

**TRANSCRIPT OF  
29<sup>TH</sup> ANNUAL GENERAL MEETING OF  
JYOTHY LABS LIMITED  
(FORMERLY KNOWN AS  
JYOTHY LABORATORIES LIMITED) HELD  
ON FRIDAY, AUGUST 7, 2020**

**Participants:**

- |                         |   |   |
|-------------------------|---|---|
| Mr. R. Lakshminarayanan | - | Chairman & Independent Director;  |
| Mr. M. P. Ramachandran  | - | Chairman Emeritus and Member;   |
| Ms. M. R. Jyothy        | - | Managing Director and Member;   |
| Mr. K. Ullas Kamath     | - | Joint Managing Director and Member;   |
| Ms. M. R. Deepthi       | - | Whole Time Director and Member;   |
| Mr. Nilesh B. Mehta     | - | Independent Director and Chairman of the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders' Relationship Committee;             |
| Ms. Bhumika Batra       | - | Independent Director;   |
| Mr. Sanjay Agarwal      | - | Chief Financial Officer;  |
| Mr. Shreyas Trivedi     | - | Head- Legal & Company Secretary;  |
| Ms. Sreeja Marar        | - | Partner of M/s. B S R & Co., LLP, Chartered Accountants, Statutory Auditors;  |
| Mr. Himanshu S. Kamdar  | - | Partner, Rathi & Associates, Company Secretaries Secretarial Auditors and Scrutinizer for the remote e-voting and e-voting at the time of the 29 <sup>th</sup> AGM; |

Shareholders, moderator of the 29<sup>th</sup> AGM and moderator from CDSL

**The 29<sup>th</sup> Annual General Meeting started at 12:00 Noon (IST) and concluded at 1:15 p.m. (IST)**

**Shreyas Trivedi**

Good noon, it is now 12 Noon and I request Mr. R. Lakshminarayanan Sir, Chairman of our Company to preside over this 29<sup>th</sup> Annual General Meeting of the Jyothy Labs Limited.

The e-voting facility is open now and available for the members attending this AGM who have not voted on the resolutions earlier through remote e-voting.

Over to you Sir

**R. Lakshminarayanan**

Thank you Shreyas and a very good afternoon to all the ladies and gentlemen. We understand it has been raining very heavily in Mumbai and I hope all of you, your families, colleagues are all safe and to take care of yourselves.

I welcome all our shareholders to this twenty nine AGM of your company, which is held through Video Conferencing/ Other Audio Visual Means on account of COVID-19 and as per the guidelines issued by the Ministry of Corporate Affairs vide its General Circular dated May 5, 2020. This meeting is being streamed live through 'Webex' which provides for two way communication.

I thank all of you for participating in today's meeting and sincerely wish that all of you and in your family are safe and healthy. This is the first time Jyothy Labs is convening its AGM through Video Conferencing.

The Quorum is present and I call the meeting to order.

You all are familiar with the Board of Directors, Chief Financial Officer and the Company Secretary of your Company.

**R. Lakshminarayanan** Today, we have with us in this Video Conferencing:

- Shri. M. P. Ramachandran, Chairman Emeritus
- Ms. M. R. Jyothy, Managing Director
- Shri. Ullas Kamath, Joint Managing Director
- Ms. M. R. Deepthi, Whole Time Director;
- Shri. Nilesh Mehta, Independent Director; and
- Ms. Bhumika Batra, Independent Director

Except for me and Shri. Ullas Kamath, our Joint Managing Director who have joined-in the Video Conferencing from Bangalore, all the Board Members, Chief Financial Officer and Company Secretary have joined-in the Video Conferencing from Mumbai.

I further inform that Mr. Nilesh B. Mehta, Chairman of the Audit Committee, Nomination, Remuneration & Compensation Committee and Stakeholders' Relationship Committee of your Company is present through Video Conferencing.

Representative of M/s. B S R & Co LLP, Statutory Auditors of your Company and Representative of M/s. Rathi & Associates, Secretarial Auditors of your Company are also present at this AGM through Video Conferencing.

Your Company has availed the facility of CDSL for convening the AGM through Video Conferencing and e-voting at the time of AGM. Your Company has made all reasonable efforts to enable members to participate in the AGM and vote on the items specified in the Notice dated June 5, 2020 convening 29<sup>th</sup> AGM.

Since this 29<sup>th</sup> AGM of your Company is convened through VC/ OAVM, without physical attendance of members, the requirement of appointment of proxies pursuant to the provisions of Section 105 of the Companies Act, 2013 (the Act) has been dispensed with. Accordingly, your Company has not

**R. Lakshminarayanan** received any proxy for the 29th AGM and inspection of Proxy Register as per the provisions of Section 105(8) of the Act will not be applicable.

Your Company has received 1 corporate member representing 1,45,00,000 (One Crore Forty Five Lakhs) Equity Shares equivalent to 3.95% of the Equity Share capital.

Statutory Registers, Memorandum of Association and Articles of Association and other statutory documents are available for the inspection by members on the Company's website under the Investor tab.

The MCA General Circular dated May 5, 2020 read with MCA General Circular dated April 13, 2020 and SEBI Circular dated May 12, 2020 had granted relaxations to the companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to members. Accordingly, your Company has sent only soft copy of the Annual Report 2019-20 and Notice convening 29<sup>th</sup> AGM via e-mail, to all the members whose e-mail ids were registered with your Company as on the cut-off date Friday, July 3, 2020.

Accordingly, since the Notice convening the 29th AGM with Annual Financial Statements and the Reports of the Directors' and Auditors' thereon have already been circulated, with your permission, I would like to take them as read.

The Auditors' Report and Secretarial Audit Report do not contain any qualifications, observations or comment or remarks on the financial transactions or matters which may have an adverse impact on the functioning of your Company. With your concurrence, I take them as read.

Since this AGM is convened through Video Conferencing your Company had provided the facility to members to ask their questions / express their views by emailing it to us at any time prior to the AGM. However, those

**R. Lakshminarayanan** members who are attending this AGM can also express their views / ask questions at the time during the continuance of the meeting by using the 'Q & A window' which is available now.

The e-voting facility at the time of the AGM is open now and available for Members attending this AGM, who have not voted on the resolutions through remote e-voting.

I consider it as a rare privilege to have been nominated as the first non-executive Chairman of your Company and in that capacity, to convene this 29th AGM. I have been closely associated with Jyothy Labs as an Independent Director since 2012 and have always admired their philosophy of valuing people and relationships. I have seen how this results in deeply passionate people who are dedicated to delivering consumer delight in everything they do.

I would like to highlight that, we are all facing, one of the most challenging year the world has ever seen. Your Company has performed reasonably well during this time. The outbreak of COVID-19 and eventual lockdown have brought a new order to the world. Its social and economic implications are going to be felt for a long time.

The FMCG sector has been relatively less impacted as most of the products are daily essentials, especially in the case of your Company. Our core portfolio of soaps, detergents, insecticides and dishwash continues to enjoy buoyant demand. In addition, having plants spread across 23 locations gave us a significant competitive advantage in overcoming the supply chain disruptions.

Without further do I will take all of you through the performance of your Company for the financial year 2019-20 and the way forward.

**R. Lakshminarayanan Performance:**

During the financial year 2019-20, Net Sales on Standalone basis was at Rs. 1665.4 crores compared to Rs. 1768.9 crores in the previous year. EBITDA in the financial year 2019-20 on standalone basis was at Rs. 249.8 crores compared to Rs. 285.8 crores in the financial year 2018-19. Further, Profit After Tax on standalone basis for the financial year 2019-20 stood at Rs. 157.7 crores compared to Rs. 193.2 crores in the previous financial year. This is largely attributable to loss of sales in the month of March 2020 on account of sudden lockdown due to COVID 19.

**Dividend:**

Your Company had paid in March 2020, an interim dividend of Rs. 3/- (Rupees Three only) per equity share of Re. 1/- each for the Financial Year 2019-20. The aforesaid interim dividend involved a total payout of Rs. 13,280.68 Lacs (inclusive of Dividend Distribution Tax of Rs. 2,264.42 Lacs) representing the dividend payout ratio of 81.7% of net profits compared to 67.2% in the financial year 2018-19.

In view of the interim dividend for the Financial Year 2019-20, your Board does not recommend any additional Dividend for this year.

**Transforming to get future ready:**

Your Company enters the new decade prepared to embrace transformation and get future ready. We are achieving this through a new echelon of young, agile leaders attuned to the demands of the millennial consumer base; which also involves across the board digitisation; increased retail reach via E-commerce platforms; and robotics-powered manufacturing for highly cost-efficient operations; and a streamlined value chain management system to maintain our cost leadership. These initiatives are driving fresh thinking to enable your Company win in the coming decade.

**Environmental and Social Practices:**

In a world marked by accelerated social change and pressing environmental challenges, your Company has committed itself to go beyond growth and

**R. Lakshminarayanan** address these issues. Your Company believes that sustainable and responsible growth model is the only acceptable way forward for creating value for all stakeholders. At the same time, your Company is also strengthening its governance to continue building on its reputation of a trusted, ethical and transparent Company.

In the last few years, your Company has built 155 houses and 330 toilets under Corporate Social Responsibility programme. In the current Financial Year, your Company has built 21 houses in Nilambur in Malappuram District and Kandanassery in Thrissur District (Kerala) for people who have lost their houses in floods.

Your Company also imparts skill development programme at various locations to train unemployed youths and women to facilitate in employment generation or entrepreneurial development. The initiative has helped in enhancing the household income and improving their living condition.

As you all must be aware that the pandemic of COVID-19 has hit many States of our Country and in order to extend support to the Central and the State Government(s) to fight this epidemic and provide relief for COVID-19, your Company has come forward and contributed in aggregate a sum of Rupees Five Crores and Five Lacs towards the Kerala CM Fund, Maharashtra CM Fund, Assam CM Fund, Uttarakhand CM Fund and PMCARES Fund.

**Focus on Innovation and R & D Initiatives:**

Your Company's strategic objective is to drive consistent innovations in products and processes and create a unique identity for itself. It gives your Company a distinctive competitive advantage in terms of a loyal consumer base and pricing power. To align itself with changes and trends in the market, your Company is always working on developing new products and revamping the existing ones. Your Company also focusses on adopting newer techniques and mechanisms to optimise productivity, resource usage and costs.

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**R. Lakshminarayanan** R&D remains one of the key strengths of your Company which enables it to achieve product differentiation and offer unique value to its consumers. The underlying objective of the R&D function is to identify everyday pain points in our consumers' life and to develop appropriate products to address them.

The key R&D accomplishments in FY 2019-20 include:

- Launched of revolutionary sub-category in dishwash segment - Exo Dishwash Super Gel that combines the benefits of both Exo Bar and Exo Liquid.
- Launched India's first Neem Paste Face Wash in West Bengal.
- Re-launched T-Shine with revised formulation to get better traction in the market.
- Launched Margo Hand Wash with the goodness of 1000 Neem Leaves.
- Launched alcohol-based hand sanitiser with Neem extracts under the Margo Brand.

Going forward, your Company sees tremendous opportunities ahead to serve the evolving needs and aspirations of the new generation of Indian consumer. Your Company aims to constantly develop new products and refresh the existing ones. Your Company adopts newer techniques and mechanisms that helps it to optimize its productivity and optimally utilize all its resources with the target of delivering products that are value for money, keeping in mind the interest of all our stakeholders, who have consistently reposed their trust on us.

While the current scenario is challenging, I am confident that, we as a Nation and Jyothy Labs as an enterprise, will emerge even stronger with renewed focus on our essential and hygiene portfolio. We will focus on launching smaller unit packs that are affordably priced, to target the rural markets and consumers who demand value for money. And, as in the past, your Company will ensure strong financial health by strict management of costs and credit.

**R. Lakshminarayanan** Also, as an Indian Company, it is also a matter of pride for us to support the Prime Minister's 'Vocal for Local' call. Your Company will play its part, through every avenue possible, to help the Nation cope with the crisis more effectively and more humanely.

**Statutory Auditors:**

At the 26<sup>th</sup> AGM held on July 11, 2017, M/s. B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of your Company to hold office for a term of 5 years commencing from the conclusion of 26<sup>th</sup> AGM till the conclusion of 31<sup>st</sup> AGM subject to ratification by Members in each AGM. However, as per the Companies (Amendment) Act, 2017, 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 as Statutory Auditors of your Company, will not be placed for ratification.

As you may be aware, a re-constitution took place in the Board of Directors of your Company effective from April 1, 2020.

Shri. M. P. Ramachandran has relinquished his position as the Chairman and Managing Director of your Company effective the closing hours of March 31, 2020. Considering Shri. Ramachandran's vast experience, it is in the interest of your Company to avail his services and valuable knowledge and guidance from time to time in an advisory and mentoring role. Your Board, therefore, based on the recommendation of Nomination, Remuneration and Compensation Committee, requested Shri. Ramachandran to be the Chairman Emeritus of your Company.

In view of the cessation of Shri. Ramachandran as the Chairman & Managing Director, your Board has appointed Ms. M. R. Jyothy as the new Managing Director of your Company. Further, your Board has also appointed me as the Non-executive Chairman of your Company.

**R. Lakshminarayanan** The Board of Directors of your Company has appointed Ms. M. R. Deepthi as the Whole-time Director of your Company.

Ms. Deepthi is a member of the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. She is a Bachelor in Management Studies from Chinai College of Commerce affiliated to the Mumbai University and Master of Management Studies from S.I.E.S. College, Nerul, Navi Mumbai. An expert in finance and secretarial function, she is a key player in budget formulation, strategy, treasury, business performance reviews, fund raising and other financial activities of your Company. She also guides your Company's Taxation, Legal and Secretarial functions.

On her appointment, your Board now has a 50:50 ratio proposition of Men and Women.

I would like to take this opportunity to wish both, Ms. M. R. Jyothy and Ms. M. R. Deepthi all the very best for their new beginning.

**Appreciation:**

I also take this opportunity to express my sincere gratitude to all the people within and outside the organisation who have extended their support and placed their faith in Jyothy Labs – our team; our supply chain stakeholders; and our valued shareholders for reposing their continuous confidence and for their unstinted support. Further, I would like to acknowledge the efforts, support and valuable guidance of my colleagues on the Board and their trust in the capabilities of our Company. All my colleagues in Jyothy Labs are doing their best and I expect them to continue to do so.

I thank you for attending this meeting through Video Conferencing and taking time out of your busy schedules.

**R. Lakshminarayanan** **Inviting Speaker shareholders**

I now request Shri. Shreyas Trivedi, Head - Legal & Company Secretary to invite speaker shareholders to speak few words, express their views and ask questions, if any. Also, Mr. Trivedi will explain you the process of e-voting at the time of AGM.

**Shreyas Trivedi**

Thank you Sir.

I will now call names of the speaker shareholders one by one. The speaker shareholder whose name will be announced only that shareholder will be allowed to speak to maintain the timelines of this meeting.

First Dr. ARUN KUMAR BOPPANA

**Dr. ARUN KUMAR BOPPANA** Good Morning everybody, Namaste.

Thanks to Shreyas and his team for the excellent service, always maintain very cordial relations.

This corona is made of very sad, not the volume. It is going to be a white dog, but people are being shaking out of the comfort zone. I'm glad Jyothy has done enough work the CSR taken care of the labour and staff safety and zero home policy. Jyothy has build a strong understanding of customer needs and customers, which I appreciate and I wish them to continue to improve the quality of life in future. As the purchasing power is increased because the incomes tend to have increased.

Now there's more hygiene than there is with their commitment to excellence and they are and all capacities be equal products or services. First, I welcome the chairman, Mr. Lakshminarayanan, and other Directors, Jyothy and Deepthi.

Jyothy Labs is ready with the next generation. It also seeing greater benefit of

**Dr. ARUN KUMAR BOPPANA** digital technologies, direct orders from retailers as ensuring the objective safety and speed.

The question, so go wireless last for eighteen to twenty four month what would really impact the Jyothy? In many ways it's going to change the very dynamics.

The pace has shifted and the markets have drifted. What are the opportunities and challenges for Jyothy? Impact of social media? There's so much of activity on social media, but always would be grateful. And now, so we're expecting the change in the economy, familial economy, circular economy with Jyothy, improving a circular economy.

What are the challenges for marketing? Is Jyothy prepared to grow in India and ambitious you want to 5 trillion targets. Creating only channels which customers now demand seamless product, that can enable transformation to distributors, automated warehouses, robotics, etc. How we do the planning to address this?

What is the state-of-art of our E-commerce platforms for Jyothy? E-commerce will be a next level grow?

Indian consumer growth in 2019, USD two billion market place to go to one point two billion. But what will be our focus and deliver to India and show these lasting level employee engagement. I wish you all the best for employee engagement. Only, Jyothy's name is always remained critical. Okay. Stuff proved to be reasonable. We have responsibility. We can stop it if your responsibility to take the conclusions. So, let that be herd immunity to be so that there's a community we can create. Wish you all the very best. Thank you very much.

**Shreyas Trivedi** Thank you. Next, Mr. Anil Parikh

**Anil Parikh** Hello? Hello? Shreyas am I audible?

**Shreyas Trivedi** Yes, sir. Yes please go ahead.

**Anil Parikh** Okay! Chairman Sir, Shri. Lakshminarayanan Ji, We are delighted to have you among us. On behalf of all the shareholders and team Jyothy Labs, we would like to extend our warmest welcome and good wishes on being appointed as Chairman of our beloved Company Jyothy Labs Limited. A big Congratulation to our Jyothy Madam on being appointed as the new Managing Director, and Deepthi Madam on being appointed Whole time Director, starting 1<sup>st</sup> April, 2020. In my opinion, you both are creative, enthusiastic and have a great learning attitude and both are fit for the role you are going to play for our company Jyothy Labs limited. It's great to have you both before. My warmest. Welcome to both of you.

**Anil Parikh** If I do not mention our Joint Managing directors name Mr. Ullas Kamath. Mr. Kamath do you recognize? me how are you? Mr. Ullas Kamath does not need any introduction, he is associated with JLL since its inception along with our Chairman Emeritus Mr. Ramachandran. Journey of JLL since inception to this level was not possible without him. My heart felt welcome to you also Mr. Ullas Kamathji. I hope you'll continue giving your guidance and your efforts to uplift Jyothy Labs limited at the highest level.

Our Company Secretary Mr. Shreyas Trivedi, Hats off to you for doing excellent services as far as investor services are concern. And when there were any doubt to clear you are there always and your full team is doing great job and the annual report, which you sent me digitally, is well placed with every information and all disclosure and compliance is followed. So Shreyas, doing a wonderful job, continue doing it, you are an asset to our Company Thank you.

**Shreyas Trivedi** Thank you! Ms. Lekha Shah

**Lekha Shah** Can you hear me Sir?

**Shreyas Trivedi** Yes, ma'am, yes please go ahead ma'am

**Lekha Shah** Respected Chairman Sir, Board of directors and my fellow members. Good Morning to all of you, myself Lekha Shah. I'm very thankful to our Company Secretary, Mr. Shreyas ji for very good investor services and also sending me email well in time, which is full of knowledge and figures in place. Due to pandemic COVID-19 we all are facing crises and have to stay at home. Thank you Lakshminarayanan Sir for explaining about the Company. This is the first time we are joining the video conference for giving speech. Before one week our company secretary Mr. Shreyas ji has told and given guidance and proper introduction for attending the meeting through Video Conferencing. I am very, very grateful to our company Mr. Shreyas ji.

**Lekha Shah** First of all, I would like to congratulate our company for winning various awards. Also I am happy the company's doing very well, in the field CSR activities. Congratulations to all for excellent. I am great the company is manufacturing goods what are useful in my day to day life. I'm also grateful for our company secretary for giving beautiful pictures in our annual report we give a fair bit of the company. Sir, I would like to ask a few questions. What is the roadmap for the next year? Sir, Let me know whether we are going to have any new products during the year. Sir, I am confident that with your vision and determination, you will lead our company to a greater height. And also, I pray to God, our company should progress more and more under you and your teams work. so I, our Company good luck for its bright future and I support all the resolutions. Thank you sir.

**Shreyas Trivedi** Thank you Madam. Next Mr. Bharat Shah or Mrs. Smita Shah

**Smita Shah** Hello? Hello?

**Shreyas Trivedi** Yes, Madam please go ahead

**Smita Shah** Okay. Okay. Thank you. Sir.

Respected Chairman Shri. Lakshminarayanan ji, Managing Director Ms. Jyothy, Whole Time Director, Ms. Deepthi and Joint Managing Director, Shri. Ullas Kamath ji a warm welcome to all of you. Myself Smita Shah from Mumbai

First of all, I would like to welcome and congratulate Shri. Lakshminarayanan ji for being appointed as the Chairman of the Board of Directors. Also, I would like to congratulate Ms. Jyothy becoming our new Managing Director and Ms. Deepthi for being appointed as the Whole Time Director. My good wishes to both of you.

Before I move ahead, I would like to mention that our founder Shri Ramachandran ji has faced a lot of difficulties to bring our Company to this level. So his hard work and struggle we will always remember.

Lakshminarayanan Sir, I am very sure that with your leadership and with the hard work and dedication of Jyothy Madam, this Company will grow four times in future. And I also pray to God and wish you all the very best for future.

Rest I won't speak much but one thing I would like to mention that to join in this virtual AGM through Video Conferencing, Company Secretary and his Secretarial team have given us complete support and explained the manner in which we can join this AGM. I would like to thank and congratulate the entire Secretarial team for this.

Further, when the situation gets normal please plan a plant visit to Chennai. I would support all the resolutions. Thank you and all the best.



**(The above speech was given in Hindi, translated in English for the purpose of maintaining uniformity in this transcript)**

**Shreyas Trivedi** Thank you. Next up, Mr. Aspi Bhesania

**Aspi Bhesania** You see me

**Shreyas Trivedi** Yes, please go ahead

**Aspi Bhesania** Okay, but you are not visible Shreyas.  
Okay, I welcome Mr. Lakshminarayanan as Chairman and also Jyothy and Deepthi. Jyothy as a Managing Director and Deepthi as a Whole time Director. I hope they contribute well to the Company. So it's really a professionally managed company. So June quarter was good I hope you Continue to maintain those results in spite of the economy going down. And in consultation with Mr. Kamath that the results will be maintained in the full year. Thank you and all the best.

**Shreyas Trivedi** Thank you and Next is Mr. Adil Polad Irani

**Adil Polad Irani** My dear Chairman, Lakshminarayanan. Okay you also Lakshmi and two other Lakshmis have also joined the Board. I mean they were already there. But they have got a post now. So welcome to all of you under this pandemic times, uncertain times, fearful times and, of course, Jyothy is my company, so I will not sell those shares for whatever be the thing.

I will not repeat all the good things that Dr. Arun Kumar Boppana said and all the other shareholders said, About the company and about the Company Secretary also. It also I would like to point out certain products, which I have kept over here. Actually, you should have displayed some products over there also. These are my Jyothy Laboratories products. And if some marketing fellow would call me up afterwards, on my mobile number. I could sort of actually I, I realize that Dmart and all these other companies are

**Adil Polad Irani** not trying to push your products, they are trying to push other Companies products.

I'm staying in a sort of a housing society with about five hundred people on the West side of malbar hill. So, during this pandemic Dmart had come over here, So when I asked for your products, they were saying no we only have soft products. So, kindly look into that. This a modern market people, I don't know why they're not trying. I mean, this, this product, Exon with antibacterial ginger that's something, something very good.

Anyway, oh, thank you very much for allowing me to speak. Thank you for the dividend, as you mentioned was 81 percent payout. Thank you. That's it.

**Shreyas Trivedi** Thank you very much. Next is, Mrs. Prakashini Shenoy

**Prakashini Shenoy** Oh, Hello. Can you hear me, sir?

**Shreyas Trivedi** Yes Madam please go ahead

**Prakashini Shenoy** First of all a warm welcome to Mr. Lakshminarayanan ji, Jyothy Madam and Deepthi Madam. Respected honorable chairman are the dignitaries on the Board and my fellow shareholders. Good morning to all of you. I'm attending the video conference of a company for the first time. I'm very, very grateful and thankful to the Company Secretary, Shri. Shreyas ji and his team for calling me over phone before one week and sending me the report to me through email and guiding me how to use and instructed me how to attend the meeting. I'm also happy to use the most of the products manufactured by our company regularly. I'm thankful to one in all staff for the hard work and sincerity, for getting number of rewards.

I'm also thankful to the Board for recommending dividend for the financial year 2019-20. I'm also very grateful to the company for doing extremely well in the field of CSR activities and our company has donated an aggregate amount of Rs. Five Crores and Five Lakhs to state of Maharashtra, Kerala,

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**Prakashini Shenoy**

Assam and Uttrakhand and even to the PM cares Fund. Fine. We are living in the days, where everything is unpredictable lives, including our existence inception abnormal circumstances running a big company. Life at Jyothy Laboratories is not a small job. I appreciate Sir.

So I have a few questions to ask, one, Are you planning to have a new or expanding an existing R. D.? if yes, what should be the approximate cost involved? number two, are we, having any new project in the pipeline in near future? If yes, please name the product? three, is there any change after the introduction of new budget in the parliament, on our company? Fourth, what is the impact of COVID-19 on our company and what are the challenges? Last, but not the least, why fear, when our company is having young, energetic, knowledgeable and all round person none other than Ullas Kamath for the future of our company.

I wish the company good luck for a bright future, and pray God that the profit of the company shall reach the peak, in due course. Sir, I support all the resolutions put into this meeting. Thank you Sir.

**Shreyas Trivedi**

Thank you Madam. Next is Mr. Beruz F. Pouredahi

**Beruz F. Pouredehi**

So, undoubtedly we are very proud of our Company. We are very proud of our company. And Mr. Sanjay Agarwal is our CFO and Ullas Kamath is a very dedicated Joint managing director. Sir we hope that our company revive the shareholders in the long run. The Company had taken us by flight to Pondicherry. So we are very glad the company is doing extremely well. Sir Jyothy Labs is one of the finest company. It can give a tough competition to other companies. Sir we support all the resolutions and we would like to know who are our main competitors. Sir I support all resolutions and hand over the mic to homayun. Pouredehi. thank you.

Hello Sir! What are the aggressive marketing strategy for our products, so, did you know when I came to your plant and I saw your utensils washing products, since that time, I'm using this products. And Sir, I'm very proud, did you know, during the lockdown also, our utensils washing products Exo was available in our, grocery shops otherwise they were not keeping other products like washing powders, washing soaps and utensils washing.

Sir, just this question, are you doing some aggressive marketing strategy and how has lockdown affected our profits Sir?

**Shreyas Trivedi**

Thank you Madam for your questions, we will answer it shortly. Next is Mr. Vinod Agarwal.

**Vinod Agarwal**

Hello, Welcome Chairman Lakshminarayanan Ji, Madam Jyothy to the Board and a welcome Mr. Ramchandran chairman emeritus and Mr Ullas Kamath Joint Managing Director for attending the meeting. I'm proud of the companies good to CSR activity in the building toilets and my query is on the balance sheet on page 169-170 it's in the standalone balance sheet. Last year we ran investment of about hundred crores in access liquidity fund, which is not there this year. So we have tested that. Plus we had a cash balance in with banks over six crores last year, which has come down to about 6.7 crores this year in the balance sheet on page 170. So, now, this 160 crores of liquidity, which you have taken out from the system. Whereas this 160 crores is being used in the balance sheet. Yeah.

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**Vinod Agarwal**

Another thing, which I will notice in the balance sheet is, there's an amount of 786 crores coming down constantly for the past several years as a good will now can this good will be amortized or can the further good will be added?

Well, while it's stagnant, like, for so many past two years. Yeah, due to COVID you launched new products Exo gel, neem based sanitizer and everything.

I would also suggest that the company come out with a neem based mosquito repellent in the maxo category, neem based oil, neem based on products for mosquito repellents are famous India as such. You have got 23 plants nicely T, shine launch new products. Everything. Very nice. We're also happy that, on the saying of elderly shareholder, you have increased the dividend from past a fifty percent to three years onwards to three years. Because retired shareholders need money to live independently. Now you're also focusing on expanding your foreign markets. You have entered Malaysia, Middle East, Sri Lanka and Bangladesh, what is the prospects and how much sales have you already got out there? Yep.

And the annual report, which has been prepared by Shreyas and his team is excellent its more than 200 pages, during the locked down times, when everyone is working mostly from homes, to come up with such a colorful and the graphic presentation, which has given me the balance sheet an excellent one. I will complement Shreyas and his team also for making this annual report very nice.

And the page 20 of the annual report shows, the story of Jyothy graphically, the growth from EBIDTA growth, the sales growth, the profit growth, everything. It is a page which one should refer to page 20 of the annual report. I wish the company all the best for. Yes. One thing Sir, a few shareholders did mention about the being called from the secretarial team to

- Vinod Agarwal** attend the AGM. I was one of the first guys to send a mail to attend this meeting. My name is coming almost at the end, and I've not been called from the Company Secretary to attend this AGM.
- Also shareholders alluded to the company, taking them on a flight to Pondicherry, for a plant visit. I mean, coming in speaking at this AGM forum for the past several years, I am in also requesting for the plant visit for the past several years. I have not been taken to the plant visit anywhere. If in future a plant visit is ever taken place. Do note Down, my name and now Thank you, sir.
- Shreyas Trivedi** Thank you Sir, Next is Mrs. Vasudha Dakwe
- Vasudha Dakwe** Good afternoon Sir, can you hear me?
- Shreyas Trivedi** Yes, madam please go ahead.
- Vasudha Dakwe** Hello, good afternoon to all. I would like to congrats Company Secretary and his team for sending us the soft copy of Report well in advance.
- I would like to ask one question, has the company implemented any lay off policy during this COVID-19 pandemic situation for Cost cutting basis?
- With this I support all the resolutions. Thank you.
- Shreyas Trivedi** Thank you madam. With that I would like to call it off as there are no more speaker shareholders and hand it back to Chairman sir and Kamath sir.
- R. Lakshminarayanan** So many questions and clarifications on the financials have been sent by you and Shri. Ullas Kamath supported by our CFO, Shri. Sanjay Agarwal have been noting them down and categorising them.

**R. Lakshminarayanan** I now request Shri Ullas Kamath to please respond to those queries.

**Ullas Kamath**

Good afternoon our dear shareholders, we miss you all meeting personal. It's a pleasure to meet you all every year and discuss for a longer time. But I'm extremely happy that you all participated through Webex AGM And hopefully, next year will be able to see you all in person. Especially our shareholders who are giving us that advice that we should be saying all the time being with us, makes us feel so good. Each one of you I remember and each one of you we can we are together. So thank you very much for attending this AGM and giving us all the time.

I go by the questions, which is come through the chat box that being asked by you. I'll go in the same order as it has come through the chat box and also as being asked by you.

Regarding the dividend policy, right from the beginning our, chairman vision was to have a fantastic dividend policy. We always given the dividend above sixty percent, but the last year, it has gone up to eighty one percent and we continue to have a dividend, a good dividend payout policy in line with our that thinking that whatever the money is not required it has to go to the shareholders. So, at this point in time, our policy remains the same.

Regarding the COVID impact the company has done whatever the best it could do, from March 22 our offices are operating from home but our factories people are working and the sales people are working and you are seeing the impact that board meeting has happened through web and AGM has been done through web and everybody has done their fantastic job.

I want to take this opportunity to congratulate our new Managing Director M R Jyothy, sitting at home taking the complete control of the business and she has done extremely well during this COVID time.

**Ullas Kamath**

And day before yesterday, we announced our results, topline has gone up by 6.1% volume terms and profit after tax has gone up by 33%. So it is on time good show, which has happened in the first quarter of Jyothy, 2020-21 and it is purely because of the leadership of Jyothy, and also the team members of what she have. One of the best thing happened during the first lockdown period, is she launched Margo Sanitizer also. So congratulations to her for taking the company through in a tough time like COVID and doing extremely well and to see our results which was announced day before yesterday it speaks itself about the achievements done by Jyothy.

I was extremely happy when Adil sir keeping his flag as a backdrop of Indian flag. I feel so much good about and he spoke so passionately about India, Indian product products and our products.

So trust us, we are doing all that is required as it is an Indian company since 1983 and Jyothy has a good topic communication showcasing all our products made for India, by India and the carpet campaign has been on the air in eight languages and it's being showcased very nicely across all the channels.

And today we are taking it very personally and we try to do, what are the best possible for making India, make for India and we make our country proud in whichever the best possible way from our side.

As far as essential products are concerned 85% of production, ultimately ship production and as far as factories are concerned now, almost hundred percent production capacity has been restored. Some factories are at 85-90. But overall we are nearing the problem as far as the productions are concerned and we're doing a good job, the estimate. And as far as the debt is concerned, as of now, we have less than or equal to four months of our cash profit. So, extremely comfortable at this point in time. And there's no big capex happening just to maintaining capex. And the cap based on what we did last year, we inhabited on July 2<sup>nd</sup> one of our big plant in Pithampur for manufacturing, dish washing products, like exo and pril, it is very heartening to note that our engineers who visit the site, stayed there during locked

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**Ullas Kamath**

down and they work there and actually they bring up a good show during COVID and making us proud to opening a big factory.

As far as attritions are concerned, Your company loves employees. Absolutely, the attrition is much-much less than compared to industry, and I would say that 75% of the people working with us for more than five years with us.

So, there is no worries as far as attrition is concerned. At the same time, I want to say that it's the decision not to take salary cut during the pandemic, because you see that employees have to be paid well and we should not do salary cut and we are very, very happy that the decision has gone in very well. And that's the way how the first quarter results, has shown extraordinary results day before yesterday. And it's all because they are extremely happy to work with this type of leadership.

Capex utilisation I've already mentioned. CSR project details have been given in the annual report for very clearly and our focus is building the houses and the building the toilets and during the last year 155 houses has been built for needy in Kerala and 300 odd toilets, and we're extremely happy and complete to see the money we have spent more than that.

Company to not have a lay off policy as asked by somebody. In fact, during the lockdown there was no lay off as far as Jyothy is concerned. And we are working with people however but we are maintaining the norms of social distancing, sanitizing and hand washing and all of the details we have given to our employees both in the factory as well as in the field and there is no lay off has happened during the COVID time.

As far as acquisition is concerned at this point in time we have to conserve our cash and till normal situation it will be hard for doing any acquisition and but like, any other progressive company we are all looking for we'll be talking but any decision will be only possible. during this time of uncertainty, best is to stay with the cash.

**Ullas Kamath**

As far as disruptions that concern, there were disruptions in the early days on the last week of March when lockdown happened. But soon post April 10<sup>th</sup>, 11<sup>th</sup>, 12<sup>th</sup> our normalcy settled, because our products are coming in that essential category and we were able to get government permission, e-passes and things like that.

So, we started our production as early as 13<sup>th</sup>-14<sup>th</sup> in April we started, our production in Guwahati at this point in time production at all our twenty six factories plus the new one started in Pithampur, so twenty seven factories are working perfectly and completely fine and almost near capacity utilisation.

One more thing which we did, which we would like to share with the shareholders, that our CFO released the payment of all the small vendors during the COVID time despite there was 35 credit period was there. But we released the payment on 25<sup>th</sup> of March and before 31<sup>st</sup> of March to all our small vendors, to help them to pay their wages, their contractors, so that they have the ease of doing business. So that is a good thing which we did and I want to recognize that.

As far as the Margo is concerned as questions asked by our shareholders, we have already done extension to Margo Face wash, we have done that to hand wash and also Margo hand sanitizer. so the details are available in the Annual Report. But the new launches are there on our website, and I would like to request all our shareholders to please visit our new website, It is beautiful. It gives you all the details and probably be able to connect much better through the website. Any questions you have, at any point in time, you don't have to wait till AGM any questions anytime please talk to us and we'll be more than happy to answer your queries. I don't have to wait for that till the AGM.

And, Impact of COVID because we are completely technology driven as far as Sales is concerned. The last month sale is also done, the auto booking is also done, on through our mobile phones, smart phones and in entirety you

**Ullas Kamath**

Company is equipped and managing any kind of crisis through technology. Added to that, E-commerce sales during the pandemic has become must again, continuing with E-commerce strategies, going forward, regarding the roadmap for the coming year.

At this point in time, We are taking 2020-21 year as a, as a month at a time, quarter at a time, because everything is unspecific and everything is new and everything is uncertain.

So at this point in time, we just want to give our best for 2020-21 and post that your company will have a long term plan.

But because of the COVID or some of the changes will be operating in that, and the clear doormat twenty one to thirty six we will be doing it after closing of 31<sup>st</sup> March 2021. But we do have our mission, We want to be an industry and we want to be best in whatever we do. But near platform of business plan we'll share it Probably in the 2021.

Regarding the R&D, your company has a fantastic R&D, without our R&D you would have not seen Ujala, would have not seen Margo, would have not seen exo, would have not seen maxo, developments would have not seen in pril tamrind and exo ginger. This all happen because of the great talent we have at the same time because of the continuous effort we keep building our R&D, but we do not need any higher capex as you wanted to know.

The indoor need of higher capex is in and here and there additional staff, additional equipments, instruments we are taking it, but that might be our expenditure.

Investments somebody wanted to know where was the investments used as on March 31. Investments were utilized to pay the debts and also to pay the dividends and whatever you see the cash it has been utilized to pay towards the debt and towards the dividend also as of the 31<sup>st</sup> March 2020.

Goodwill regarding the goodwill, it pays to Henkel acquisition, which is not required to be amortised and goodwill is far more than what we got from Henkel acquisition. In other words that we have created an asset, and it has

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**Ullas Kamath**

gone through the validation by our Auditors.

And it is a collective decision, not for auditors but also management team with the board of directors. So, we have not amortised that and we have kept goodwill as an asset and that is acceptable by your company side as well.

So, this is what I'm more or less. Okay. One question is just now come in chat. Why is the profit for the financial year 2019-20 is less.

It is just because, if you see till December we are up by about four percent, in our profit. It is the last quarter, in the last quarter, So, in the last ten days, we lost about one fifty crore of sales and that one fifty crore of sales, I've been able to take that, as what, sixteen percent, that is what the losses we incurred. So that there is a reduction of profit in March quarter, and that has entered into reduction the profitability for the entire 2019-20.

And if you see the first quarter of 2020-21 post we declared our result, we are already made up a part of it. And I will assure that going forward.

We will do whatever is required to get back to our profitability, which we have shown in the first quarter and we will be able to deliver the exact numbers in the coming quarters as well.

Dividends are fully taxable in our hands, hence why should the Company declare dividends unless it becomes zero debt. Okay a dividend policy is Such, the company has a policy at this point in time, as I mentioned, and a taxation, the individual has, has nothing to do with the dividend policy which the Company has. However, we will take your feedback and the Board will take the appropriate decision as and when it deems fit. I need to support our stakeholders.

New product launches? There are many in coming quarters! I may need not disclose because of the competitive scenario.

So your company is equipped with that with the product new launches and in the coming quarters you will come to know about it and with that I, thank each one of you for having spared your valuable time. And I hope next AGM

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**Ullas Kamath**

will be personal AGM at place where we can meet each one of you. Thank you very much for your questions and blesses and wishes. Thank you very much.

**Shreyas Trivedi**

Thank you Sir.

I wish to inform you that pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, your Company had provided remote e-voting facility to its shareholders to cast their votes on the resolutions as set out in the Notice dated June 5, 2020 convening the 29th AGM of your Company. The remote e-voting facility was available during the period from Tuesday, August 4, 2020 at 9:00 a.m. to Thursday, August 6, 2020 till 5:00 p.m.

Since the meeting is held through VC/ OAVM, your Company has also availed the Facility from CDSL for e-voting at the time of the AGM. Hence, members attending this AGM who have not voted on the resolutions through remote e-voting are having an option to vote on the resolutions by availing the facility of e-voting available now. Please note that the facility for e-voting is open now and the members can avail this facility of e-voting process only till 15 minutes from the conclusion of this AGM and thereafter the link will be disabled automatically.

Those shareholders who have already exercised their vote through the mode of remote e-voting are requested not to cast their vote again through e-voting.

Your Company has appointed Mr. Himanshu S. Kamdar, Practising Company Secretary (Membership No. FCS 5171), Partner, M/s. Rathi & Associates as the Scrutinizer for the remote e-voting and e-voting process at

**Shreyas Trivedi**

the time of AGM in a fair and transparent manner.

The results of the votes cast through remote e-voting and e-voting at the AGM will be uploaded on the website of your Company within 48 hours of the conclusion of this meeting. There being no other business, I now declare the meeting as closed.

On behalf of all the Shareholders of the Company, I propose vote of thanks to the Chair. Finally, thanks to all the Shareholders for attending this 29th AGM of your Company through Video Conferencing/ Other Audio Visual Means.

Thank you. Thank you all.