of the Company.
- g) Company's contribution to Superannuation Fund @ 10% of Salary as per Rules of the Company or if permissible and at the option of Mr. Raghunandan Sathyanarayan Rao, an allowance in part/ full substitution of the aforesaid contribution.
- h) Leave and encashment of leave, in accordance with the Rules of the Company.

The total salary and perquisites/ benefits as above shall not exceed Rs. 5,00,00,000/- (Rupees Five Crore Only) per annum.

**Stock Option:**

Mr. Raghunandan Sathyanarayan Rao (DIN: 02263845), Whole Time Director & Chief Executive Officer will be eligible to exercise options equivalent to 27,15,352 (Twenty Seven Lac Fifteen Thousand Three Hundred and Fifty Two) Equity Shares of Re. 1/- each granted to him under the Jyothy Laboratories Employee Stock Option Scheme 2014-A (ESOS 2014-A), on vesting of same to him in accordance with the ESOS 2014-A.

**RESOLVED FURTHER THAT** if in any financial year during the tenure of Mr. Raghunandan Sathyanarayan Rao as Whole Time Director and Chief Executive Officer, there is no profit or inadequate profit calculated as per the provisions of Section 197 of the Act or the total managerial remuneration i.e. the remuneration paid/ payable, perquisites/ benefits provided/ to be provided and the amount debited/ to be debited to Profit and Loss Account of the Company on account of grant of options to Mr. Raghunandan Sathyanarayan Rao (DIN: 02263845), Whole Time Director and Chief Executive Officer of the Company, for aforesaid period, individually and/ or together with all other Directors of the Company, exceeds/ may exceed the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 and Rules thereto, the Company shall pay or provide to him the aforesaid remuneration, perquisites/ benefits and share options as granted and may be vested under ESOS 2014-A, subject to such approval of Department/ Ministry of Corporate Affairs, Government of India, as may be required in this regard.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter and/ or vary the terms and conditions of the said appointment and/ or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites and benefits payable to Mr. Raghunandan Sathyanarayan Rao, which shall be in accordance with the provisions of the Companies Act, 2013 and Rules thereto (including any statutory modification(s) or re-enactment thereof, for the time being in force).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

**By Order of the Board  
For Jyothy Laboratories Limited**

**Place: Mumbai  
Date: September 2, 2015**

**M. L. Bansal  
Company Secretary**

**Notes:**

1. Pursuant to Section 102 of the Companies Act, 2013, the statement setting out material facts and reasons for the proposed special business is annexed hereto.
2. The Notice of the Postal Ballot along with the Postal Ballot Form and self-addressed Business Reply Envelope is being sent to all the members whose email IDs are not registered but whose names appear in the Register of Members/Beneficial Owners as per details furnished by the Depositories as on September 4, 2015. The members who have registered their e-mail IDs for receipt of documents in electronic mode will receive Notice by e-mail. Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the members as on September 4, 2015.
3. In compliance with the provisions of Section 110 of the Companies Act, 2013 and Rules framed thereunder, the Company is pleased to provide Members, the facility to exercise their right to vote by electronic means and the business may be transacted through e-voting services provided by CDSL.
4. Kindly note that the members can opt for only one mode of voting i.e., either by physical ballot or e-voting. If the members opt for e-voting, then they should not vote by physical ballot and vice versa. However, in case members cast their vote by physical ballot and e-voting, then voting done through e-voting shall prevail and voting done by physical ballot will be treated as invalid.
5. A Member cannot exercise his Vote by proxy on a Postal Ballot.
6. All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out the material facts are available for inspection of the Members at the Registered Office of the Company between 10.00 a.m. to 12 noon on all working days except Sundays and National Holidays up to October 14, 2015.
7. Resolution passed by Members through Postal Ballot is deemed to have been passed as if it has been passed at a General Meeting of the Members.
8. A member may seek duplicate Postal Ballot Notice and Postal Ballot Form from the Company's Registrar & Transfer Agent namely, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Road, Bhandup West, Mumbai- 400078.

**Instructions and other information relating to e-voting are as under:**

- i. The voting period begins on Tuesday, September 15, 2015 at 10.00 a.m. and ends on Wednesday, October 14, 2015 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e September 4, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on October 14, 2015.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on "Shareholders".
- iv. Now Enter your User ID;
  - a. For CDSL: 16 digits beneficiary ID;
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Ballot form indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records for the said demat account or folio in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

viii. After entering these details appropriately, click on “SUBMIT” tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for JYOTHY LABORATORIES LIMITED on which you choose to vote.

xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xiv. After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Wenceslaus Furtado, Deputy Manager- Central Depository Services (India) Limited, 17<sup>th</sup> Floor, Phiroje Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400001 on 18002005533.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

The Shareholders of the Company in the Annual General Meeting (AGM) held on August 13, 2014 had approved, by passing an Ordinary Resolution, the appointment of Mr. Raghunandan Sathyanarayan Rao (DIN: 02263845) as Whole Time Director and Chief Executive Officer of the Company for the period June 1, 2014 to May 31, 2017 and remuneration payable to him during that period. Further, in the said AGM, the shareholders had also approved by way of Special Resolution 'Jyothy Laboratories Employee Stock Option Scheme 2014-A' ("ESOS 2014-A") for grant of options equivalent to 27,15,352 (Twenty Seven Lac Fifteen Thousand Three Hundred and Fifty Two Only) Equity Shares of face value of Re.1/- each. Consequently, the Nomination, Remuneration and Compensation Committee of the Board of Directors of the Company granted 27,15,352 (Twenty Seven Lac Fifteen Thousand Three Hundred and Fifty Two Only) options for equivalent number of shares to be vested in him in accordance with and subject to the provisions of the said ESOS 2014-A.

The remuneration paid/ payable and perquisites/ benefits provided/ to be provided individually or together with all other Whole Time Directors and Non-Whole Time Directors has not exceeded and is not likely to exceed the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 and Rules thereto. However such remuneration, perquisites/ benefits along with the amounts debited/ to be debited to the Profit & Loss Account of the Company for the relevant financial years on account of grant of options to Mr. Raghunandan Sathyanarayan Rao has exceeded in the financial year 2014-15 and is likely to exceed in subsequent financial years 2015-16 and 2016-17, the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 and Rules thereto, both individually for Mr. Raghunandan Sathyanarayan Rao and for all Whole Time Directors and all Non-Whole Time Directors taken together.

Accordingly, the Company has filed an application pursuant to Section 197 read with Schedule V of the Companies Act, 2013 and Rules thereto with the Ministry of Corporate Affairs, Government of India and the approval of Central Government is yet to be received.

In view of the requirement of the Central Government that such remunerations etc. require approval of the shareholders of the Company by way of Special Resolution, the approval of shareholders is being sought to the attached Special Resolution. Your Directors commend the attached Special Resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Raghunandan Sathyanarayan Rao and his relatives are in any way, concerned or interested in the said resolution.

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

**I. General Information:**

**1. Nature of Industry**

The Company is engaged in the business of manufacture and marketing of Fast Moving Consumer Goods (FMCG).

**2. Date of commencement of commercial production:** January, 1992.

**3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.

**4. Financial Performance based on given indicators:**

(Rs. In Crores)

<b>Particulars</b>	<b>For the year ended March 31, 2015</b>	<b>For the year ended March 31, 2014</b>
Total Income	1444.52	1264.65
Expenditure other than Finance costs, Interest and Depreciation	1272.27	1093.09
Profit before Finance costs, Interest, Depreciation and Tax	172.25	171.56
Finance costs	12.03	53.11
Interest Income (net)	59.16	51.76
Depreciation	70.37	61.60
Profit before Tax and exceptional items	149.01	108.60
Exceptional items	2.09	2.30
Profit before Tax	146.92	106.30
Tax provision	4.13	0.19
<b>Net Profit</b>	<b>142.79</b>	<b>106.11</b>

## 5. Foreign Investments and Collaborations:

The Company has made a Foreign Investment of Rs. 5.02 Crores towards 75% of the Equity Share Capital of Jyothy Kallol Bangladesh Limited. The Company has not entered into any collaboration.

## II. Information about the Appointee:

### 1. Background Details:

Mr. Raghunandan Sathyanarayan Rao is an MBA from Indian Institute of Management, Kolkata and a Chemical Engineering Graduate from BITS, Pilani. He joined the Company w.e.f. 23.05.2012 as Whole Time Director and Chief Executive Officer (CEO) of the Company.

He has over twenty two years of experience in FMCG industry. He has worked in various leadership roles in companies like Unilever, Dabur and was the Managing Director of Reckitt Benckiser (India). Prior to Reckitt Benckiser he was the Managing Director & CEO of Paras Pharmaceutical (now A Reckitt Benckiser Company), which has strong presence in Personal Care & Health Care business.

He had adequate experience in professionalizing family run businesses in all earlier assignments and has contributed in areas of Strategy, Sales & Marketing, Channel Management, Mergers & Acquisition and Change Management.

Mr. Raghunandan Sathyanarayan Rao started his career with Asian Paints in 1989 and he moved to Hindustan Unilever (HUL) in 1992, where he held various leadership roles in Sales & Marketing before moving to Dabur India Limited in 2002. Mr. Raghunandan Sathyanarayan Rao joined Dabur as Head of Sales for India commercial business where he was instrumental in creating the brand architecture, re-engineering of the sales organisation and brought rural focus to leverage business opportunities. In 2006, he moved to Dubai as CEO for Dabur International and later he was promoted as Executive Director where he spearheaded the business for MENA (Middle East & North Africa) Markets and delivered a strong 60% CAGR Growth.

In 2008, Mr. Raghunandan Sathyanarayan Rao moved as CEO and Managing Director for Paras Pharmaceuticals (A Private Equity Company owned by Actis) based at Ahmedabad and was instrumental in turnaround of Paras Pharma Business in a record period of 3 years. In a near start up experience, he led the entire gamut of building the high performing organisation with sound business strategy and strong execution focus leading to doubling of sales turnover and tripling the profits. Paras story catapulted him to the status of turnaround expert. The Company was acquired by a British Multinational giant Reckitt Benckiser in 2010 for a record deal for Rs.32.6 billion which was termed as blockbuster deal in FMCG space. As variable pay set in the form of ESOP, Mr. Raghunandan Sathyanarayan Rao earned Rs. 64 crores payout from Actis for significantly exceeding performance benchmarks set by the London based private equity owner of Paras.

In 2011 post completing the successful integration of Paras and Reckitt business, he moved as a Global Marketing Director to UK in Reckitt Benckiser and later returned to India to head India business as Managing Director for Reckitt Benckiser (India).

### 2. Past remuneration:

The following remuneration was paid to Mr. Raghunandan Sathyanarayan Rao:-

Financial Year	Amount paid as remuneration (In Rs.)
2014-15	4,85,12,000/-*
2013-14	4,86,83,006/-
2012-13 (May 23, 2012 to March 31, 2013)	4,14,28,840/-

\*Does not include Rs. 25.42 Crore debited to Profit & Loss Account of the Company on account of Stock Options granted to him.

### 3. Recognition and Awards: Nil

### 4. Job profile and his Suitability:

As stated earlier Mr. Raghunandan Sathyanarayan Rao, having proven track record in leadership role and turnaround of industry, was suitable choice for Jyothy Laboratories Limited. It was pertinent to hire a senior professional from the FMCG space keeping in mind that Jyothy Labs had acquired Henkel's (A German MNC) India business which was making losses in India for the last 10 years. It was also important to professionalize Jyothy and transform the family run business to a fully professionally managed enterprise. Jyothy's business was competing with large Multinationals and therefore it was imperative to hire a professional of Mr. Raghunandan Sathyanarayan Rao stature who has over twenty two years of experience in the FMCG Industry.

After joining the Company, he has taken over the general administration in close contact with Chairman and Managing Director along with Joint Managing Director. He successfully met the challenges which include implications of Henkel acquisition, culture mix and plans to make it a successful merger. He has also been playing a pivotal role for organic growth and acquisition of firms for inorganic growth of the Company as well as future big ticket acquisitions in the FMCG segment.

Mr. Raghunandan Sathyanarayan Rao played a key role in setting up of a laboratory and research team for constant upgradation of quality of the existing products as well as development of new products. He is also empowered to design strategy for future products which the Company is contemplating in near future in the segment of adhesive and cosmetics market.

After joining the Company, he has implemented various innovative processes as follows:

- Integration of sales and distribution of Jyothy Consumer Products Limited (Formerly known as Henkel India Limited) with the Company;
- Moving from own depot to C&F – Resulting in recurring savings of 3%;
- Consolidation of Distribution network Fewer/ Stronger  
Urban: Company → C&F → Stockist → Market  
Rural: Company → C&F → Super Stockist → Sub Stockist → Market;
- Rationalised channel margins resulting in Gross Margin improvement of 4% on recurring basis;
- Identified/ Implemented savings opportunities in sourcing and packaging – resulting in recurring margin improvements by 2%;
- New manufacturing strategy – nationalized production at various manufacturing units as well at contract manufacturing;
- New brand strategy implementation aimed at increasing market reach/ penetration of Company's products thereby;
- Introduced new/ improved products;
- Implementation of supply chain project which improved working capital management by freeing up working capital.

Under his leadership, the Company is poised to attain major heights in next couple of years.

#### **5. Remuneration proposed:**

The remuneration including perquisites and the Options granted to Mr. Raghunandan Sathyanarayan Rao pursuant to ESOS 2014-A shall be as stated in the Special Resolution attached herewith.

#### **6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Raghunandan Sathyanarayan Rao, the remuneration proposed to be paid is commensurate with the remuneration packages paid to his counterparts in other companies.

#### **7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:**

Besides the remuneration proposed to be paid to Mr. Raghunandan Sathyanarayan Rao and the dividend declared/may be declared by the Company to which he and his family members are entitled to on account of holding shares in the Company, he does not have any other pecuniary relationship with the Company or with any other managerial personnel and Directors.

### **III Other Information:**

#### **1. Reasons of loss or inadequate profits:**

As such the net profit of the Company is not inadequate and the overall managerial remuneration has been within the prescribed limits and is likely to remain within prescribed limits. However, remuneration after taking into account the amount debited/ debitible to the Profit and Loss Account of the Company on account of Options granted/ to be granted to Mr. Raghunandan Sathyanarayan Rao in accordance with the ESOS 2014-A Scheme approved by the members in the Annual General Meeting of the Company held on August 13, 2014, the total managerial remuneration paid/payable to

him and to all managerial personnel together exceeds the maximum permissible limits prescribed under Section 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**2. Steps taken or proposed to be taken for improvement:**

As explained earlier, the remuneration paid/ payable to Mr. Raghunandan Sathyanarayan Rao and all other directors put together has exceeded/ may exceed the prescribed limit only because of debit to the Profit & Loss Account of the Company on account of share options otherwise the managerial remuneration would have been well within the limits prescribed by Section 197 of the Companies Act, 2013.

However, it had always been a constant endeavor on the part of the Company to take steps towards improving its productivity and profits.

**3. Expected Increase in productivity and profits in measurable terms:**

The Company is intending to innovate across its portfolio and introduce new categories while creating a differential positioning for products of the company. New plans for innovations being lined up for Maxo Machine, re-launch of Exo Dishwash and growing Henko LINTelligent range, among others. In order to boost its sales, the Company is determined to activate key, new urban outlets, strengthen modern trade channels and expand its reach in rural markets of southern India. The Company has a streamlined strategy on manufacturing, technology, supply chain and distribution fronts which helps it in simplifying the complexity of sourcing and procurement, allowing for scale advantages, improved hygiene, speed and accuracy in business operations, optimization and cost saving and as a whole improves overall profit margins.

The Company's initiative to take its successful regional brands to the national level has earned fruits as the non-south business is growing at a faster pace than its south business. Product superiority and building brand affinity through differentiated positioning and a national distribution has enabled the Company to achieve sustainable growth. Other efforts which Company will undertake are robust innovation and increased investments in brands.

With a stronger GDP, rise in employment and an increase in the rate of availability through distribution expansion, the Company is confident that the Consumer demand will be more consistent and robust to support sales growth. Further the various unique strategies adopted by the Company will contribute in increased revenue and higher margins. In addition, the robust innovation in pipeline, investments in brands, distribution channels and improving the customer experience has started to show results.

**IV. Disclosures:**

The information and disclosures of the remuneration package of the managerial personnel have been disclosed in the Annual Report in Annexure VI to the Director's Report for the year ended March 31, 2015.

**By Order of the Board  
For Jyothy Laboratories Limited**

**M. L. Bansal  
Company Secretary**

**Place: Mumbai  
Date: September 2, 2015**





CIN: L24240MH1992PLC128651

'UJALA HOUSE', Ramkrishna Mandir Road, Kondivita, Andheri (East) Mumbai- 400059.

Ph: 91-22-66892800; Fax: 91-22-66892805; Email: secretarial@jyothy.com; Website: www.jyothy.com

**POSTAL BALLOT FORM**

Sl. No.

(1) Name & Registered Address of the Sole/ First Member/ Beneficial Owner

(2) Name(s) of the Joint Member(s), if any

(3) Registered folio No./ \*DP ID No./ Client ID No. (\* Applicable to the Members holding Shares in dematerialized form)

(4) Number of Shares held

(5) I/ We hereby exercise my/ our votes in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company dated "September 2, 2015" by conveying my/ our assent or dissent to the said Resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares held by me	I assent to the resolution Please tick (✓)	I dissent to the resolution Please tick (✓)
1	Partial modification of Ordinary Resolution approved by the shareholders at the Annual General Meeting held on August 13, 2014 with regard to re-appointment and payment of remuneration to Mr. S. Raghunandan.			

Place:

Signature of the Shareholder

Date:

**E-VOTING PARTICULARS**

EVSN (E-Voting Sequence Number)	DEFAULT PAN/ SEQUENCE NUMBER
150903031	

Note: Please read carefully the instructions printed overleaf before exercising your vote. Please refer to the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.

### **Instructions**

1. A Member desiring to exercise his/her vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form, if sent by courier or deposited in person at the expense of the member will also be accepted.
2. The self-addressed Business Reply Envelope being sent herewith bears the name and address of the Scrutinizer appointed for conducting Postal Ballot process.
3. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature Registered with the Company/ Depository Participant). In case of joint holding, this Form should be completed and signed by the first named member and in his/her absence, by the subsequent named member and so on.
4. There shall be one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint holders. The Postal Ballot shall not be exercised by a Proxy.
5. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified herein below at serial no. 8.
6. The votes may be cast either in favour or against by putting the tick (√) mark in the column provided for assent or dissent. Postal Ballot Form bearing tick marks in both the columns will render the form invalid.
7. Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
8. Duly completed Postal Ballot Form should be received by the Scrutinizer not later than the close of working hours (i.e. before 5.00 p.m.) on October 14, 2015. Postal Ballot Forms received after this date will be treated as if no reply from the member has been received.
9. Voting rights shall be reckoned on the paid up value of Shares registered in the name(s) of the Shareholder(s) as on September 4, 2015.
10. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be signed by the authorized signatory and shall be accompanied by a certified true copy of the Board Resolution/Authorization together with specimen signature(s) of the duly authorized signatories.
11. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed Business Reply Envelope in as much as all such envelopes will be delivered to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
12. The result of the Postal Ballot will be declared on October 16, 2015 at the Registered Office of the Company. The result of the Postal Ballot will also be posted on the website of the Company ([www.jyothylaboratories.com](http://www.jyothylaboratories.com)) and also the website of the depository and the website of Stock Exchanges on which the Company is listed.
13. Postal Ballot Form shall be considered invalid if a form other than the one issued by the company or a photo copy thereof has been used.
14. A member need not use all his/ her votes nor does he/ she need to cast his/ her votes in the same way.

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