

DIRECTORS' REPORT

To,
The Members,

It is our pleasure to present the 25th Annual Report of your Company together with the Audited Financial Statements for the financial year ended March 31, 2016.

FINANCIAL PERFORMANCE

Your Company's financial performance for the financial year ended March 31, 2016 compared with previous financial year is summarised below:

| | (₹ in Crore) | |
|---|--|--|
| Financial results | Financial Year ended March 31, 2016 | Financial Year ended March 31, 2015 |
| Net Sales | 1,573.51 | 1,428.27 |
| Other Income | 11.38 | 16.25 |
| Earnings before interest, tax, depreciation, amortization and impairment | 227.19 | 172.25 |
| Interest & Finance Charges/(Income) Net | (42.16) | (47.13) |
| Depreciation, Amortization and Impairment- Tangibles | 22.48 | 24.27 |
| Depreciation and Amortization- Intangibles | 45.46 | 46.10 |
| Exceptional Item | - | 2.09 |
| Profit before tax | 201.41 | 146.92 |
| Provision for tax | | |
| - Current tax- (MAT) | 43.12 | 30.75 |
| - MAT Credit entitlement | (28.60) | (30.75) |
| - Excess tax provision/ MAT credit reversal of earlier years | - | 4.13 |
| - Deferred Tax change | 24.53 | - |
| Profit after tax | 162.36 | 142.79 |
| Balance as per last Balance Sheet | | |
| - Brought forward | 21.09 | 22.28 |
| Balance available for appropriations | 183.45 | 165.07 |
| Appropriations: | | |
| Dividend Paid (Interim) | 72.45 | - |
| Corporate Dividend Tax on Interim Dividend | 14.75 | - |
| Proposed Dividend (Final) | 18.11 | 72.41 |
| Corporate Dividend Tax on proposed dividend | 3.69 | 14.74 |
| Depreciation as per Schedule II of Companies Act, 2013 | - | 3.11 |
| Transfer to General Reserve | - | - |
| Transfer to Debenture Redemption Reserve | 45.60 | 53.72 |
| Balance Carried Forward (Profit and Loss Account) | 28.86 | 21.09 |
| Earning Per Share (Basic) (In ₹) | 8.97 | 7.89 |
| Earning Per Share (Diluted) (In ₹) | 8.84 | 7.83 |
| Dividend Per Share of face value of ₹ 1/- (In ₹) | 5.00 | 4.00 |

PERFORMANCE HIGHLIGHTS

The gross sales (including Excise Duty) from operations on standalone basis of your Company for the financial year 2015-16 grew by 10.25% and stood at ₹ 1,632.88 Crore compared to ₹ 1,481.14 Crore in the previous financial year. The profit before tax was at ₹ 201.41 Crore as against ₹ 146.92 Crore in the previous financial year, registering a growth of 37.08%. The net profit for the financial year 2015-16 amounted to ₹ 162.36 Crore compared to ₹ 142.79 Crore in the previous financial year.

The consolidated gross sales (including Excise Duty) from operations of your Company for the year under review stood at ₹ 1,660.85 Crore as against ₹ 1,515.97 Crore in the previous financial year, reporting a growth of 9.56%. The consolidated profit before tax was at ₹ 197.26 Crore registering a growth of 55.79% over the consolidated profit before tax of the previous financial year. The consolidated profit after tax at ₹ 157.96 Crore reflected a growth of 30.42% against profit after tax of the previous financial year.

DIVIDEND

The Board has enhanced the total dividend (Interim and Final) to ₹ 5/- (Rupees Five) per Equity Share of ₹ 1/- each for the financial year 2015-16 as against ₹ 4/- (Rupees Four) per Equity share ₹ 1/- each paid in the previous financial year.

The Board is pleased to recommend a Final Dividend of ₹ 1/- (Rupee One) per Equity Share (@ 100% of face Value of Equity Share of ₹ 1/- each) for the financial year ended March 31, 2016. The Final Dividend payout of ₹ 21.80 Crore (inclusive of tax of ₹ 3.69 Crore) is subject to the approval of Members at the ensuing Annual General Meeting of your Company. Further, your Company paid in March 2016, an interim dividend of ₹ 4/- (Rupees Four) per Equity Share (@ 400% of face value of Equity Share of ₹ 1/- each) amounting to ₹ 87.20 Crore (inclusive of tax of ₹ 14.75 Crore).

TRANSFER TO RESERVES

Your Company transferred a sum of ₹ 45.60 Crore (₹ 53.72 Crore in the previous financial year) to the Debenture Redemption Reserve during the year under review.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of your Company are prepared in accordance with the relevant Accounting Standards viz., AS-21 issued by the Institute of Chartered Accountants of India and forms integral part of the Annual Report.

PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES/ JOINT VENTURES

A report on the performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies as per the Companies Act, 2013 is attached as Annexure to this report and hence not repeated here for the sake of brevity. Policy for determining material subsidiaries formulated and adopted by your Company can be accessed from your Company's website at the link: http://www.jyothylaboratories.com/admin/docs/PMS_JLL_Website.pdf

During the year under review, Associated Industries Consumer Products Private Limited - AICPPL (Wholly Owned Subsidiary of

your Company) amalgamated with Jyothy Consumer Products Marketing Limited - JCPML (Step down subsidiary of your Company i.e. Wholly Owned Subsidiary of AICPPL) pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated July 3, 2015 which came into effect on August 6, 2015 and as a result, JCPML which was a step down subsidiary became direct subsidiary of your Company.

Except as mentioned above, no company has become or ceased to be its subsidiary, joint venture or associate company during the financial year 2015-16.

AMALGAMATION OF SUBSIDIARY

The Board of Directors at its meeting held on May 23, 2016 approved the proposal of Amalgamation of its wholly owned subsidiary viz., Jyothy Consumer Products Marketing Limited with your Company. The Appointed Date for the said Amalgamation is fixed as April 1, 2016.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, in relation to the Audited Financial Statements of your Company for the financial year ended March 31, 2016, the Board of Directors hereby confirms that:

- In the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed and there were no material departures from the same;
- your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2016 and of the profit of your Company for the year ended on that date;
- your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- your Directors have prepared annual accounts of your Company on a going concern basis;
- your Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively; and
- your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

In terms of the provisions of Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis Report is attached and forms an integral part of this Report.

ISSUE OF SHARES

a) Issue of Equity Shares with differential rights

During the year under review and to date, your Company has not issued any shares with differential rights, hence no information prescribed under provisions of Section 43(a)(ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital & Debentures) Rules, 2014 has been furnished.

b) Issue of Sweat Equity Shares

During the year under review and to date, your Company has not issued any sweat equity shares. Hence no information as per the provisions of Section 54(1)(d) of the Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital & Debentures) Rules, 2014 is furnished.

c) Issue of Employee Stock Option

During the year under review, your Company in terms of the provisions of Section 62(1)(b) read with Section 39 of the Companies Act, 2013 has issued and allotted 96,184 (Ninety Six Thousand One Hundred and Eighty Four) Equity Shares of ₹ 1/- each to its employees on exercise of options granted under "Jyothy Laboratories Employees Stock Option Scheme 2014" (ESOS 2014) approved by the Shareholders of your Company at the 23rd Annual General Meeting held on August 13, 2014.

After the issue of aforesaid 96,184 Equity Shares, the Paid up Equity Share Capital of your Company stands increased to ₹ 18,11,19,680 consisting of ₹ 18,11,19,680 Equity Shares of ₹ 1/- each fully paid-up.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) together with the Certificate received from your Company's Statutory Auditors confirming compliance of Corporate Governance requirements is attached and forms an integral part of this report.

RELATED PARTY TRANSACTIONS

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is appended as Annexure to this Report. During the year, your Company had entered into contract/ arrangement/ transaction with related parties which were on arm's length basis and none of which could be considered as material in accordance with the policy of your Company on Materiality of Related Party Transactions. Further none of the contract/ arrangement/ transaction with related parties required approval of Shareholders as the same were within the limits prescribed under Section 188(1) of the Companies Act, 2013 and Rules framed thereunder.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed from your Company's website at the link: http://www.jyothy laboratories.com/admin/docs/RPT_JLL_Website.pdf

Attention of Members is also drawn to Note No. 31 to the financial statements for the financial year ended March 31, 2016 which sets out the related party disclosures as per AS-18.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has been a firm believer that each and every individual including an artificial person owe something to the society at large. Mr. M. P. Ramachandran, Chairman & Managing Director of your Company even before the inception of Corporate Social Responsibility under the Companies Act, 2013, has been involved in charitable and social activities in his individual capacity.

Your Company has undertaken projects in the area of rural development and sanitation as part of its CSR initiative. These projects were in accordance with Schedule VII of the Companies Act, 2013 and the CSR Policy framed by your Company. The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as annexure and forms an integral part of this report.

Details about the CSR Policy adopted and formulated by your Company can be accessed from your Company's website at the link: http://www.jyothy laboratories.com/admin/docs/JLL_CSR%20Policy_Website.pdf

Your Company was required to spend ₹ 1.95 Crore (2% of the average net profits of last three financial years) on CSR activities during the financial year 2015-16. Accordingly, your Company spent ₹ 1.89 Crore on CSR activities during the year 2015-16 and an amount of ₹ 0.06 Crore stands committed towards housing in Adivasi Area of Trichur District and the aforesaid projects being construction projects have a timeline. The balance amount of expenditure stands committed and will be spent in the current financial year.

MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in this report, no material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year 2015-16 and date of this report.

INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls adopted and followed by your Company are adequate and are operating effectively. Your Company has adopted a dynamic Internal Financial Controls framework formulated by Ernst & Young, LLP based on the best practices followed in the industry. Under the said framework, Risk and Control Matrix are defined for the following process(es):-

1. Fixed Assets;
2. Financial Statement Closing Process;
3. Information Technology;
4. Inventory Management;
5. Marketing and Advertising;
6. Order to Cash;
7. Payroll;
8. Production Process;
9. Purchase to Pay;
10. Taxation;
11. Treasury.

During the year under review, no material or serious observations have been received from the Internal Auditors of your Company regarding inefficiency or inadequacy of such controls.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of your Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by any Regulator/ Court that would impact the going concern status of your Company and its future operations.

REMUNERATION/ COMMISSION FROM ANY OF ITS SUBSIDIARIES

During the year under review, neither the Managing Director nor the Whole Time Directors of your Company receive any remuneration or commission from any of its Subsidiaries.

Disclosure as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are appended as below:

| | Jyothy Laboratories Employee Stock Option Scheme 2014-A ("ESOS 2014-A") | Jyothy Laboratories Employee Stock Option Scheme 2014 ("ESOS 2014") |
|--|--|---|
| 1 Date of Shareholders' approval | August 13, 2014 | August 13, 2014 |
| 2 Total number of options approved under ESOS | 27,15,352 | 27,15,352 |
| 3 Vesting Requirements | Options granted under ESOS 2014-A would Vest after One year but not later than four years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters. | Options granted under ESOS 2014 would Vest after One year but not later than four years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters |
| 4 Exercise price or pricing formula | ₹1 per option | ₹1 per option |
| 5 Maximum term of options granted | 5 years | 5 years |
| 6 Source of shares | Primary | Primary |
| 7 Variation in terms of option | No variation in the terms of option | No variation in the terms of the option |
| 8 Method of Option Valuation | Intrinsic Value | Intrinsic Value |
| 9 Option Movement during the year | | |
| Number of Options outstanding at the beginning of the period | 27,15,352 | 4,84,958 |
| Number of options granted during the year | - | - |
| Number of options forfeited/ lapsed during the year | 4,52,558 | 87,970 |
| Number of options vested during the year | - | 96,184 |
| Number of options exercised during the year | - | 96,184 |
| Number of shares arising as a result of exercise of options | - | 96,184 |

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees and Investments as prescribed under Section 186 of the Companies Act, 2013 are appended as Annexure and forms integral part of this report.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

Your Company has adopted Jyothy Laboratories Employee Stock Option Scheme 2014-A ("ESOS 2014-A") for granting of options to Mr. S. Raghunandan, Whole Time Director and Chief Executive Officer of your Company and Jyothy Laboratories Employee Stock Option Scheme 2014 ("ESOS 2014") for granting of options to other eligible employees of your Company approved by the Members of your Company at the 23rd Annual General Meeting held on August 13, 2014.

| | Jyothy Laboratories Employee Stock Option Scheme 2014-A ("ESOS 2014-A") | Jyothy Laboratories Employee Stock Option Scheme 2014 ("ESOS 2014") |
|---|--|--|
| Money realized by exercise of options (Amount in ₹) | - | 96,184 |
| Loan repaid by the Trust during the year from exercise price received | N.A. | N.A. |
| Number of Options outstanding at the end of the year | 22,62,794 | 3,00,804 |
| Number of options exercisable at the end of the year | 22,62,794 | 3,00,804 |

10 Employee Wise details of Options Granted
i. Senior Managerial Personnel

| Name | Designation | Options Granted during the Year | Exercise Price |
|-------------|--------------------|--|-----------------------|
| None | - | - | - |

ii. any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year; and

| Name | Designation | Options Granted during the Year | Exercise Price |
|-------------|--------------------|--|-----------------------|
| None | - | - | - |

iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital(excluding outstanding warrants and conversations) of the company at the time of grant.

| Name | Designation | Options Granted during the Year | Exercise Price |
|--------------------|--|--|-----------------------|
| Mr. S. Raghunandan | Whole Time Director & Chief Executive Officer* | 27,15,352 [#] | ₹ 1/- per Option |

* Ceased to be Whole Time Director and Chief Executive Officer of your Company and re-designated as President of your Company w.e.f. May 23, 2016.

Granted during the financial year 2014-15.

Note: Other details as required under Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular bearing number CIR/CFD/POLICY CELL/2/ 2015 DATED June 16, 2015 form part of the Notes to Accounts of the Financial Statements in this Annual Report

Further the aforesaid details are also available on your Company's website at the link: http://www.jyothylaboratories.com/admin/docs/ESOP_Reg.%2014.pdf

The certificate from the Statutory Auditors in respect of implementation of Jyothy Laboratories Employee Stock Option Scheme 2014-A ("ESOS 2014-A"), Jyothy Laboratories Employee Stock Option Scheme 2014 ("ESOS 2014") and the resolution passed by the Members at the 23rd Annual General Meeting of your Company held on August 13, 2014, shall be placed at the ensuing Annual General Meeting for inspection by Members.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Article 140 of the Articles of Association of your Company, Mr. K. Ullas Kamath, Joint Managing Director and Chief Financial Officer of your Company retires by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

The Board at its meeting held on May 23, 2016 approved appointment of Mr. M. P. Ramachandran as the Chairman and Managing Director of your Company for a term of five years with effect from August 22, 2016 to August 21, 2021 subject to the approval of Shareholders by passing a Special Resolution at the ensuing Annual General Meeting on the terms and conditions specified in the Special Resolution set out at Item No. 6 of the notice convening 25th Annual General Meeting of your Company.

The Board at its meeting held on May 23, 2016 also accepted the resignation of Mr. S. Raghunandan, Whole Time Director and Chief Executive Officer of your Company. Mr. S. Raghunandan has been re-designated as the President of your Company. The Board placed on record, its appreciation for the services rendered by Mr. S. Raghunandan during his tenure as Whole Time Director and Chief Executive Officer. The Board Members also took note of relinquishment of Mr. M. L. Bansal, Company Secretary of your Company. In the same Board Meeting, Mr. Shreyas Trivedi was appointed as the Company Secretary, Compliance Officer and a Key Managerial Personnel in accordance with Section 203 of the Companies Act, 2013.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

During the financial year 2015-16, there was no change in Key Managerial Personnel of your Company.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the Policy framed for appointment of the Directors including criteria for determining qualifications, positive attributes, independence etc are as under:

(I) Selection

In case of Executive Directors and Key Managerial Personnel, the selection can be made either by recruitment from outside or from within your Company hierarchy or upon recommendation by the Chairman or other Directors. The appointment may be made either to fill up a vacancy caused by retirement, resignation, death or removal of an existing Executive Director or it may be a fresh appointment.

In case of Non-Executive Directors, the selection can be made either by way of selection from the data bank of

Independent Directors maintained by the Government or upon recommendation by Chairman or other Directors. The appointment may be made either to fill up a vacancy caused by resignation, death or removal of an existing Non-Executive Director or it may be an appointment as an additional director or an alternate director.

(II) Qualifications, Experience And Positive Attributes

- a) While appointing a Director, it shall always be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to your Company's business.
- b) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualifications and experience as are considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then, while recommending the appointment, the Human Resource Department shall provide the job description to the Committee and justify that the qualifications, experience and expertise of the recommended candidate are satisfactory for the relevant appointment. In such circumstances, the Committee may call for an expert opinion on the appropriateness of the qualifications and experience of the candidate for the position of the Executive Director.
- c) In case of appointment as a Non-Executive Director, the candidate must have a postgraduate degree, diploma or a professional qualification in the field of his practice/ profession/ service and shall have not less than five years of working experience in such field as a professional in practice, advisor, consultant or as an employee. Provided that the Board may waive the requirements of qualification and/ or experience under this paragraph for a deserving candidate.
- d) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and open mind.

(III) Board Diversity And Independence

While making appointment of directors, following principles shall be observed by the Board, as far as practicable:

- a) There shall be a proper mix of Executive and Non-Executive Directors and Independent and Non-Independent Directors on the Board. Your Company must always be in compliance of the provisions of Section 149 of the Companies Act, 2013 and Clause 17 of the Listing Regulations, as amended from time to time, in this regard.

- b) There shall be a workable mix of directors drawn from various disciplines, like technical, finance, commercial, legal etc. The Board shall not at any time be entirely comprised of persons drawn from one discipline or field.
- c) While appointing a director to fill in a casual vacancy caused by death, resignation etc. of a director, an effort shall be made, as far as possible, to appoint such a person in his place who has the relevant experience in the fields or disciplines in which the outgoing director had the experience or the person with relevant experience in the fields or disciplines which are not represented in the Board as requisite to business of your Company.
- d) No preference on the basis of gender, religion or caste shall be given while considering the appointment of directors.
- e) Generally, an effort shall be made to maintain the Board diversity by appointment of persons from diverse disciplines (relevant to the Company's business), of different age groups and of both the genders (male as well as female) as Directors.
- f) While appointing Independent Directors, the criteria for the Independent Directors, as laid down in Section 149 (6) of the Companies Act, 2013 and Listing Regulations are followed.

REMUNERATION POLICY

Your Company follows the Policy on Remuneration of Directors and Senior Management Employees as approved by the Nomination, Remuneration and Compensation Committee and the Board. A detailed report on the same is given in the Corporate Governance Report.

PERFORMANCE EVALUATION

In accordance with the Companies Act, 2013 and Regulation 4(2)(f) of the Listing Regulations, your Company has framed a Policy for Evaluation of Performance of Independent Directors, Board, Committees and other Individual Directors which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors. A questionnaire is formulated for evaluation of performance of the Board after taking into consideration several aspects such as board composition, strategic orientation, board functioning and team dynamics.

Performance evaluation of Independent Directors was conducted by the Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination, Remuneration and Compensation Committee include ethics and values, knowledge and proficiency, diligence, behavioral traits and efforts for personal development. Similarly, performance evaluation of the Chairman and Non Independent Directors was carried out by the Independent Directors. Your Directors also expressed their satisfaction with the evaluation process.

TRAINING OF INDEPENDENT DIRECTORS

All Independent Directors are familiarized with your Company, their roles, rights and responsibilities in your Company, nature of the industry in which your Company operates, business model, strategy, operations and functions of your Company through its Executive Directors and Senior Managerial personnel. The details of programs for familiarization of Independent Directors with your Company are available on the website of your Company at the link:

<http://www.jyothylaboratories.com/admin/docs/Familiarisation%20Programme%20JLL.PDF>

MEETING OF INDEPENDENT DIRECTORS

Your Company's Independent Directors meet at least once in every financial year without the presence of Executive Director or Management Personnel and the meeting is conducted informally. During the year under review, one meeting of Independent Directors was held on May 25, 2015.

BOARD MEETINGS

The Board of Directors met 6 times during the financial year ended 31st March, 2016 in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are provided in the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee of your Company consists of majority of Independent Directors and the detailed composition is provided in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company has a Vigil Mechanism in place which also includes a Whistle Blower Policy in terms of the Listing Regulations for Directors and employees of your Company to provide a mechanism which ensures adequate safeguards to Employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc.

The Vigil Mechanism/ Whistle Blower Policy of your Company can be accessed from your Company's website at the link:

http://www.jyothylaboratories.com/admin/docs/JLL_Vigil%20Mechanism%20Policy_amended_Final_28012016.pdf

The employees of your Company have the right/ option to report their concern/ grievance to the Chairman of the Audit Committee. During the year under review, no protected disclosure from any Whistle Blower was received by the designated officer under the Vigil Mechanism.

RISK MANAGEMENT

The Board of Directors of your Company has designed a Risk Management Policy in a structured manner taking into consideration the following factors and the same is monitored on a periodic basis by the Executive Directors of your Company.

1. The Management Approach;
2. JLL's Vision & Mission;
3. Key Business Goals;
4. Risk Library;
5. Risk Management Focus.

Also, the Management has adopted the following 5 step approach keeping in view your Company's Vision and Mission:

- Identifying 'Key' Business goals;
- Identifying the Risk Management focus;
- Identifying Business risks;
- Prioritizing the identified business risks;
- Rating the current risk management capability for identified risks.

Further your Company had identified Key Business Goals for a five year horizon and a library of risk events which could be bottleneck in achieving the same. After defining the key business goals and the library of risk events, your Company identified the goals on which the management would focus.

INTERNAL CONTROL SYSTEMS

Your Company has adequate internal control systems and procedures in place for effective and smooth conduct of business and to meet exigencies of operation and growth. Your Company has set up Standard Operating Process (SOP), procedures and controls apart from regular Internal Audits. Roles and responsibilities have been laid down. Management Information System has been established which ensure that adequate and accurate information is available for reporting and decision making.

Internal Audit is conducted by independent firm of auditors. Internal Auditors regularly check the adequacy of the system, their observations are reviewed by the management and remedial measures, as necessary, are taken. Internal Auditors report directly to the Chairman of the Audit Committee to maintain its objectivity and independence.

Your Company has also in place a 'Compliance Tool' designed and implemented by Ernst & Young, LLP which ensures compliance with the provisions of all applicable laws to your Company adequately and efficiently.

AUDITORS & AUDIT REPORTS

Statutory Audit

M/s SRBC & Co LLP, Chartered Accountants (ICAI Registration No. 324982E/ E300003), were appointed by the members of your Company at the 23rd Annual General Meeting (AGM) held on August 13, 2014 for a period of three years i.e. for the financial years 2014-15, 2015-16 and 2016-17 subject to annual ratification by the Shareholders in the AGMs to be held for Financial year 2015-16 and 2016-17.

Members are requested to ratify the appointment of M/s SRBC & Co LLP, Chartered Accountants as Statutory Auditors from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting in 2017 and to authorize the Board to fix their remuneration for the year 2016-17.

The Notes on financial statement referred to in the Auditors' Report are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Audit

As per section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audits) Rules, 2014, as amended, the Board of Directors of your Company on recommendation of the Audit Committee, appointed M/s R. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No. 000010) as the Cost Auditors to carry out the cost audit of its products covered under the Ministry of Corporate Affairs Order dated June 30, 2014 (as amended on December 31, 2014) for the financial year 2016-17. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee and the requisite resolution for ratification of remuneration of Cost Auditors by the members has been set out in the Notice of the 25th Annual General Meeting of your Company.

The appointment of M/s R. Nanabhoy & Co., Cost Accountants, Mumbai is within the prescribed limits of Companies Act, 2013 and free from any disqualifications specified thereunder. Your Company is in receipt of the Certificate from the Cost Auditors confirming their independence and relationship on arm's length basis.

Secretarial Audit

In terms of Section 204 of the Companies Act, 2013, the Board had appointed M/s Rathi & Associates, Company Secretaries, Mumbai to carry out Secretarial Audit for the financial year 2015-16. The report of the Secretarial Auditor is appended as annexure to this report. The report does not contain any qualification, reservation or adverse remark.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of any fraud reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013.

TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205C of the Companies Act, 1956, the dividend/ interest/ refund of applications which remained unclaimed/ unpaid for a period of seven years from the date of transfer to unpaid dividend/ interest/ refund account was required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and no claim shall lie against the Company.

Accordingly, the unclaimed/ unpaid dividend for the year 2007-08 which remained unpaid and unclaimed for a period of 7 years has been transferred by your Company to the IEPF.

Your Company updates the details of unclaimed/ unpaid dividend on its website viz., (www.jyothylaboratories.com) and

on MCA website (www.mca.gov.in) from time to time pursuant to the provisions of IEPF (Uploading of Information Regarding Unpaid and Unclaimed Amount Lying with Companies) Rules, 2012.

Further, the unpaid dividend amount pertaining to the financial year 2008-09 will be transferred to IEPF during the Financial Year 2016-17.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is appended as annexure to this Report.

EMPLOYEE RELATIONS

Your Company has always provided a congenial atmosphere for work to all employees that is free from discrimination and harassment. Employee relations remained cordial during the year under review.

PREVENTION OF SEXUAL HARASSMENT

Your Company has framed 'Anti – Sexual Harassment Policy' at workplace and has constituted an Internal Complaints Committee (ICC) as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. No complaints with allegations of any sexual harassment were reported during the year under review.

FIXED DEPOSITS

Your Company did not accept/ renew any fixed deposits from public and no fixed deposits were outstanding or remained unclaimed as on March 31, 2016.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

With regard to the requirements of conservation of energy and technology absorption pursuant to provision of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, your Company has nothing specific to report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings and outgo are as below:

| Particulars | (₹ in Crore) | |
|---------------------------|--------------|---------|
| | 2015-16 | 2014-15 |
| Foreign exchange earnings | 12.29 | 14.39 |
| Foreign exchange outgo | 26.92 | 11.86 |

PARTICULARS OF EMPLOYEES

Particular of employees as required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2016 is given in a separate Annexure to this Report.

CAUTIONARY NOTE

Certain statements in the "Management Discussion and Analysis" section may be 'forward-looking'. Such 'forward looking' statements are subject to risks and uncertainties and therefore actual results could be different from what your Directors envisage in terms of future performance and outlook.

ACKNOWLEDGEMENT

The Board of Directors express their sincere appreciation for the contribution and commitment of the employees of your Company and for the excellent support provided by the Shareholders, customers, distributors, suppliers, bankers, media and other Stakeholders, during the financial year under review.

**For and on behalf of the Board of Directors
For Jyothy Laboratories Limited**

M. P. Ramachandran
Chairman & Managing Director
(DIN: 00553406)

Mumbai, May 23, 2016

ANNEXURE TO THE DIRECTORS' REPORT

FORM AOC - I

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES.

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Part "A" :Subsidiaries

(₹ in Lacs)

| Sr. No | Name of the Subsidiary Company | Jyothy Fabricare Services Limited | Jyothy Kallol Bangladesh Limited | Snoways Laundrers and Drycleaners Private Ltd # | Four Seasons Drycleaning Company Private Limited # | Jyothy Consumer Products Marketing Ltd |
|------------------------------------|---|-----------------------------------|----------------------------------|---|--|--|
| Country | | India | Bangladesh | India | India | India |
| Financial Year / Period | | April 1, 2015 to March 31, 2016 | April 1, 2015 to March 31, 2016 | April 1, 2015 to March 31, 2016 | April 1, 2015 to March 31, 2016 | April 1, 2015 to March 31, 2016 |
| Local Currency | | INR | BDT | INR | INR | INR |
| Exchange rate as on March 31, 2016 | | - | 1BDT = 0.82 INR | - | - | - |
| 1 | Share Capital | 2,385.00 | 801.84 | 100.00 | 220.70 | 1,491.00 |
| 2 | Reserves & Surplus | 107.64 | (114.48) | (9.45) | (442.30) | (47,274.00) |
| 3 | Total Assets | 8,482.90 | 710.86 | 97.78 | 26.83 | 2,499.43 |
| 4 | Total Liabilities | 5,990.26 | 23.50 | 7.23 | 248.43 | 48282.43 |
| 5 | Details of Investment (except investment in subsidiaries) | 1,719.73 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6 | Turnover (Net) | 3,386.63 | 766.16 | 0.00 | 193.30 | 7,146.77 |
| 7 | Profit / (Loss) before taxation | (1,405.24) | 1.17 | (0.55) | (38.72) | (3,606.15) |
| 8 | Provision for taxation | 0.00 | 2.35 | 0.00 | 0.00 | 0.00 |
| 9 | Profit / (Loss) after taxation | (1,405.24) | (1.18) | (0.55) | (38.72) | (3,606.15) |
| 10 | Proposed / Interim Dividend | Nil | Nil | Nil | Nil | Nil |
| 11 | % of shareholding | 86.37% | 75.00% | 42.32% | 86.37% | 100.00% |

Snoways Laundrers and Drycleaners Private Limited and Four Seasons Drycleaning Company Pvt. Limited are subsidiaries of Jyothy Fabricare Services Limited

Notes:

- None of the subsidiaries of the Company are yet to commence operations.
- None of the subsidiaries have been liquidated or sold during the year under review. However, during the Financial year 2015-16, Jyothy Consumer Products Marketing Limited, step down subsidiary of the Company (direct subsidiary of erstwhile Associated Industries Consumer Products Private Limited) has become direct subsidiary of the Company pursuant to amalgamation of Associated Industries Consumer Products Private Limited with Jyothy Consumer Products Marketing Limited.

ANNEXURE TO THE DIRECTORS' REPORT

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Lacs)

| Name of Joint Venture | JFSL – JLL JV (Partnership firm) |
|---|---|
| Latest audited Balance Sheet Date | March 31, 2016 |
| Shares of Associate/ Joint Ventures held by the company on the year end: | |
| 1. No. | Partnership Interest 25% |
| 2. Amount of Investment in Joint Venture | 84.75 |
| 3. Extent of Holding (%) | 25% |
| Description of how there is significant influence | Control of Business decisions under a Partnership deed. |
| Reason why the joint venture is not consolidated | N.A |
| Networth attributable to Shareholding as per latest audited Balance Sheet * | 275.69 |
| Profit / Loss for the year | |
| i. Considered in Consolidation* | (29.20) |
| ii. Not Considered in Consolidation | - |

- None of the associates or joint ventures of the Company are yet to commence operations.
- None of the associates or joint ventures of the Company have been liquidated or sold during the year under review.
- The Company does not have any associate company.

* Represents group shares in partnership firm.

For and on behalf of the Board of Directors For Jyothy Laboratories Limited

M.P. Ramachandran
 Chairman and
 Managing Director
 DIN: 00553406

K. Ullas Kamath
 Joint Managing Director
 and Chief Financial Officer
 DIN: 00506681

S. Raghunandan
 Whole Time Director and Chief
 Executive Officer
 DIN: 02263845

M.L. Bansal
 Company Secretary
 Membership No.: F2297

Place: Mumbai
 May 23, 2016

ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS OF CONTRACTS/ ARRANGEMENTS MADE WITH RELATED PARTIES

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of Contracts or arrangements or transactions not at arm's length basis:

| | | |
|-----|---|-----|
| (a) | Name(s) of the related party and nature of relationship | |
| (b) | Nature of contracts / arrangements / transactions | |
| (c) | Duration of the contracts / arrangements / transactions | |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | |
| (e) | Justification for entering into such contracts or arrangements or transactions | NIL |
| (f) | Date(s) of approval by the Board | |
| (g) | Amount paid as advances, if any | |
| (h) | Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 | |

2. Details of material Contracts or arrangements or transactions at arm's length basis:

| | | |
|-----|--|-----|
| (a) | Name(s) of the related party and nature of relationship | |
| (b) | Nature of contracts / arrangements / transactions | |
| (c) | Duration of the contracts / arrangements / transactions | |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | NIL |
| (e) | Date(s) of approval by the Board | |
| (f) | Amount paid as advances, if any | |

**For and on behalf of the Board of Directors
For Jyothy Laboratories Limited**

M. P. Ramachandran
Chairman and Managing Director
(DIN: 00553406)

Place: Mumbai,
May 23, 2016

ANNEXURE TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is uploaded on the Company's website and can be accessed at the web link provided below:

http://www.jyothy laboratories.com/admin/docs/JLL_CSR%20Policy_Website.pdf

The Company has undertaken projects in the slum area development, sanitation and promoting education as a part of its CSR Initiative for the financial year 2015-16. The activities and funding are monitored internally by the Company. The Company has identified the following fields of operation for spending of expenditure towards CSR:

- i) eradicating hunger, poverty and malnutrition, promoting preventive health care including sanitation and more particularly contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v) protection of national heritage, art and culture including restoration of buildings and sites of historical

importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

- vi) measures for the benefit of armed forces veterans, war widows and their dependents;
 - vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
 - viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
 - ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
 - x) rural development projects;
 - xi) slum area development;
 - xii) such other projects as may be specified by the Central Government from time to time.
2. The Composition of the CSR Committee:
 - Mr. M. P. Ramachandran, Chairman (Chairman & Managing Director)
 - Mr. K. P. Padmakumar, Member (Independent Director)
 - Ms. M. R. Jyothy, Member (Whole Time Director)
 3. Average net profit of the Company for last three Financial years: ₹ 97.65 Crore
 4. Prescribed CSR expenditure (two percent of the amount as in item 3 above): ₹ 195.30 Lacs
 5. Details of CSR spent during the Financial Year 2015-16
 - a) Total amount to be spent for the Financial year: ₹ 195.30 Lacs
 - b) Amount unspent, if any: ₹ 6.07 Lacs
 - c) Manner in which the amount spent during the financial year detailed below:

ANNEXURE TO THE DIRECTORS' REPORT

The details are as under:

(₹ in Lacs)

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|--------|---|--|--|--|---|--|---|
| Sr. No | CSR Project or activity identified | Sector in which the project is covered | Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken | Amount outlay (budget) projects or programs wise | Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects 2) Overheads | Cumulative expenditure upto the reporting period | Amount spent: Direct or through implementing agency |
| 1 | Building of toilets in School | Sanitation | Trichur District, Kerala | 12.78 | 15.48 | 15.48 | Direct |
| 2 | Slum Area Development in Adivasi area | Slum Area Development | Trichur District, Kerala | 177.52 | 168.75 | 168.75 | Direct |
| 3 | Promotion of Education (Through Moral Education & Charitable Trust) | Promoting Education | Karaikal, Puducherry | 5.00 | 5.00 | 5.00 | Trust |
| | | | | 195.30 | 189.23 | 189.23 | |

6) In case the Company has failed to spend the two percent of the average net profit of the latest Financial Years or any part thereof the Company shall provide the reason for not spending the amount in its Board report:

The Company was required to spend ₹ 195.30 Lacs (2% of the average net profits of last three financial years) on CSR activities during the financial year 2015-16. Accordingly, the Company has spent ₹ 189.23 Lacs on CSR activities during the financial year 2015-16 and the balance amount of ₹ 6.07 Lac will be spent during the Financial Year 2016-17 for housing in Adivasi Area of Trichur District. The said projects being construction projects have a time line.

An expenditure of ₹ 45.59 Lac which stood committed from the previous financial year towards Slum Area development in Adivasi Area of Trichur District (₹ 11.16 Lac) and Building of toilets in school in Trichur District (₹ 34.43 Lac) was spent for the same purpose during the financial year 2015-16.

7) The Chairman of the CSR committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

**For and on behalf of the Board of Directors
For Jyothy Laboratories Limited**

**M. P. Ramachandran
Chairman & Managing Director
and Chairman- CSR Committee
(DIN: 00553406)**

Mumbai,
May 23, 2016

ANNEXURE TO THE DIRECTORS' REPORT

Particulars of Loans, Guarantees and Investments

Amount outstanding as at March 31, 2016

| Particulars | Amount (₹ in Crore) |
|------------------|------------------------|
| Loans given | 472.50 |
| Guarantee given* | 54.29 |
| Investments made | |
| Current | 66.24 |
| Non-Current | 243.13 |

* Corporate guarantee given ₹ 66.12 Crores & financial exposure ₹ 54.29 Crores

| Name of Entity | Relation | Amount (₹ In Crore) | Particulars of loan, guarantee and investments | Purpose for which the loans, guarantee and investments are proposed to be utilized |
|--|---------------|---------------------|--|--|
| Jyothy Consumer Products Marketing Limited (JCPML) | Subsidiary | 39.00 | Loan | No additional loan has been given during the year. The increase is on account of unpaid interest added to the loan given and loan transferred on account of merger of Associated Industries Consumer Products Private Limited with JCPML |
| M/s JFSL – JLL (JV) | Joint Venture | 0.05 | Investment | Business Purpose. |

For and on behalf of the Board of Directors
For Jyothy Laboratories Limited

M. P. Ramachandran
 Chairman & Managing Director
 (DIN: 00553406)

Mumbai, May 23, 2016

ANNEXURE TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

To
The Members
JYOTHY LABORATORIES LIMITED
'Ujala House', Ramkrishna Mandir Road,
Kondivita, Andheri (East),
Mumbai-400059

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Jyothy Laboratories Limited** (hereinafter called "**the Company**"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Jyothy Laboratories Limited ("the Company") as given in Annexure I, for the financial year ended on 31st March, 2016, according to the provisions of:
 - (i) The Companies Act, 1956 and / or the Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

(effective upto 14th May 2015) and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (with effect from 15th May 2015);

- ii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - iii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - ii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - iii. The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; and
 - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings were not attracted to the Company in the financial year under report.
 4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as mentioned hereunder:
 - i. Legal Metrology Act, 2009;
 - ii. Legal Metrology (Packaged Commodities) Rules, 2011;
 - iii. Environment [Protection] Act, 1986;

ANNEXURE TO THE DIRECTORS' REPORT

- iv. Hazardous Wastes [Management And Handling] Rules, 1989;
- v. Insecticides Act, 1968;
- vi. Drugs and Cosmetics Act, 1940;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (effective upto 30th November, 2015) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from 1st December, 2015);

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the financial year under report.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and

obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken any event / action which would have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **RATHI & ASSOCIATES** COMPANY SECRETARIES

HIMANSHU S. KAMDAR
PARTNER
FCS No. 5171
COP No. 3030

Place : Mumbai
Date: May 23, 2016

Note: This report should be read with our letter of even date which is annexed as Annexure II and forms are integral part of this report.

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE – I

List of documents verified

1. Memorandum and Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2015;
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Share Transfer Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee along with the respective Attendance Registers held during the financial year under report;
4. Minutes of General Body Meetings held during the financial year under report;
5. Proof of circulation and delivery of notice, agenda and notes to agenda for Board and Committee meetings;
6. Proof of circulation of draft as well as certified signed Board and Committee meetings minutes as per Secretarial Standards;
7. Policies framed by the Company:
 - Policy on Related Party Transactions,
 - Policy on Material Subsidiaries,
 - Vigil Mechanism,
 - Corporate Social Responsibility Policy,
 - Nomination & Remuneration Policy,
 - Risk Management Policy & Procedures,
 - Internal Financial Controls
 - Policy for Determination of Material Events
 - Code of Conduct for Independent Directors,
 - Code of Conduct for Prevention of Insider Trading,
 - Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information,
 - Archival Policy
8. Statutory Registers viz.
 - Register of Charges (Form No. CHG-7);
 - Register of Directors & Key Managerial Personnel;
 - Register of Directors' Shareholding;
 - Register of Employee Stock Options;
 - Register of Contracts with Related Parties; and contracts and Bodies etc. in which directors are interested (Form No. MBP-4), and
 - Register of loans, guarantees and security and acquisition made by the Company (Form No. MBP-2).
9. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors / members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation;
10. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013;
11. Intimations received from directors under the prohibition of Insider Trading Code;
12. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
13. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;
14. Documents related to payments of dividend made to its shareholders during the financial year under report;
15. Documents related to issue of shares under ESOP Scheme viz. ESOP Scheme, Exercise forms, Listing applications, Corporate Action Form, etc. filed with Stock Exchanges and Listing approvals received thereon;
16. E-mails evidencing dissemination of information related to closure of Trading window;
17. Internal Code of Conduct for prevention of Insider Trading by Employees / Directors / Designated Persons of the Company;
18. Statement of Related Party Transactions entered into by the Company during the financial year under report;
19. Documents filed with Stock Exchanges;
20. Compliance Certificate placed before the Board of Directors from time to time;
21. Details of Sitting Fees paid to all Non Executive Directors for attending the Board Meetings and Committee Meetings;
22. Filings made with Reserve Bank of India.

ANNEXURE TO THE DIRECTORS' REPORT

Annexure II

To
The Members
JYOTHY LABORATORIES LIMITED
'Ujala House', Ramkrishna Mandir Road,
Kondivita, Andheri (East),
Mumbai-400059

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For RATHI & ASSOCIATES
COMPANY SECRETARIES

HIMANSHU S. KAMDAR
PARTNER
FCS No. 5171
COP No. 3030

Place : Mumbai
Date: May 23, 2016

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE IV TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|---|--|
| i) CIN:- | L24240MH1992PLC128651 |
| ii) Registration Date:- | 15/01/1992 |
| iii) Name of the Company:- | JYOTHY LABORATORIES LIMITED |
| iv) Category / Sub-Category of the Company:- | Company Limited by shares/ Indian Non-Government Company |
| v) Address of the Registered office and contact details:- | 'Ujala House', Ramkrishna Mandir Road, Kondivita, Andheri (East), Mumbai- 400059 Tel. No. : 022-66892800, Fax: 022-66892805 Email: secretarial@jyothy.com |
| vi) Whether listed company:- | Yes |
| vii) Name, Address and Contact details of Registrar and Transfer Agent: | Name : Link Intime India Pvt. Limited Address : C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West) Mumbai- 400 078 Tel. No. : 022-25963838/ 022-25946970 Fax No. : 022-25946969/ 022-25963838/ 022-25946970 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10 % or more of the total turnover of the Company are as below:-

| Sl. No. | Name and Description of main products | NIC Code of the Product | % to total turnover of the Company |
|---------|---------------------------------------|-------------------------|------------------------------------|
| 1 | Detergents | 20233 | 41 |
| 2 | Soaps | 20231 | 33 |
| 3 | Mosquito Repellent | 20211 | 17 |

ANNEXURE TO THE DIRECTORS' REPORT

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| SR. No | Name and Address of the Company | CIN/ GLN | Holding/ Subsidiary/ Associate | % of Shares Held | Applicable Section |
|--------|---|-----------------------|--------------------------------|------------------|--------------------|
| 1 | Jyothy Kallol Bangladesh Limited 199, Tejgaon Industrial Area, Dhaka-1208, Bangladesh. | N.A. | Subsidiary | 75% | Section2(87)(ii) |
| 2 | Four Seasons Drycleaning Company Private Limited 'Ujala House', Ramkrishna Mandir Road, Kondivita, Andheri (East), Mumbai – 400 059, Maharashtra. | U93010MH2002PTC246838 | Subsidiary* | 86.37% | Section2(87) |
| 3 | Snoways Laundrers & Drycleaners Private Limited N-119, North Block, Manipal Centre, Dickenson Road, Bangalore – 560042, Karnataka. | U93010KA2008PTC046087 | Subsidiary* | 42.32% | Section2(87) |
| 4 | Jyothy Consumer Products Marketing Limited 'Ujala House', Ramkrishna Mandir Road, Kondivita, Andheri (East), Mumbai – 400 059, Maharashtra. | U99999MH1974PLC242045 | Subsidiary | 100% | Section2(87) |
| 5 | Jyothy Fabricare Services Limited 'Ujala House', Ramkrishna Mandir Road, Kondivita, Andheri (East), Mumbai – 400 059, Maharashtra. | U17120MH2008PLC180246 | Subsidiary | 86.37% | Section2(87) |

* Wholly owned subsidiaries of Jyothy Fabricare Services Limited

ANNEXURE TO THE DIRECTORS' REPORT

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year i.e. as on 01.04.2015 | | | | No. of Shares held at the end of the year i.e. as on 31.03.2016 | | | | % Change during the year |
|---|---|--------------|---------------------|-------------------|---|--------------|---------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 10,58,81,401 | - | 10,58,81,401 | 58.49 | 10,58,81,401 | - | 10,58,81,401 | 58.46 | -0.03* |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt (s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | 1,50,00,000 | - | 1,50,00,000 | 8.29 | 1,50,00,000 | - | 1,50,00,000 | 8.28 | -0.01* |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (1):- | 12,08,81,401 | - | 12,08,81,401 | 66.78 | 12,08,81,401 | - | 12,08,81,401 | 66.74 | -0.04* |
| (2) Foreign | | | | | | | | | |
| a) NRIs Individuals | - | - | - | - | - | - | - | - | - |
| b) Other – | - | - | - | - | - | - | - | - | - |
| Individuals | | | | | | | | | |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (2):- | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 12,08,81,401 | - | 12,08,81,401 | 66.78 | 12,08,81,401 | - | 12,08,81,401 | 66.74 | -0.04* |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 73,92,840 | 550 | 73,93,390 | 4.08 | 1,08,28,825 | 550 | 1,08,28,825 | 5.98 | 1.90 |
| b) Banks / FI | 1,23,381 | 1,866 | 1,25,247 | 0.07 | 9,378 | 1,866 | 11,244 | 0.01 | -0.06 |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | 63,15,404 | - | 63,15,404 | 3.49 | 60,73,329 | - | 60,73,329 | 3.35 | -0.14 |
| g) FIs | 1,93,60,984 | - | 1,93,60,984 | 10.70 | 1,55,73,147 | - | 1,55,73,147 | 8.60 | -2.10 |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | | | | | | | | | |
| Foreign Portfolio Investor (Corporate) | 1,01,14,771 | - | 1,01,14,771 | 5.59 | 1,06,10,345 | - | 1,06,10,345 | 5.86 | 0.27 |
| Sub-total (B)(1):- | 4,33,07,380 | 2,416 | 4,33,09,796 | 23.92 | 4,30,94,474 | 2,416 | 4,30,96,890 | 23.79 | -0.13 |

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| Category of Shareholders | No. of Shares held at the beginning of the year i.e. as on 01.04.2015 | | | | No. of Shares held at the end of the year i.e. as on 31.03.2016 | | | | % Change during the year |
|---|---|-----------------|---------------------|-------------|---|-----------------|---------------------|-------------|--------------------------|
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 61,17,727 | 3,232 | 61,20,959 | 3.38 | 60,24,878 | 3,207 | 60,28,085 | 3.33 | -0.05 |
| ii) Overseas | | | | | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakh | 89,01,034 | 8,59,873 | 97,60,907 | 5.39 | 91,55,867 | 8,31,272 | 99,87,139 | 5.51 | 0.12 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 1,50,681 | - | 1,50,681 | 0.08 | 1,50,681 | - | 1,50,681 | .08 | - |
| c) Others (specify) | | | | | | | | | |
| 1. Qualified Individual Investors | - | - | - | - | - | - | - | - | - |
| 2. Cleaning Members | 1,05,579 | - | 1,05,579 | 0.06 | 1,66,397 | - | 1,66,397 | 0.09 | 0.03 |
| 3. Office Bearers and Directors/ Relatives | 2,00,818 | - | 2,00,818 | 0.11 | 2,88,291 | - | 2,88,291 | 0.16 | 0.05 |
| 4. Non-Resident Individuals (Repatriable) | 3,78,428 | 6,051 | 3,84,479 | 0.21 | 3,30,923 | 5801 | 3,36,724 | 0.19 | -0.02 |
| 5. Non-Resident Individuals (Non-Repatriable) | 93,860 | - | 93,860 | 0.05 | 93,351 | - | 93,351 | 0.05 | - |
| 6. Trusts | 15,016 | - | 15,016 | 0.01 | 90,721 | - | 90,721 | 0.05 | 0.04 |
| Sub-total (B)(2):- | 1,59,63,143 | 8,69,156 | 1,68,32,299 | 9.30 | 1,63,01,109 | 8,40,280 | 1,71,41,389 | 9.47 | 0.17 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 5,92,70,523 | 8,71,572 | 6,01,42,095 | 33.22 | 5,93,95,583 | 8,42,696 | 6,02,38,279 | 33.26 | 0.04 |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 18,01,51,924 | 8,71,572 | 18,10,23,496 | 100 | 18,02,76,984 | 8,42,696 | 18,11,19,680 | 100 | - |

*The change in percentage shareholding of Promoters category is due to the increase in Paid Up Share Capital of the Company during the Financial Year 2015-16 pursuant to the shares allotted by the Company to its eligible employees under the approved ESOP Scheme.

ANNEXURE TO THE DIRECTORS' REPORT

(ii) Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------|---------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | M. P. RAMACHANDRAN | 7,21,12,060 | 39.84 | 24.53 | 7,21,12,060 | *39.81 | 23.30 | -0.03 |
| 2 | SAHYADRI AGENCIES LIMITED | 1,50,00,000 | 8.29 | 0.00 | 1,50,00,000 | *8.28 | 0.00 | -0.01 |
| 3 | M. P. DIVAKARAN | 70,85,061 | 3.91 | 0.00 | 70,85,061 | 3.91 | 0.00 | NIL |
| 4 | M. P. SIDHARTHAN | 52,15,230 | 2.88 | 0.00 | 52,15,230 | 2.88 | 0.00 | NIL |
| 5 | M. R. DEEPTHI | 50,30,032 | 2.78 | 0.00 | 50,30,032 | 2.78 | 0.00 | NIL |
| 6 | M. R. JYOTHY | 46,18,084 | 2.55 | 0.00 | 46,18,084 | 2.55 | 0.00 | NIL |
| 7 | M. G. SHANTHAKUMARI | 36,17,954 | 2.00 | 0.00 | 36,17,954 | 2.00 | 0.00 | NIL |
| 8 | U. B. BEENA | 34,46,600 | 1.90 | 0.00 | 34,46,600 | 1.90 | 0.00 | NIL |
| 9 | M .P. DIVAKARAN | 19,04,000 | 1.05 | 0.00 | 19,04,000 | 1.05 | 0.00 | NIL |
| 10 | K. ULLAS KAMATH | 14,51,380 | 0.80 | 0.00 | 14,51,380 | 0.80 | 0.00 | NIL |
| 11 | SIDHARTHAN M. P. | 13,20,000 | 0.73 | 0.00 | 13,20,000 | 0.73 | 0.00 | NIL |
| 12 | K. K. SUJATHA | 81,000 | 0.04 | 0.00 | 81,000 | 0.04 | 0.00 | NIL |

*The change in percentage shareholding of Promoters is due to the increase in Paid Up Share Capital of the Company during the Financial Year 2015-16 pursuant to the shares allotted by the Company to its eligible employees under the approved ESOP Scheme.

ANNEXURE TO THE DIRECTORS' REPORT

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

There was no change in promoter's shareholding during the specified period i.e. 01.04.2015 to 31.03.2016

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl No. | Name | Shareholding | | Date | Increase / Decrease in Share holding | Reason | Cumulative Shareholding during the year (01-04-15 to 31-03-16) | |
|--------|---|--|----------------------------------|------------|--------------------------------------|----------|--|----------------------------------|
| | | No. of shares at the beginning of the year (01-04-15)/End of the year 31-03-16 | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 1 | ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD | 57,88,016 | 3.20 | 01/04/2015 | | | | |
| | | | | 10/04/2015 | -39,321 | Transfer | 57,48,695 | 3.17 |
| | | | | 17/04/2015 | 89,100 | Transfer | 58,37,795 | 3.22 |
| | | | | 26/02/2016 | 552 | Transfer | 58,38,347 | 3.22 |
| | | 58,38,347 | 3.22 | | | | 58,38,347 | 3.22 |
| 2 | FIDELITY MANAGEMENT & RESEARCH COMPANY A/C FIDELITY INVESTMENT TRUST - FIDELITY SERIES INTERNATIONAL SMALL CAP FUND | 38,41,337 | 2.12 | 01/04/2015 | | | | |
| | | | | 10/07/2015 | -35,000 | Transfer | 38,06,337 | 2.10 |
| | | | | 09/10/2015 | -8,790 | Transfer | 37,97,547 | 2.10 |
| | | | | 16/10/2015 | -31,210 | Transfer | 37,66,337 | 2.08 |
| | | | | 13/11/2015 | -40,000 | Transfer | 37,26,337 | 2.06 |
| | | | | 12/02/2016 | -8,689 | Transfer | 37,17,648 | 2.05 |
| | | | | 19/02/2016 | -41,311 | Transfer | 36,76,337 | 2.03 |
| | | | | 26/02/2016 | -28,838 | Transfer | 36,47,499 | 2.01 |
| | | | | 04/03/2016 | -71,162 | Transfer | 35,76,337 | 1.97 |
| | | | | 11/03/2016 | -75,000 | Transfer | 35,01,337 | 1.93 |
| | | 35,01,337 | 1.93 | 31/03/2016 | | | 35,01,337 | 1.93 |
| 3 | PARVEST EQUITY INDIA | 28,31,184 | 1.56 | 01/04/2015 | | | | |
| | | | | 21/08/2015 | 3,00,000 | Transfer | 29,40,000 | 1.62 |
| | | | | 31/12/2015 | 1,25,250 | Transfer | 30,65,250 | 1.69 |
| | | | | 08/01/2016 | 3,05,000 | Transfer | 33,70,250 | 1.86 |
| | | 33,70,250 | 1.86 | 31/03/2016 | | | 33,70,250 | 1.86 |
| 4 | EMBLEM FII | 28,31,184 | 1.56 | 01/04/2015 | | | | |
| | | | | 01/05/2015 | 55,000 | Transfer | 28,86,184 | 1.59 |
| | | | | 08/05/2015 | 85,000 | Transfer | 29,71,184 | 1.64 |
| | | | | 15/05/2015 | 3,816 | Transfer | 29,75,000 | 1.64 |
| | | | | 29/05/2015 | 1,00,000 | Transfer | 30,75,000 | 1.70 |
| | | 30,75,000 | 1.70 | 31/03/2016 | | | 30,75,000 | 1.70 |

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| SI No. | Name | Shareholding | | Date | Increase / Decrease in Share holding | Reason | Cumulative Shareholding during the year (01-04-15 to 31-03-16) | |
|------------|---|--|----------------------------------|------------|--------------------------------------|----------|--|----------------------------------|
| | | No. of shares at the beginning of the year (01-04-15)/End of the year 31-03-16 | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 5 | L AND T MUTUAL FUND TRUSTEE LTD- L AND T TAX ADVANTAGE FUND | 26,99,209 | 1.49 | 01/04/2015 | | | | |
| | | | | 10/04/2015 | 10,000 | Transfer | 27,09,209 | 1.50 |
| | | | | 17/04/2015 | 5,000 | Transfer | 27,14,209 | 1.50 |
| | | | | 24/04/2015 | 3,908 | Transfer | 27,18,117 | 1.50 |
| | | | | 22/05/2015 | 14,800 | Transfer | 27,32,917 | 1.51 |
| | | | | 05/06/2015 | 15,000 | Transfer | 27,47,917 | 1.52 |
| | | | | 12/06/2015 | 6,133 | Transfer | 27,54,050 | 1.52 |
| | | | | 19/06/2015 | 5,000 | Transfer | 27,59,050 | 1.52 |
| | | | | 26/06/2015 | 60,621 | Transfer | 28,19,671 | 1.56 |
| | | | | 31/07/2015 | 10,000 | Transfer | 28,29,671 | 1.56 |
| | | | | 07/08/2015 | 68,037 | Transfer | 28,97,708 | 1.60 |
| | | | | 27/08/2015 | 39,362 | Transfer | 29,37,070 | 1.62 |
| | | | | 25/09/2015 | 16,900 | Transfer | 29,53,970 | 1.63 |
| | | | | 30/09/2015 | 2,000 | Transfer | 29,55,970 | 1.63 |
| | | | | 09/10/2015 | 29,673 | Transfer | 29,85,643 | 1.65 |
| | | | | 16/10/2015 | -13,263 | Transfer | 29,72,380 | 1.64 |
| | | | | 23/10/2015 | -35,410 | Transfer | 29,36,970 | 1.62 |
| | | | | 30/10/2015 | -18,004 | Transfer | 29,18,966 | 1.61 |
| | | | | 13/11/2015 | 5,000 | Transfer | 29,23,966 | 1.61 |
| | | | | 04/12/2015 | 9,730 | Transfer | 29,33,696 | 1.62 |
| 18/12/2015 | 10,000 | Transfer | 29,43,696 | 1.63 | | | | |
| 25/12/2015 | 10,000 | Transfer | 29,53,696 | 1.63 | | | | |
| 08/01/2016 | 3,707 | Transfer | 29,57,403 | 1.63 | | | | |
| 15/01/2016 | 5,000 | Transfer | 29,62,403 | 1.64 | | | | |
| 19/02/2016 | 5,000 | Transfer | 29,67,403 | 1.64 | | | | |
| | | 29,67,403 | 1.64 | 31/03/2016 | | | 29,67,403 | 1.64 |
| 6 | HASHAM INVESTMENT AND TRADING COMPANY PRIVATE LTD | Nil | - | 01/04/2015 | | | | |
| | | | | 01/05/2015 | 25,21,090 | Transfer | 25,21,090 | 1.39 |
| | | | | 31.03/2016 | | | 25,21,090 | 1.39 |

ANNEXURE TO THE DIRECTORS' REPORT

| SI No. | Name | Shareholding | | Date | Increase / Decrease in Share holding | Reason | Cumulative Shareholding during the year (01-04-15 to 31-03-16) | |
|--------|---|--|----------------------------------|------------|--------------------------------------|------------------------------|--|----------------------------------|
| | | No. of shares at the beginning of the year (01-04-15)/End of the year 31-03-16 | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 7 | WF ASIAN COMPANIES SMALLER FUND LIMITED | 25,05,869 | 1.38 | 01/04/2015 | 0 | Nil movement during the year | | |
| | | 25,05,869 | 1.38 | 31/03/2016 | | | 25,05,869 | 1.38 |
| 8 | PI OPPORTUNITIES FUND I | 23,03,446 | 1.27 | 01/04/2016 | 0 | Nil movement during the year | | |
| | | 23,03,446 | 1.27 | 31/03/2016 | | | 23,03,446 | 1.27 |
| 9 | SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MIDCAP | 15,20,000 | 0.84 | 01/04/2015 | | | | |
| | | | | 30/06/2015 | -1,524 | Transfer | 15,18,476 | 0.84 |
| | | | | 03/07/2015 | -8,476 | Transfer | 15,10,000 | 0.83 |
| | | | | 07/08/2015 | 40,000 | Transfer | 15,50,000 | -0.86 |
| | | | | 11/09/2015 | 10,000 | Transfer | 15,60,000 | 0.86 |
| | | | | 27/11/2015 | 3,25,000 | Transfer | 18,85,000 | 1.04 |
| | | | | 08/01/2016 | 8,627 | Transfer | 18,93,627 | 1.05 |
| | | 18,93,627 | 1.05 | 31/03/2016 | | | 18,93,627 | 1.05 |
| 10 | WF ASIAN ECINNAISANCE FUND LIMITED | 4,53,000 | 0.25 | 01/04/2015 | | | | |
| | | | | 04/03/2016 | 13,21,379 | Transfer | 17,74,379 | 0.98 |
| | | 17,74,379 | 0.98 | 31/03/2016 | | | 17,74,379 | 0.98 |

ANNEXURE TO THE DIRECTORS' REPORT

(v) Shareholding of Directors and Key Managerial Personnel:

| 1. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. M. P. Ramachandran | | | | |
| 01/04/2015 | 7,21,12,060 | 39.84 | 7,21,12,060 | 39.84 |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | 7,21,12,060 | 39.81 | 7,21,12,060 | 39.81* |

* The change in percentage shareholding is due to the increase in Paid Up Share Capital of the Company during the Financial Year 2015-16 pursuant to the shares allotted by the Company to its eligible employees under the approved ESOP Scheme.

| 2. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Ms. M. R. Jyothy | | | | |
| 01/04/2015 | 46,18,084 | 2.55 | 46,18,084 | 2.55 |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | 46,18,084 | 2.55 | 46,18,084 | 2.55 |

| 3. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. K. Ullas Kamath | | | | |
| 01/04/2015 | 14,51,380 | 0.80 | 14,51,380 | 0.80 |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | 14,51,380 | 0.80 | 14,51,380 | 0.80 |

| 4. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. S. Raghunandan | | | | |
| 01/04/2015 | 1,95,388 | 0.11 | 1,95,388 | 0.11 |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | 1,95,388 | 0.11 | 1,95,388 | 0.11 |

| 5. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. Bipin R. Shah | | | | |
| 01/04/2015 | 100 | 0.00 | 100 | 0.00 |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | 100 | 0.00 | 100 | 0.00 |

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| 6. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. Nilesh B. Mehta | | | | |
| 01/04/2015 | Nil | Nil | Nil | Nil |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | Nil | Nil | Nil | Nil |

| 7. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. K. P. Padmakumar | | | | |
| 01/04/2015 | Nil | Nil | Nil | Nil |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | Nil | Nil | Nil | Nil |

| 8. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. R. Lakshminarayanan | | | | |
| 01/04/2015 | Nil | Nil | Nil | Nil |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | Nil | Nil | Nil | Nil |

| 9. Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. M. L. Bansal | | | | |
| 01/04/2015 | Nil | Nil | Nil | Nil |
| Increase / Decrease in Share holding | No movement | No movement | No movement | No movement |
| 31/03/2016 | Nil | Nil | Nil | Nil |

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V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(Amt. in ₹)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|-------------------------------------|-----------------|----------|-------------------------|
| Indebtedness at the beginning of the financial year as on 01/04/2015 | | | | |
| i) Principal Amount | 5,15,00,00,000 | - | - | 5,15,00,00,000 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 3,77,16,372 | - | - | 3,77,16,372 |
| Total (i+ii+iii) | 5,18,77,16,372 | - | - | 5,18,77,16,372 |
| Change in Indebtedness during the financial year | | | | |
| • Addition (Includes only Principal) | - | - | - | - |
| • Reduction (Includes only Principal) | (1,15,00,00,000) | - | - | (1,15,00,00,000) |
| Net Change | (1,15,00,00,000) | - | - | (1,15,00,00,000) |
| Indebtedness at the end of the financial year as on 31/03/2016 | | | | |
| i) Principal Amount | 4,00,00,00,000 | - | - | 4,00,00,00,000 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 4,00,00,00,000 | - | - | 4,00,00,00,000 |

ANNEXURE TO THE DIRECTORS' REPORT

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

(Amt. in ₹)

| Sl. no | Particulars of Remuneration | Name of MD/ WTD/ Manager | | | | Total Amount |
|--------|--|--|-------------------------------|---------------------------|---------------------|--------------|
| | | M.P. Ramachandran | K. Ullas Kamath | S.Raghunandan | M.R. Jyothy | |
| | | Chairman and Managing Director | Joint Managing Director & CFO | Whole Time Director & CEO | Whole Time Director | |
| 1 | Gross salary (a) Salary as per 1 provisions contained in section 17(1) of the Income-tax Act, 1961 | 1 | 1,80,00,000 | 4,37,60,000 | 92,40,000 | 7,10,00,001 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - | - |
| 2 | Stock Option | - | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - | - |
| 4 | Commission | | | | | |
| | - as % of profit | 4,21,03,510 | 3,78,93,159 | - | - | 7,99,96,669 |
| | - others, specify... | - | - | - | - | - |
| 5 | Others, please specify | - | - | - | - | - |
| | Provident Fund | - | 21,60,000 | 47,52,000 | 10,08,000 | 79,20,000 |
| | Superannuation | - | 18,00,000 | - | - | 18,00,000 |
| | Total (A) | 4,21,03,511 | 5,98,53,159 | 4,85,12,000 | 1,02,48,000 | 16,07,16,670 |
| | Ceiling as per the Act | ₹ 21,05,17,550 (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013). | | | | |

Note: Refer footnote given to Note. 31 of the financial statements

ANNEXURE TO THE DIRECTORS' REPORT

B. Remuneration To Other Directors

(Amt. in ₹)

| Sl. no | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|--------|--|--|-----------------|------------------|----------------------|------------------|
| | | Bipin R. Shah | Nilesh B. Mehta | K. P. Padmakumar | R. Lakshiminarayanan | |
| 1 | Independent Directors | | | | | |
| | • Fee for attending board / committee meetings | 1,35,000 | 1,75,000 | 1,20,000 | 85,000 | 5,15,000 |
| | • Commission | 8,00,000 | 8,00,000 | 8,00,000 | 8,00,000 | 32,00,000 |
| | • Others, please specify | - | - | - | - | - |
| | Total (1) | 9,35,000 | 9,75,000 | 9,20,000 | 8,85,000 | 37,15,000 |
| 2 | Other Non-Executive Directors | | | | | |
| | • Fee for attending board / committee meetings | | | | | |
| | • Commission | | | Nil | | |
| | • Others, please specify | | | | | |
| | Total (2) | - | - | - | - | - |
| | Total (B)=(1+2) | 9,35,000 | 9,75,000 | 9,20,000 | 8,85,000 | 37,15,000 |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | ₹ 2,10,51,755 (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013). | | | | |

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

(Amt. in ₹)

| Sl. no | Particulars of Remuneration | Key Managerial Personnel | | | |
|--------|---|--------------------------|-------------------|------|------------------|
| | | CEO* | Murari Lal Bansal | CFO* | Total |
| | | | Company Secretary | | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 37,64,911 | - | 37,64,911 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | | | | |
| | - as % of profit | - | - | - | - |
| | - others, specify... | - | - | - | - |
| 5 | Others, please specify... | | | | |
| | Provident Fund | - | 4,32,000 | - | 4,32,000 |
| | Superannuation | - | 3,60,000 | - | 3,60,000 |
| | Total | | 45,56,911 | | 45,56,911 |

*Mr. S. Raghunandan, Whole Time Director held the position of CEO and Mr. K. Ullas Kamath, Joint Managing Director holds the position of CFO and the details of remuneration paid to them are provided in VI (A) above.

ANNEXURE TO THE DIRECTORS' REPORT

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year under review.

**For and on behalf of the Board of Directors
For Jyothy Laboratories Limited**

M. P. Ramachandran
Chairman & Managing Director
(DIN: 00553406)

Mumbai,
May 23, 2016

ANNEXURE TO THE DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| Sr. No. | Name of Director | Designation | Remuneration Current Year | % increase in Remuneration in the financial year 2015-16 | Ratio of remuneration of each Director/ to median remuneration of employees | Comparison of Remuneration of the KMP against Performance of the Company |
|---------|---------------------|---|---------------------------|--|---|---|
| 1 | M. P. Ramachandran | Chairman and Managing Director | 4,21,03,511 | 34.65 | 185:1 | Profit before Tax increased by 37.09% and profit after tax increased by 13.71 % in financial year 2015-16 |
| 2 | K. Ullas Kamath | Joint Managing Director and Chief Financial Officer | 5,98,53,159 | 19.46 | 262:1 | |
| 3 | S. Raghunandan | Whole Time Director and Chief Executive Officer | 4,85,12,000 | 0.00 | 213:1 | |
| 4 | M. R. Jyothy | Whole Time Director | 1,02,48,000 | 5.41 | 45:1 | |
| 5 | Nilesh B. Mehta | Independent Director | 9,75,000 | 8.33 | 4:1 | |
| 6 | K.P. Padmakumar | Independent Director | 9,20,000 | 6.98 | 4:1 | |
| 7 | Bipin R. Shah | Independent Director | 9,35,000 | 1.08 | 4:1 | |
| 8 | R. Lakshminarayanan | Independent Director | 8,85,000 | 2.31 | 4:1 | |
| 9 | Murari Lal Bansal | Company Secretary | 45,56,911 | 2.24 | Not Applicable | Profit before Tax increased by 37.09% and profit after tax increased by 13.71 % in financial year 2015-16 |

- (ii) In the financial year, there was an increase of 8.09% in the median remuneration of employees;
- (iii) There were 2,395 permanent employees on the rolls of Company as on March 31, 2016;
- (iv) Relationship between average increase in remuneration and company performance: - The Profit before Tax for the financial year ended March 31, 2016 increased by 37.09% and the increase in remuneration was 8.6%.
- (v) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The total remuneration of Key Managerial Personnel (i.e. persons mentioned against Sr. No. 1 to 4 and Sr. No. 9) increased by 14.72% from ₹ 14.41 Crore in 2014-15 to ₹ 16.53 Crore in 2015-16 whereas the Profit before Tax increased by 37.09% to 201.41 Crore in 2015-16 (146.92 Crore in 2014-15).

ANNEXURE TO THE DIRECTORS' REPORT

- (vi) a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2016 was ₹ 5,277.83 Crore (₹ 4,838.76 Crore as on March 31, 2015);
- b) Price Earnings ratio of the Company was 32.49 as at March 31, 2016 and was 33.88 as at March 31, 2015;
- c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The offer price at the time of Initial Public Offer in 2007 was ₹ 690 per equity share of face value of ₹ 5/- per share, but after adjustment for share split in 5:1 ratio and bonus issue of 1:1, it work out to ₹ 69/- per share of ₹ 1/- each. The closing share price of the Company at NSE on March 31, 2016 being ₹ 291.40/- per equity share of face value of ₹ 1/- each has grown 4.22 times of the IPO price.
- (vii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 8.6% whereas the managerial remuneration for the same financial year increased by 14.48%.
- (viii) The key parameters for the variable component of remuneration availed by the directors are as per the Remuneration Policy of the Company.
- (ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- (x) It is hereby affirmed that the remuneration paid is as per Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Employed throughout the Financial Year 2015-16 with an aggregate salary not less than ₹ 60,00,000/- per annum:

| Name | Age | Qualification | Designation | Date of Commencement of employment | Experience (years) | Total Gross Remuneration | Previous Employment |
|--------------------|-----|--|---|------------------------------------|--------------------|--------------------------|--|
| M. P. RAMACHANDRAN | 70 | Postgraduate Degree in Financial Management | Chairman and Managing Director | 15-01-1992 | 41 years | 4,21,03,511 | Proprietor – Jyothy Laboratories |
| K. ULLAS KAMATH | 53 | M.Com., F.C.A., A.C.S., L.L.B., A.M.P. – Wharton Business School and Harvard Business School, U.S.A | Joint Managing Director and Chief Financial Officer | 26-03-1997 | 30 years | 5,98,53,159 | Practicing Chartered Accountant |
| S RAGHUNANDAN | 51 | PGDBM – IIM Calcutta M.Sc., BE Hons in Chemical Engg – BITS Pilani | Director and Chief Executive Officer | 23-05-2012 | 26 years | 4,85,12,000 | Managing Director- Reckitt Benckiser India Limited |
| M. R. JYOTHY | 38 | Bcom,MBA,Family Manged Business administration from S.P.Jain Institute of Management, Owner/ President Management Programme from Harvard University, USA | Director | 01-01-2004 | 12 years | 1,02,48,000 | - |
| RAJNIKANT SABNAVIS | 49 | B.E. (Mech), MBA. | Vice President - Sales & Marketing | 21-10-2013 | 25 years | 3,19,33,827 | Unilever / Regional Category Vice President (Hair Care - South Asia) |
| NEETU KASHIRAMKA | 42 | B. Com, CA. | Vice President - Finance | 21-11-2000 | 18 years | 98,35,434 | Kewal Kiran & Co- Asst. Manager- Accounts |
| DINESH KUMAR JHAMB | 48 | B. Sc., MBA | National Sales Manager | 09-12-2014 | 27 years | 1,56,32,641 | Dabur India Ltd / GM - Sales |
| S SOMASUNDARAM | 46 | B. Sc. | AVP - Sourcing & Supply Chain | 17-08-2012 | 20.7 years | 90,35,773 | Kumar Organic Product Limited - Vice President Operation |
| VENKITACHALAM IYER | 54 | B. Com | Head - Corporate Sales | 07-12-1999 | 16.8 years | 94,30,059 | Henkel India Limited - Head -Corporate Sales |

B. Employed for part of the financial year 2015-16 with an aggregate salary not less than ₹ 5,00,000/- per month:

| Name | Age | Qualification | Designation | Date of Commencement of employment | Experience (years) | Total Gross Remuneration | Previous Employment |
|--|-----|-------------------------------------|--|------------------------------------|--------------------|--------------------------|---|
| PRATYAYA CHAKRABARTI (resigned w.e.f. 31.08.2015)* | 45 | BE (Chemical) – Jadavpur University | Vice President - Manufacturing and R&D | 12-09-2012 | 23 years | 70,63,505 | Unilver / Head - R&D |
| JAGADISH K N (expired on 15/06/2015) | 59 | Graduate | Asst Vice President-Sales | 01-11-1988 | 39.7 years | 27,24,397 | Self Employed |
| SIDDHARTH GUPTA | 44 | B.E. (Mech), MBA. | HEAD-Key Accounts | 16-08-2012 | 15 years | 9,57,024 | Paras Pharmaceutical Ltd - GM, Supermax Personal Care India Pvt Ltd - Head Modern Trade |
| NANDAKUMAR P K | 51 | BA | Sr. Officer - Accounts | 03-12-1987 | 27.5 years | 11,50,497 | - |

Notes:

- The aforesaid remuneration is inclusive of value of perquisites arising out of exercise of ESOP grants by respective employees.
- All appointments are contractual and terminable by notice on either side.
- None of the employees mentioned above are related to any director of the Company except Mr. M. P. Ramachandran and Ms. M. R. Jyothy, who are related to each other.
- None of the employee is drawing remuneration more than the remuneration drawn by managing director/ whole time director and is holding by themselves or along with their spouse and dependent children, two percent or more of the equity shares of the Company.