

STRONGER THAN EVER

ANNUAL REPORT 2022-23

40 YEARS



What lies inside...

CORPORATE OVERVIEW

- 02 40 years of building a brand
- 04 40 years of bringing differentiation
- 06 40 years of partnering people growth
- 08 40 years of driving value creation
- 10 Testimonials
- 14 How we performed in FY 2022-23
- 22 Message from Chairman Emeritus
- 24 Message from Chairman
- 26 Message from Managing Director
- 30 Stronger across our Capitals
- 32 Stronger... to create greater value
- 34 Getting stronger financially
- 38 Through innovation & automation
- 40 By deepening consumer insights & reach
- 42 By building brand equity
- 46 Environment, Social and Governance Report
- 56 Our Board of Directors
- 58 Awards & Accolades

STATUTORY REPORTS

- 60 Management Discussion and Analysis Report
- 74 Corporate Information
- 75 Directors' Report
- 102 Business Responsibility & Sustainability Report
- 132 Report on Corporate Governance

FINANCIAL STATEMENTS

- 154 Standalone
- 224 Consolidated

What being 40 means for us!



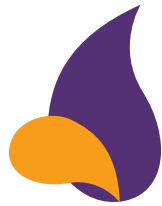
It means being more connected
to our roots.

It means being more responsive
to consumer aspirations.

It means being more adaptive
to new-age technology.

It means being more inclusive
in value creation.

It means being more Indian
**as we partner with India
in its journey of
'Atmanirbharta'.**



40 years of building a brand

It started 40 years ago, as one man's dream and his vision to better the lives of Indians.

Today, Jyothy Labs stands tall on India's business landscape as a multi-product fast-moving consumer goods (FMCG) company with a consolidated revenue of ₹2,486 Crore in FY 2022-23.

From a small business, manufacturing and selling a single product from a shed in Thrissur in Kerala in 1983, the Company has grown into a pan-India multi-brand business with 23 manufacturing units.

The 40-year journey of Jyothy Labs' growth and evolution was not an easy one. It was a story of building resolute trust while moving forward with grit in the face of multiple challenges. A story built on the vision of its founder, Mr. M. P. Ramachandran, and driven by his unwavering focus on innovation and quality.

From its first advertisement carried in a regional newspaper to being covered as a success story on the front page of a leading national newspaper, and then onwards to becoming a national household name - Jyothy Labs has come a long way in its brand evolution.

But there's a long way still to go. The philosophy that has steered the journey of the Company's evolution so far remains the cornerstone of its future growth strategy, and the beacon that will lead it towards newer and bigger horizons of success. It continues to steer the journey of Jyothy Labs with differentiated and innovative appeal, as a brand that resonates with the evolving aspirations of new India. A brand that fulfils with the untapped demand in the market by creating new categories of products. A brand that, at 40, is as young as the youth powering India's growth into a progressive self-sustaining nation that can lead the world into a new, more glorious age.





40 years of bringing differentiation

Understanding consumer needs, connecting with their aspirations, and delivering to their expectations comes easily to the teams at Jyothy Labs. The legacy of 40 years of bonding with consumers continues to drive the Company's insights into their evolving desires. Further, its robust feet-on-street teams share strong relations with the customers, enabling Jyothy Labs to leverage their insights to develop products that meet consumer needs.

Its differentiated product and distribution strategy has enabled Jyothy Labs to stand apart, as a brand of distinction. At the heart of this approach is the Company's robust infrastructure, and the strong quality focus that is embedded in the organisational fabric as an uncompromising facet of its business. It is manifested in the organisation's ability to listen to the consumers, then translate the insights into exemplary solutions, and use the same to add value to every product that is part of the Jyothy Labs' portfolio.

At Jyothy Labs, it has always been about making a positive difference in consumer lives. It is about what the consumers really want and seek that X-factor which will distinguish the Company's products from others in the market.

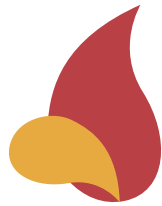
Our differentiated proposition has been manifested, through the years, in the uniqueness of our various products. Ujala detergent Instant Dirt Dissolver for instance, was envisaged that does not just wash clothes but emulsifies the dirt and loosens it before dissolving it in water. From introducing a liquid fabric whitener to developing a Dish Wash Bar in a round pack container for monthly usage, the Company delivered something unique and different.

Our efforts have been consistently centred around creating new categories for various consumer segment. We focus on going beyond the market understanding to develop new product features that are useful to consumers. Our pioneering product USPs, such as antibacterial properties of soaps, detergents, dishwashers etc., are aligned with this focus.



They are in tandem with our efforts to ensure that our products are safe, eco-friendly, and designed to enhance the consumer experience.

Our high-quality in-house manufacturing ensures first-time-right products, leading to minimum returns and rejections, and enabling sustained consumer trust in the organisation. Automation and lean engineering are continuously strengthening our manufacturing capabilities. End-to-end services, coupled with last-mile distribution network, further give an edge to the Company, making it the preferred choice of consumers around the Country. With its extensive local knowledge, our sales force ensures easy access to our superior products across the country. This enables us to help our growing consumer base to experience the power of Jyothy Labs' differentiation.



40 years of partnering people growth

An organisation is an organism of the people. This is the overarching people philosophy that has driven the business strategy at Jyothy Labs over the past four decades. The Company believes that an employee who is consistently treated well will go beyond his / her capabilities to deliver exceptional output and drive excellent outcomes.

The Human Resource (HR) strategy at Jyothy Labs has been steered all these years by a staunch focus on people growth and development. The organisation is embedded with an employee-centric culture, with people being an integral part of the Company's business approach. Its people culture is built around the strong values that bind a family in an environment of professionalism. It is centred around the philosophy of passion, teamwork, mutual respect and empowerment – key ingredients of the Company's sustainable growth.

That is the kind of people orientation that is rooted in the organisation's culture, in keeping with its overall value system. Timely salary disbursement and payments, legal compliances are at the core of the HR ideology at Jyothy Labs, which is considered an employee-friendly company and a choice destination for employees across levels and functions. The work environment here promotes a spirit of ownership and entrepreneurship. This leads to an overall positivity which fosters people efficiency, teamwork and performance.

Jyothy Labs started providing a Provident Fund (PF) cover to its employees when it had a staff of just five, and was excluded from the mandatory requirement of having an employee PF policy – thus providing an insurance cover scheme for its employees to secure their post-retirement future when such welfare measures were not even considered as an option by most corporates.

We consciously provide jobs to young people who are truly looking for an opportunity that could transform their future. Through this journey of 40 years, we have valued people and ensured that we support them by providing the right professional and career growth



opportunities well before the term employee engagement was coined. Moving with the times, our teams have been trained and empowered with technology and the right digital tools.

We strongly believe that without passion, commitment, hard work and dedication of our people, Jyothy Labs would not have become one of the leading industry leader it is today. What we are is because of our people, and we remain committed to their betterment, in line with our vision of the past 40 years.



40 years of driving value creation

Progress is real only when shared, as encapsulated in the vision of Jyothy Labs. Since its listing on the stock exchanges in 2007, there has not been a single year of no dividend for the shareholders of the Company including COVID-19 pandemic period.

Keeping shareholders, and in fact all the stakeholders, satisfied and happy is a key driver of the growth strategy at Jyothy Labs. The focus here is on steering holistic value creation, that leaves no stakeholder out of the ambit of the Company's growth benefits and profits.

Jyothy Labs has always invested in sustained, long-term value creation for all its stakeholders. Even before it was listed on NSE and BSE, it had consistently aligned its strategic approach to the belief that a company that carries its stakeholders along on its growth trajectory grows faster.

Our agile and lean organisational structure helps in faster flow of information and quick decision-making. This enables quick access to consumer insight and turnaround, which, in turn, lends us the first and fast mover advantage. This helps our products capture market share in existing and new markets. The result – consistent growth and stakeholder value creation.

Our value creation focus is not limited to our stakeholders but extends to the Nation at large. Jyothy Labs is always pro Country development. We are also supporting the Country's growth by employing rural families, especially women, in our facilities and sales force.