

INDEPENDENT AUDITOR'S REPORT

To the Members of Jyothy Laboratories Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Jyothy Laboratories Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2016 , and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 , from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/ E300003

per Vikram Mehta

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: May 23, 2016

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

on even date on the Standalone Financials Statements of Jyothy Laboratories Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regards to size of the Company and nature of its assets. No material discrepancies were identified on such verification.
- (c) According to information and explanations given by the management the title deeds of immovable properties included in Note 12 to the financial statements are held in the name of the Company, except as noted below:-

- In respect of two immovable properties (freehold land) aggregating to ₹ 2.21 lacs as at March 31, 2016, the title deeds were not available with the Company and hence we are unable to comment on the same.
- In respect of the following, the immovable properties are not held in the name of the Company. The same is held in the name of the erstwhile entities which have been merged with the Company.

Total Number of Cases	Nature	Gross block (₹ in lacs)	Net Block (₹ in lacs)
2	Freehold land and building	4,974	4,497

- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company has granted loan to one Company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loan are not prejudicial to the Company's interest.
- (b) The Company has granted loans that are re-payable on demand, to a Company covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the Company has not demanded repayment of any such loan and interest during the year, and thus, there has been no default on the part of the parties to whom the money has been lent.
- (c) There is no amount of loans granted to Companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are outstanding for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a Company in which the Director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon.
- In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of products of the Company, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess that have not been deposited on account of any dispute, are as follows:

Matter	Year	Forum where dispute is pending (Amounts in Lacs)				Grand total
		Commissioner and Appellate	Tribunal	High Court	Supreme court	
Excise	1998-2000	10	-	-	-	10
	2006-2014	134	1	-	-	135
Service Tax	2005-2006	7	-	-	-	7
	2010-2012	91	-	-	-	91
Sales Tax	1999-2001	18	4	-	-	22
	2001-2009	54	-	-	-	54
	2001-2004	352	153	200	-	705
	2004-2005	18	293	-	-	311
	2005-2006	334	213	-	-	547
	2006-2007	537	181	52	-	770
	2006-2011	31	-	-	-	31
	2007-2008	204	23	8	-	235
	2008-2010	373	39	-	-	412
	2009-2010	108	128	108	-	344
	2010-2011	217	-	-	168	385
	2010-2012	17	-	-	-	17
	2010-2013	40	-	-	-	40
	2011-2012	60	-	-	-	60
	2011-2013	44	-	-	-	44
	2011-2014	-	-	-	-	-
	2012-2013	69	-	-	-	69
	2012-2014	4	-	-	-	4
	2013-2014	78	-	-	-	78
	2014-2015	17	-	-	-	17
Income Tax	AY 2008-2013	5,177	95	-	-	5,272
Total		7,994	1,130	368	168	9,660

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank, debenture holders or government.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans. Hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/ E300003

per Vikram Mehta

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: May 23, 2016

ANNEXURE 2 TO INDEPENDENT AUDITOR'S REPORT

of even date on the Standalone Financial Statements of Jyothy Laboratories Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Jyothy Laboratories Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/ E300003

per Vikram Mehta

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: May 23, 2016

BALANCE SHEET

as at March 31, 2016

	Note	₹ In Lacs	
		2016	2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	1,811.20	1,810.23
Reserves and surplus	5	101,446.78	94,360.14
		103,257.98	96,170.37
Non-current liabilities			
Long-term borrowings	6	-	40,000.00
Deferred tax liabilities (Net)	7	2,453.11	-
Other Long-term liabilities	8	-	14,795.90
Provisions	9	1,632.60	1,269.79
		4,085.71	56,065.69
Current liabilities			
Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		4,682.31	3,728.17
Total outstanding dues of creditors other than micro enterprises and small enterprises		10,825.70	9,087.65
Other current liabilities	11	59,175.56	15,149.98
Provisions	9	5,099.19	11,441.15
		79,782.76	39,406.95
TOTAL		187,126.45	191,643.01
ASSETS			
Non-current assets			
Fixed assets			
(i) Tangible assets	12	24,079.53	25,143.90
(ii) Intangible assets	12	27,384.13	31,888.59
(iii) Capital work-in-progress		523.11	536.36
(iv) Intangible assets under development		240.00	-
Non-current investments	13	24,312.78	24,454.88
Loans and advances	14	70,123.51	60,135.27
Other assets	15	78.13	219.28
		146,741.19	142,378.28
Current assets			
Current investments	16	6,624.27	16,450.00
Inventories	17	17,906.04	18,101.82
Trade receivables	18	8,379.23	5,091.46
Cash and Bank balances	19	4,937.29	6,525.81
Loans and advances	14	2,149.18	2,804.73
Other assets	15	389.25	290.91
		40,385.26	49,264.73
TOTAL		187,126.45	191,643.01
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S R B C & CO LLP**
 Chartered Accountants
 ICAI Firm Registration No. 324982E/ E300003

per **Vikram Mehta**
 Partner
 Membership No.: 105938

Place: Mumbai
 Date: May 23, 2016

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

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

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

Place: Mumbai
 Date: May 23, 2016

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

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

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2016

	Note	2015-16	2014-15
₹ In Lacs			
REVENUE			
Sales (net of trade discount)		163,287.88	148,113.63
Less: Excise duty		(5,936.94)	(5,286.81)
Net sales	29 (H)	157,350.94	142,826.82
Other operating income	20	186.07	955.13
Revenue from operations		157,537.01	143,781.95
Other income	21	952.02	670.16
Total Revenue (I)		158,489.03	144,452.11
EXPENSES			
Cost of raw material and components consumed	22	48,640.52	45,635.68
Purchase of traded goods	29 (H)	30,712.40	31,789.97
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	23	115.87	(1,361.56)
Employee benefits expense	24	14,109.79	12,711.04
Employee stock option expenses	24	1,750.26	2,871.13
Share of (profit) / loss from investment in partnership firm		7.30	(27.17)
Other expenses	25	40,434.07	35,608.03
Total Expense (II)		135,770.21	127,227.12
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION, AMORTIZATION AND IMPAIRMENT (EBITDA) (I) – (II)		22,718.82	17,224.99
Depreciation, amortisation and impairment	12	6,793.99	7,037.07
Finance Costs	26	485.56	1,202.98
Interest Income	27	4,701.81	5,915.82
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		20,141.08	14,900.76
Exceptional item	43	-	209.18
PROFIT BEFORE TAX		20,141.08	14,691.58
Current tax (MAT)		4,312.00	3,075.00
Less MAT credit entitlement		(2,860.00)	(3,075.00)
- Net current tax		1,452.00	-
- Deferred tax charge/ (credit)		2,453.12	-
- Excess tax provision/ MAT credit reversal of earlier years		-	412.63
PROFIT AFTER TAX		16,235.96	14,278.95
EARNINGS PER SHARE (EPS)			
Basic (₹)	39	8.97	7.89
Diluted (₹)		8.84	7.83
Nominal value per share (₹)		1	1
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/ E300003

per **Vikram Mehta**
Partner
Membership No.: 105938

Place: Mumbai
Date: May 23, 2016

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

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

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

Place: Mumbai
Date: May 23, 2016

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

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

STATEMENT OF CASH FLOWS

for the year ended March 31, 2016

₹ In Lacs

	2015-16	2014-15
A. CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES:		
Profit before Tax	20,141.08	14,691.58
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation, amortisation and impairment	6,793.99	7,037.07
Loss on fixed assets discarded	80.57	91.42
Profit on sale of plant, property and equipment	(49.74)	(17.16)
Profit on sale of investment in subsidiary	-	(82.55)
Interest and finance charges	485.56	1,202.98
Interest Income	(4,701.81)	(5,915.82)
Share of (profit) / loss from investment in partnership firm	7.30	(27.17)
Liabilities no longer required written back (net)	-	(389.17)
Differential tariff towards power and fuel expenses of earlier years	-	(400.31)
Foreign exchange fluctuation gain (net)	863.74	(4.66)
Profit on sale of current investments	(829.33)	(476.98)
Provision for doubtful advances	70.00	-
Employee stock option expenses	1,750.26	2,871.13
Operating profit before working capital changes	24,611.62	18,580.36
Movements in working capital :		
Increase/ (decrease) in trade payables	2,692.19	2,421.13
Increase / (decrease) in provisions	396.36	872.11
Increase/ (decrease) in other liabilities	1,377.81	(761.95)
Decrease / (increase) in trade receivables	(4,151.51)	476.24
Decrease / (increase) in inventories	195.78	(1,982.62)
Decrease / (increase) in loans and advances	(972.56)	187.91
Decrease / (increase) in other current assets	46.95	66.14
Cash generated from operations	24,196.64	19,859.33
Taxes paid (net)	(5,131.69)	(4,102.12)
Net cash generated from operating activities (A)	19,064.95	15,757.21
B. CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES:		
Purchase of fixed assets including capital work-in-progress and capital advances	(2,459.40)	(631.11)
Proceeds from sale of fixed assets	195.32	145.98
Investment in fixed deposit (having original maturity of more than three months)	1,032.24	(1,369.90)
Investment in shares of subsidiaries	-	(15,000.00)
Profit on sale of current investments	829.33	476.98
Proceed from sale of investment in subsidiary	-	82.55
(Investment)/Refund in partnership firm	(12.50)	43.00
Proceeds of loan given to subsidiary company	434.88	15,835.13
Interest Income received	368.46	367.75
Net cash used in investing activities (B)	388.33	(49.62)

STATEMENT OF CASH FLOWS

for the year ended March 31, 2016

	₹ In Lacs	
	2015-16	2014-15
C. CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES:		
Interest and finance charges paid	(862.73)	(1,202.98)
Allotment of equity shares under ESOP scheme	0.97	-
Repayment of Long Term Borrowings	(11,500.00)	-
Repayment of deferred payment liability	(180.00)	-
Dividend paid	(14,485.73)	(3,620.47)
Dividend tax paid	(2,948.95)	(615.30)
Net cash (used in) /generated from financing activities (C)	(29,976.44)	(5,438.74)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(10,523.16)	10,268.84
Cash and cash equivalents at the beginning of the year	18,604.68	8,335.84
Cash and cash equivalents at the end of the year	8,081.52	18,604.68
Reconciliation of cash and cash equivalents		
Cash in hand	13.03	16.31
Balance with scheduled banks - Current account	1,304.94	2,085.03
Unclaimed dividend accounts *	139.28	53.34
Cash and cash equivalents (Note 19)	1,457.25	2,154.68
Mutual fund Investments (Note 16)	6,624.27	16,450.00
Cash and cash equivalents considered for cash flows statement	8,081.52	18,604.68
* Not available for use by the management for any other purpose		
Summary of significant accounting policies	Note 3	

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/ E300003

per **Vikram Mehta**
Partner
Membership No.: 105938

Place: Mumbai
Date: May 23, 2016

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

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

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

Place: Mumbai
Date: May 23, 2016

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

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

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 1 - BACKGROUND

Jyothy Laboratories Limited ('the Company') is a public company domiciled in India. Its shares are listed on two stock exchanges in India. The Company is principally engaged in manufacturing and marketing of fabric whiteners, soaps, detergents, mosquito repellents, scrubber, bodycare and incense sticks.

NOTE 2 - BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets which has been recorded on fair value and assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are as follows:

a) Use of estimates

The preparation of financial statements, in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Tangible fixed assets

Fixed assets are initially recorded at cost. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. The cost of the tangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, tangible assets are carried at cost less accumulated depreciation and impairment losses, if any.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of the intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d) Depreciation and amortisation

Depreciation on fixed assets is calculated on Straight Line basis using the rates arrived at based on useful lives estimated by the management. Intangible assets are amortised on straight line basis on the estimated useful economic life.

The estimated useful life of the assets is as follows:

Category	Estimated useful life (in years)
Factory Buildings	10-30
Building (Other than Factory Building)	30-60
Building (Fences and temporary structure)	3-6
Plant and machinery	13-15
Furniture and fixtures	5-10
Dies and moulds	3
Computers	3-6
Office equipments	5
Vehicles	6-10
Know-how	3-5
Trademarks and Copyrights	9-10
Brands	10
Softwares and Licences	10

Goodwill purchased is not amortized but tested for impairment every year. The goodwill arising on amalgamation is amortized to the statement of profit and loss over 10 years.

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to the financial statements for the year ended March 31, 2016

Assets costing less than ₹ 5,000 are depreciated at the rate of 100 %. Leasehold land is amortized over the period of the lease on a straight-line basis which ranges between 60-90 years.

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets (which were taken over during the merger of erstwhile Jyothy Consumer Products Limited), which are lower than those indicated in Schedule II.

Category	Estimated useful life (in years)
Factory Buildings	10
Building (Other than Factory Building)	30
Plant and machinery	13
Furniture and fixtures	5
Vehicles	6

The amortization/ depreciation period and the amortization/ depreciation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization/ depreciation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization/ depreciation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 *Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies*.

e) Impairment

- i. The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the pre-tax discount rate. In determining net selling price, recent market transaction are taken into account, if available. If no such transaction can be identified, an appropriate valuation model is used.
- ii. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- iii. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to

determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

f) Borrowing Costs

Borrowing costs consist of interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the respective asset. All other borrowing costs are expensed in the period they occur.

g) Operating Leases

i. Where the Company is a lessee;

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Lease payments on operating leases are recognized as an expense in the statement of profit and loss on a straight-line basis, over the lease term.

ii. Where the Company is a lessor;

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss.

Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

h) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to revenue item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value in arriving at the carrying amount of the related asset. Government grant in the nature of promoters' contribution is credited to the investment subsidy reserve.

NOTES

to the financial statements for the year ended March 31, 2016

i) Investment

Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties and other costs that arise on acquisition of investment.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of the Company is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and impairment losses, if any.

j) Inventories

Inventories of raw materials, packing materials, work-in-progress, finished goods, stores and consumables items are valued at cost or net realizable value, whichever is lower. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost is ascertained on First-in-First out ('FIFO') basis and includes all applicable costs incurred in bringing goods to their present location and condition. Cost of work in progress, manufactured packing material and finished goods includes materials and all applicable manufacturing overheads. The Company accrues for excise duty liability in respect of manufactured finished goods/intermediary inventories lying in the factory.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

k) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can

be reliably measured. The following specific criteria must also be met before revenue is recognised;

Sale of Goods

Revenue is recognised when all the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Excise Duty, Sales Tax and VAT deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Revenue includes the amount of excise duty refund received / due in accordance with incentive scheme. Revenue is net of trade discount given.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and at the applicable interest rate.

l) Foreign currency translation

i. Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

m) Retirement and other employee benefits

i. Retirement benefit in the form of provident fund and super annuation fund is a defined contribution scheme.

NOTES

to the financial statements for the year ended March 31, 2016

The company has no obligation, other than the contribution payable to the respective fund. The company recognizes contribution payable to the provident fund/ super annuation scheme as an expenditure, when an employee renders the related service.

- ii. Gratuity benefit is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- iii. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- iv. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional legal and contractual right to defer its settlement for 12 months after the reporting date.
- v. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.

n) Sales promotion items

Sales promotion items are valued at cost. Cost is ascertained on First-in-First out ('FIFO') basis and includes all applicable costs incurred in bringing goods to their present location and condition.

o) Income-tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates for deductible timing differences and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternative tax (MAT) paid in a year is charged to the statement of profit and loss as current tax.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the Guidance Note on Accounting for credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT credit entitlement at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

p) Provisions

A provision is recognised when the company has a present obligation as a result of past event; it is probable that an outflow

NOTES

to the financial statements for the year ended March 31, 2016

of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

q) Excise duty

Excise duty on turnover is reduced from turnover. Excise duty relating to the difference between the opening stock and closing stock is recognized as income/ expense as the case may be, separately in the statement of profit and loss.

r) Segment Reporting

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Segment accounting policies :

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

Intersegment transfer :

The Company generally accounts for inter segment sales and transfers as if the sales or transfer were to third parties at market price.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

It includes general corporate income and expense items which are not allocated to any business segment.

s) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for event of bonus issue, bonus element in a

rights issue to existing shareholders, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

u) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

v) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the company does not include depreciation and amortization expense, finance costs, interest income and tax expense.

w) Employee stock compensation cost

Employees in senior management of the company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

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to the financial statements for the year ended March 31, 2016

₹ In Lacs

	As at March 31, 2016	As at March 31, 2015
NOTE 4		
SHARE CAPITAL		
AUTHORISED CAPITAL		
2,570,000,000 (2015 - 2,570,000,000) equity shares of ₹ 1 (2015 - ₹ 1) each	25,700.00	25,700.00
	25,700.00	25,700.00
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
181,119,680 (2015 - 181,023,496) equity shares of ₹ 1 (2015 - ₹ 1) each fully paid	1,811.20	1,810.23
	1,811.20	1,810.23

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2016		As at March 31, 2015	
	No.	Amount	No.	Amount
At the beginning of the period	181,023,496	1,810.23	181,023,496	1,810.23
Issued during the year (ESOP)	96,184	0.97	-	-
Outstanding at the end of the period	181,119,680	1,811.20	181,023,496	1,810.23

b. Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2016		As at March 31, 2015	
	No.	% Holding in the class	No.	% Holding in the class
Equity shares of ₹ 1 each fully paid				
M. P. Ramachandran	72,112,060	39.81%	72,112,060	39.84%
Sahyadri Agencies Limited	15,000,000	8.28%	15,000,000	8.29%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of 1 ₹ per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 5 (2015 - ₹ 4) including interim dividend of ₹ 4 per equity share paid during the year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

	As at March 31, 2016	As at March 31, 2015
	No.	No.
Equity shares allotted as fully paid bonus shares by capitalization of securities premium (FY 2013 - 2014)	2,379,748	2,379,748
Equity shares issued for consideration other than cash, pursuant to scheme of amalgamation with erstwhile Jyothy Consumer Products Limited (JCPL) (FY 2013 - 2014)	2,379,748	2,379,748
	4,759,496	4,759,496

In addition the company has issued 96,184 share (2015 Nil) during the period of five years immediately preceding the reporting date on exercise of option granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services.

e. Share reserve for issue under option

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 36

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to the financial statements for the year ended March 31, 2016

₹ In Lacs

	As at March 31, 2016	As at March 31, 2015
NOTE 5		
RESERVES AND SURPLUS		
Surplus in the statement of profit and loss :		
Balance, beginning of the year	2,109.17	2,228.39
Profit for the year	16,235.96	14,278.95
	18,345.13	16,507.34
Less: Appropriations		
Proposed dividend (amount per share ₹ 1 (2015 - ₹ 4))	(1,811.20)	(7,240.94)
Tax on proposed dividend	(368.72)	(1,474.08)
Interim dividend (amount per share ₹ 4 (2015 - ₹ Nil))	(7,244.79)	-
Tax on Interim dividend	(1,474.87)	-
Depreciation as per Schedule II of Companies Act, 2013*	-	(310.64)
Transfer to Debenture Redemption Reserve	(4,560.01)	(5,372.51)
Net surplus in the statement of profit and loss	2,885.54	2,109.17
Capital Reserve	5,505.27	5,505.27
Securities premium		
Balance, beginning of the year	39,191.21	39,191.21
Add: Addition on ESOP's exercised	180.54	-
Balance, end of the year	39,371.75	39,191.21
Debenture Redemption Reserve		
Balance, beginning of the year	11,995.02	6,622.51
Add: Amount transferred from surplus in the statement of profit and loss	4,560.01	5,372.51
Less: Amount transferred to general reserves	(2,875.00)	-
Balance, end of the year	13,680.03	11,995.02
Investment subsidy	106.90	106.90
General reserves		
Balance, beginning of the year	32,581.44	32,581.44
Add: Amount transferred from debenture redemption reserves	2,875.00	-
Balance, end of the year	35,456.44	32,581.44
Employee stock option outstanding		
Balance, beginning of the year	2,871.13	-
Add: Compensation on stock option granted during the year	2,397.87	2,871.13
Less: Compensation on stock option cancelled during the year	(647.61)	-
Less: Transfer to securities premium on exercise of stock options	(180.54)	-
	4,440.85	2,871.13
	101,446.78	94,360.14

* The Company had not recognised deferred tax assets on the same in the absence of virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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to the financial statements for the year ended March 31, 2016

₹ In Lacs

	NON CURRENT		CURRENT	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
NOTE 6				
LONG-TERM BORROWINGS				
Secured Redeemable Zero Coupon Non Convertible Debentures				
4,000 (2015 - 4,000) Debentures of ₹ 10,00,000 (2015 - ₹ 10,00,000) each	-	40,000.00	40,000.00	-
9.65% Secured Redeemable Non Convertible Debentures				
Nil (2015 - 650) Debentures of ₹ Nil (2015 - ₹ 10,00,000) each	-	-	-	6,500.00
10.25% Secured Redeemable Non Convertible Debentures				
Nil (2015 - 500) Debentures of ₹ Nil (2015 - ₹ 10,00,000) each	-	-	-	5,000.00
Deferred Payment Liability (Unsecured)	-	-	180.00	360.00
Amount disclosed under 'Other Current Liabilities' (Note 11)	-	-	(40,180.00)	(11,860.00)
	-	40,000.00	-	-

Details of loan :

- Debentures are secured by first charge on all fixed assets and select Brands (Maxo and Exo).
- 4,000 Zero coupon non convertible redeemable debentures of ₹ 10,00,000 each is redeemable at premium of ₹ 368,022 per debenture after 3 years from the date of allotment i.e. November 14, 2013.
- Deferred payment liabilities is repayable over a period of three years in equal installments.

	As at March 31, 2016	As at March 31, 2015
NOTE 7		
DEFERRED TAX LIABILITY (Net)		
a) Deferred tax liability		
Depreciation	4,047.52	4,209.68
Gross Deferred tax liability (A)	4,047.52	4,209.68
b) Deferred tax assets		
Technical royalty	1.19	1.58
Provision for gratuity	565.01	439.45
Provision for doubtful debts	113.44	113.44
Provision for doubtful advances	523.76	503.03
Provision for leave encashment	255.65	242.47
Provision for impairment losses	59.05	60.27
Other disallowances	76.31	32.87
Carry forward losses and unabsorbed depreciation	-	2,816.57
Gross Deferred tax assets (B)	1,594.41	4,209.68
Net Deferred Tax Liabilities (A-B)	2,453.11	-

	As at March 31, 2016	As at March 31, 2015
NOTE 8		
OTHER LONG-TERM LIABILITIES		
Premium payable on redemption of Debentures	14,720.09	14,720.09
Creditors for capital goods	-	75.81
Amount disclosed under 'Other Current Liabilities' (Note 11)	(14,720.09)	-
	-	14,795.90

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to the financial statements for the year ended March 31, 2016

₹ In Lacs

	NON CURRENT		CURRENT	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
NOTE 9				
PROVISIONS				
Provision for employee benefits				
Provision for leave encashment	-	-	738.70	700.60
Provision for gratuity (Note 28)	1,632.60	1,269.79	-	-
	1,632.60	1,269.79	738.70	700.60
Other provisions				
Provision for wealth tax	-	-	4.17	8.73
Provision for income tax (net of advance tax of ₹ 3,777.52 (2015 - ₹ 2,700.12))	-	-	534.48	374.88
Provision for litigation*	-	-	1,641.92	1,641.92
Proposed dividend	-	-	1,811.20	7,240.94
Tax on proposed dividend	-	-	368.72	1,474.08
	-	-	4,360.49	10,740.55
	1,632.60	1,269.79	5,099.19	11,441.15

*Provision for litigation relates to certain indirect tax cases pending at various levels.

	As at March 31, 2016	As at March 31, 2015
NOTE 10		
TRADE PAYABLES		
Total outstanding dues of micro enterprises and small enterprises (refer note 35 for details of dues to micro and small enterprises)	4,682.31	3,728.17
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other trade payables	5,302.23	4,016.85
Accrual for expenses	5,523.47	5,070.80
	15,508.01	12,815.82

	As at March 31, 2016	As at March 31, 2015
NOTE 11		
OTHER CURRENT LIABILITIES		
Statutory dues	1,804.64	1,519.03
Unclaimed dividend *	139.28	53.34
Interest accrued but not due on loans	-	377.16
Security deposits	29.68	32.08
Advances from customers	580.03	201.86
Advances towards fixed assets / investment property held for sale	20.00	95.83
Creditors for capital goods	75.81	90.97
Current maturities of long term borrowings (Note 6)	40,180.00	11,860.00
Current maturities of Premium payable on redemption of Debentures (Note 8)	14,720.09	-
Accrual for sales promotion schemes	1,626.03	919.71
	59,175.56	15,149.98

* There are no amounts payable / due to be credited to Investor Education and Protection Fund.

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

NOTE 12

TANGIBLE ASSETS

Particulars	Gross Block			Depreciation and Amortisation				Impairment			Net Block	
	As at April 1, 2015	Addition	Deletions	As at April 1, 2015	For the year adjusted to reserve as per Schedule II of the Companies Act 2013*	Charge for the year	Deletions	As at March 31, 2016	As at April 1, 2015	Charge/ Reversal for the year	As at March 31, 2016	As at March 31, 2015
Freehold land @	5,648.67	-	-	-	-	-	-	-	-	-	5,648.67	5,648.67
	5,615.34	33.33	-	-	-	-	-	-	-	-	-	-
Leasehold land	274.83	-	-	37.59	-	3.75	-	41.34	-	-	233.49	237.24
	274.83	-	-	33.84	-	3.75	-	37.59	-	-	-	-
Building # @	13,656.68	196.07	60.51	13,792.24	3,325.26	471.79	20.25	3,776.80	-	-	10,015.44	10,331.42
	13,474.77	196.69	14.78	13,656.68	2,857.99	472.69	5.42	3,325.26	-	-	-	-
Plant and machinery	13,960.18	1,028.28	690.69	14,297.77	6,070.63	1,398.37	514.99	6,954.01	84.24	-	7,263.05	7,805.31
	14,126.57	701.99	868.38	13,960.18	4,867.91	1,486.12	372.62	6,070.63	392.92	-	84.24	-
Dies and moulds	671.69	47.95	61.99	657.65	503.70	92.09	59.79	536.00	-	-	121.65	167.99
	666.87	175.86	171.04	671.69	546.91	121.00	168.80	503.70	-	-	-	-
Furniture and fixture	735.36	37.03	33.27	739.12	427.05	77.93	31.77	473.21	1.07	-	264.84	307.24
	781.28	15.33	61.25	735.36	349.00	114.12	60.17	427.05	1.07	-	1.07	-
Office equipments	993.06	83.59	108.00	968.65	741.46	108.48	107.53	742.41	12.76	-	213.48	238.84
	901.00	152.63	60.57	993.06	491.99	185.58	57.88	741.46	14.09	-	12.76	-
Vehicle	817.20	16.42	48.76	784.86	409.10	95.15	39.21	465.04	0.91	-	318.91	407.19
	679.24	232.76	94.80	817.20	370.02	7.15	75.68	409.10	0.91	-	0.91	-
Total tangible assets	36,757.67	1,409.34	1,003.22	37,163.79	11,514.79	2,247.56	773.54	12,988.81	98.98	-	95.45	25,143.90
	36,519.90	1,508.59	1,270.82	36,757.67	9,517.66	310.64	740.57	11,514.79	408.99	-	98.98	-

Includes ₹ 452.19 (2015 - ₹ 452.19) represented by unquoted fully paid shares at cost in various co-operative societies. Further, also refer Note 32.

* Effective April 1, 2014, the Company had revised the useful life of certain fixed assets based on Schedule II to the Companies Act, 2013 for the purposes of providing depreciation on fixed assets. Accordingly, the carrying amount of the assets as on April 1, 2014 was depreciated over the remaining revised useful life of the fixed assets. Further, an amount of ₹ Nil (2015 - ₹ 310.64) (Net of tax ₹ Nil) representing the carrying amount of the assets with revised useful life as Nil was charged to the opening reserves as on April 1, 2014.

@ Freehold land and building includes asset which are not transferred in the name of the company amounting to ₹ 4,974 (Gross block) (2015 - ₹ 4,974). These are held in the name of the entities which have been merged with the company in earlier years.

Figures in italics are in respect of the previous year.

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

NOTE 12 INTANGIBLE ASSETS

Particulars	Gross Block		Depreciation and Amortisation			Impairment		Net Block	
	As at April 1, 2015	As at Addition	As at April 1, 2015	Charge for the year	Deletions	As at April 1, 2015	Charge/ Reversal for the year	As at March 31, 2016	As at March 31, 2015
Goodwill on Amalgamation	14,339.41	-	4,301.82	1,433.94	-	5,735.76	-	8,603.65	10,037.59
	<i>14,339.41</i>	-	<i>2,867.88</i>	<i>1,433.94</i>	-	<i>4,301.82</i>	-	-	-
Goodwill	301.60	-	-	-	-	-	51.50	250.10	250.10
	<i>301.60</i>	-	-	-	-	-	<i>51.50</i>	<i>51.50</i>	-
Brands	30,366.00	-	9,109.80	3,036.60	-	12,146.40	-	18,219.60	21,256.20
	<i>30,366.00</i>	-	<i>6,073.20</i>	<i>3,036.60</i>	-	<i>9,109.80</i>	-	-	-
Trademarks and Copyrights\$	580.81	-	471.65	41.14	-	512.79	23.68	44.34	85.48
	<i>580.81</i>	-	<i>430.23</i>	<i>41.42</i>	-	<i>471.65</i>	<i>23.68</i>	-	-
Know-how	647.12	-	647.12	-	-	647.12	-	-	-
	<i>647.12</i>	-	<i>575.45</i>	<i>71.67</i>	-	<i>647.12</i>	-	-	-
Softwares and Licences	325.77	41.97	66.55	34.75	-	101.30	-	266.44	259.22
	<i>228.20</i>	<i>97.57</i>	<i>40.17</i>	<i>26.38</i>	-	<i>66.55</i>	-	-	-
Total intangible assets	46,560.71	41.97	14,596.94	4,546.43	-	19,143.37	75.18	27,384.13	31,888.59
	<i>46,463.14</i>	<i>97.57</i>	<i>9,986.93</i>	<i>4,610.01</i>	-	<i>14,596.94</i>	<i>75.18</i>	-	<i>75.18</i>

\$ Includes trademarks and copyrights of ₹ 315.63 (2015 - ₹ 315.63) pending for registration in the name of the Company.

Figures in italics are in respect of the previous year

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

	As at March 31, 2016	As at March 31, 2015
NOTE 13		
NON CURRENT INVESTMENTS (at cost)		
Investment property (Freehold land) #	-	147.30
Trade Investments (Unquoted)		
Investment in subsidiaries -		
Jyothy Consumer Products Marketing Ltd \$		
4,970,000 (2015 - 4,970,000) equity shares of ₹ 10 (2015 - ₹ 10) each fully paid up	497.00	497.00
Jyothy Fabricare Services Limited		
9,800,000 (2015 - 9,800,000) equity shares of ₹ 10 (2015 - ₹ 10) each fully paid up	1,343.73	1,343.73
3,300,000 (2015 - 3,300,000) compulsory convertible preference shares of ₹ 100 (2015 - ₹ 100) each fully paid up	6,804.24	6,804.24
7,500,000 (2015- Nil) 2% optionally convertible preference share of ₹ 10 (2015 - ₹ Nil) each fully paid up	15,000.00	15,000.00
Jyothy Kallol Bangladesh Limited		
8,485,431 (2015 - 7,494,696) equity shares of BDT 10 (2015 - BDT 10) each fully paid up	580.47	501.65
Investment in others -		
Henkel SPIC Employees Co-operative Thrift and Credit Society Limited	2.00	2.00
2,000 (2015 - 2,000) equity shares of ₹ 100 (2015 - ₹ 100) each fully paid up		
Capexil (Agencies) Ltd*		
5 (2015 - 5) equity shares of ₹ 10,000 (2015 - ₹ 10,000) each fully paid up	-	-
Madras Industrial Cooperative Analytical Laboratory Limited*		
2 (2015 - 2) equity shares of ₹ 500 (2015 - ₹ 500) each fully paid up	-	-
Ambattur Industrial Estate Manufacturers Service Industrial Cooperative Society Ltd*		
1 (2015 - 1) equity shares of ₹ 100 (2015 - ₹ 100) each fully paid up	-	-
	24,227.44	24,148.62
Investments in Partnership Firm		
M/s JFSL - JLL (Note 38)	84.75	79.55
Non-Trade Investment (Unquoted)		
Investment in Government Securities		
Indira Vikas Patra	0.02	0.02
National Saving Certificates (Pledged with Government authorities)	0.57	0.57
	0.59	0.59
Share application money pending allotment	-	78.82
	24,312.78	24,454.88
Aggregate amount of unquoted investments	24,312.78	24,454.88
Aggregate amount of quoted investments	-	-
Market Value of quoted investments	-	-

Since this is a freehold land, no depreciation is charged on the same.

* Investment has been fair valued on amalgamation with Jyothy Consumer Products Limited at a nominal value of ₹ 1/-

\$ Previous Year includes investment in Associated Industries Consumer Products Private Limited which has been merged with Jyothy Consumer Products Marketing Limited w.e.f. April 1, 2014.

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

	NON CURRENT		CURRENT	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
NOTE 14				
LOANS AND ADVANCES				
Unsecured, considered good unless otherwise stated				
Capital Advances	772.68	82.31	-	-
Advances and loans to subsidiaries (Note 37)	47,250.31	43,349.83	-	-
Advance to suppliers *	58.45	58.45	1,535.75	1,454.92
Balance with excise and VAT authorities *	-	-	1,326.88	1,919.20
MAT Credit entitlement	9,194.39	6,334.39	-	-
Deposits*	1,648.01	574.35	-	-
Balance with government authorities* (Note 40)	7,712.14	7,112.30	-	-
Prepaid Expenses	-	-	140.94	172.66
Advance income tax (net of provisions of ₹ 9,952.90 (2015 - ₹ 6,877.90))	2,895.52	1,916.24	-	-
Other receivables *	838.50	964.00	412.52	454.86
Less: Provisions for doubtful advances	(246.49)	(256.60)	(1,266.91)	(1,196.91)
	70,123.51	60,135.27	2,149.18	2,804.73

Note:

* Advances to suppliers, Balance with excise and VAT authorities, Balance with government authorities, Deposits and Other receivables include ₹ 422.79 (2015 - ₹ 352.79), ₹ 881.50 (2015 - ₹ 881.50), ₹ 167.00 (2015 - ₹ 167.00), ₹ 21.04 (2015 - ₹ 31.15) and ₹ 21.07 (2015 - ₹ 21.07) respectively, considered doubtful and fully provided for.

	NON CURRENT		CURRENT	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
NOTE 15				
OTHER ASSETS				
Unsecured, considered good				
Inventory-Sales Promotions Items	-	-	241.95	288.90
Interest accrued but not due	-	-	-	2.01
Investment property (Freehold land) held for sale	-	-	147.30	-
Fixed deposit with Banks having original maturity of more than 12 months (Note 19)	78.13	219.28	-	-
	78.13	219.28	389.25	290.91

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

	As at March 31, 2016	As at March 31, 2015
NOTE 16		
CURRENT INVESTMENT (Quoted -Cost or Fair value whichever is lower)		
Axis Banking Debt Fund - Growth		
Nil (2015 - 133,859.97) units of ₹ Nil (2015 - ₹ 1,000) each	-	1,700.00
Axis Liquid Fund - Growth		
190,885.67 (2015 - Nil) units of ₹ 1,000 (2015 - ₹ Nil) each	3,200.00	-
Axis Short Term Fund		
Nil (2015 - 3,298,544.68) units of ₹ Nil (2015 - ₹ 10) each	-	500.00
Axis Treasury Advantage Fund - Growth		
Nil (2015 - 265,018.71) units of ₹ Nil (2015 - ₹ 1,000) each	-	4,050.00
HDFC Gilt Fund Long Term Plan -Direct Plan - Growth		
Nil (2015 - 5,672,438.54) units of ₹ Nil (2015 - ₹ 10) each	-	1,600.00
HDFC High Interest Fund - Dynamic Plan		
Nil (2015 - 815,281.64) units of ₹ Nil (2015 - ₹ 10) each	-	400.00
ICICI Prudential Stp - Growth		
Nil (2015 - 1,785,912.01) units of ₹ Nil (2015 - ₹ 10) each	-	500.00
ICICI Prudential Ultra Short Term Plan - Dir - Gr		
Nil (2015 - 11,475,961.45) units of ₹ Nil (2015 - ₹ 10) each	-	1,600.00
Indiabulls Ultra Short Term Fund		
77,179.60 (2015 - 115,556.48) units of ₹ 1,000 (2015 - ₹ 1,000) each	1,100.00	1,550.00
Reliance Short Term Fund		
Nil (2015 - 5,143,139.64) units of ₹ Nil (2015 - ₹ 10) each	-	1,350.00
Religare Invesco Short Term Fund		
Nil (2015 - 53,149.72) units of ₹ Nil (2015 - ₹ 1,000) each	-	1,000.00
Religare Invesco Ultra Short Term Fund - Direct Pl		
Nil (2015 - 51,584.63) units of ₹ Nil (2015 - ₹ 1,000) each	-	1,000.00
Taurus Short Term Income Fund		
Nil (2015 - 20,401.56) units of ₹ Nil (2015 - ₹ 1,000) each	-	500.00
Taurus Ultra Short Term Bond Fund Super Institution		
16,293.49 (2015 - 41,593.42) units of ₹ 1,000 (2015 - ₹ 1,000) each	300.00	700.00
Taurus Dynamic Income Fund - Growth Option		
68,32,489.20(2015 - Nil) units of ₹ 10 (2015 - ₹ Nil) each	1,001.49	-
Kotak Low Duration Fund		
58,351.96 (2015 - Nil) units of ₹ 1,000 (2015 - ₹ Nil) each	1,022.78	-
	6,624.27	16,450.00
Aggregate amount of quoted investments	6,624.27	16,450.00
Market Value of quoted investments	6,754.79	16,700.32

	As at March 31, 2016	As at March 31, 2015
NOTE 17		
INVENTORIES (Valued at lower of cost or net realisable value)		
Raw and packing materials (including goods in transit ₹ 2.19 (2015 - ₹ Nil))	4,797.18	4,960.17
Work in progress (Note 29 (I))	1,546.07	1,369.07
Finished goods manufactured (Note 29 (H))	8,049.32	7,320.06
Traded Goods (including goods in transit ₹ 253.66 (2015 - ₹ 322.89)) (Note 29 (H))	3,112.64	4,106.74
Stores and spare parts	400.83	345.78
	17,906.04	18,101.82

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

	As at March 31, 2016	As at March 31, 2015
NOTE 18		
TRADE RECEIVABLES		
Unsecured		
a) Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	706.85	761.84
Considered doubtful	327.78	327.78
Less: Provision for doubtful receivables	(327.78)	(327.78)
	706.85	761.84
b) Other receivable, considered good	7,672.38	4,329.62
	8,379.23	5,091.46

Refer Note 31 for dues receivable from related parties

	NON CURRENT		CURRENT	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
NOTE 19				
CASH AND BANK BALANCES				
Cash and cash equivalents				
Cash in hand	-	-	13.03	16.31
Balance with banks - Current account	-	-	1,304.94	2,085.03
Unclaimed dividend accounts	-	-	139.28	53.34
	-	-	1,457.25	2,154.68
Other bank balances				
Deposits with original maturity for more than 12 months*	78.13	219.28	3,480.04	4,371.13
Amount disclosed under 'other assets' (Note 15)	(78.13)	(219.28)	-	-
	-	-	3,480.04	4,371.13
	-	-	4,937.29	6,525.81

* Includes deposits provided as securities against bank guarantees and debenture redemption reserves - ₹ 2,442.18 (2015 - ₹ 2,215.71)

	2015-16	2014-15
NOTE 20		
OTHER OPERATING INCOME		
Export incentives	22.10	25.92
Royalty income	2.68	4.35
Sales of scrap	35.04	13.30
Agricultural income	6.05	4.28
Liabilities no longer required written back (net)	-	389.17
Differential tariff towards power and fuel expenses of earlier years	-	400.31
Others	120.20	117.80
	186.07	955.13

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

	2015-16	2014-15
NOTE 21		
OTHER INCOME		
Lease rent income	66.30	75.84
Foreign exchange fluctuation gain (net)	-	4.66
Profit on sale of current investments	829.33	476.98
Profit on sale of investment in subsidiary	-	82.55
Profit on sale of fixed assets	49.74	17.16
Miscellaneous income	6.65	12.97
	952.02	670.16

	2015-16	2014-15
NOTE 22		
COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Opening stock	4,960.17	4,196.23
Add: Cost of purchases	48,477.53	46,399.62
	53,437.70	50,595.85
Less: Closing stock	4,797.18	4,960.17
	48,640.52	45,635.68

For details of raw material consumed, refer Note 29 (F)

	2015-16	2014-15
NOTE 23		
(INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADED GOODS		
Closing stock		
Finished goods	8,049.32	7,320.06
Traded Goods	3,112.64	4,106.74
Work in progress	1,546.07	1,369.07
	12,708.03	12,795.87
Opening stock		
Finished goods	7,320.06	6,098.90
Traded Goods	4,106.74	4,019.24
Work in progress	1,369.07	1,405.00
	12,795.87	11,523.14
Sub-total (A)	87.84	(1,272.73)
(Increase)/ decrease in excise duty		
Excise duty on closing stock	174.90	146.87
Excise duty on opening stock	146.87	235.70
Sub-total (B)	(28.03)	88.83
Total (A-B)	115.87	(1,361.56)

	2015-16	2014-15
NOTE 24		
EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus	10,387.29	9,392.61
Contribution to provident and other funds (Note 28)	753.38	634.52
Gratuity (Note 28)	370.80	417.97
Staff welfare expenses	620.58	658.69
Directors' remuneration	807.20	801.94
Commission to directors	799.97	594.10
Field staff incentives	370.57	211.21
Sub-total (A)	14,109.79	12,711.04
Employee stock option expenses (Note 36)	1,750.26	2,871.13
Sub-total (B)	1,750.26	2,871.13
Total (A+B)	15,860.05	15,582.17

NOTES

to the financial statements for the year ended March 31, 2016

₹ In Lacs

	2015-16	2014-15
NOTE 25		
OTHER EXPENSES		
Power and fuel expenses	1,879.15	2,105.92
Rent	1,266.10	1,160.19
Insurance	101.19	67.19
Repairs and maintenance		
- Building	57.43	78.62
- Plant and machinery	177.69	232.74
- Others	256.02	210.30
Consumption of stores and spares	733.15	626.31
Research and development	150.35	52.50
Excise duty on captive consumption	706.21	613.91
Printing and stationery	82.87	57.85
Communication costs	296.02	255.12
Legal and professional fees (Note 29 (E))	1,147.80	1,069.30
Rates and taxes	571.93	477.05
Directors' sitting fees	5.15	3.50
Vehicle maintenance	156.47	159.04
Donation	6.61	15.36
Provision for doubtful advances	70.00	-
Loss on fixed assets discarded	80.57	91.42
Conversion charges	863.74	250.39
Advertisement and Sales promotion expense	18,985.63	17,071.71
Freight, handling and forwarding charges	9,397.51	8,486.81
Field staff expenses	1,411.41	1,225.71
Travelling and conveyance	315.73	292.03
Royalty	288.33	244.78
Corporate social responsibility expenses (Note 29(J))	234.84	121.33
Miscellaneous expenses	1,192.17	638.95
	40,434.07	35,608.03

	2015-16	2014-15
NOTE 26		
FINANCE COST		
Interest on bank overdraft	9.21	9.32
Interest on debentures	448.10	1,139.75
Other borrowing cost	28.25	53.91
	485.56	1,202.98

	2015-16	2014-15
NOTE 27		
INTEREST INCOME		
Interest on fixed deposit	349.40	310.45
Interest on loans to subsidiaries	4,335.36	5,549.76
Interest on capital invested in partnership firm	11.15	8.68
Interest on intercorporate deposit	-	42.45
Interest others	5.90	4.48
	4,701.81	5,915.82

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 28 EMPLOYEE BENEFIT:

(i) Defined Benefit Plans -

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

₹ in Lacs

	2015-16	2014-15
	Gratuity Funded	Gratuity Funded
(A) Summary of the Actuarial Assumptions		
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Discount rate	7.80%	7.80%
Rate of increase in compensation	8.00%	8.00%
Withdrawal rates	10.00%	10.00%
Rate of return (expected) on plan assets	8.50%	8.75%
The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation is to be settled.		
(B) Changes in present value of obligations (PVO)		
PVO at beginning of period	1,892.22	1,570.98
Interest cost	147.91	144.53
Current Service Cost	174.39	184.02
Benefits Paid	(307.42)	(113.67)
Actuarial (gain) / loss on obligation	76.50	106.36
PVO at end of period	1,983.60	1,892.22
(C) Changes in fair value of plan assets		
Fair value of plan assets at the beginning of period	622.43	618.55
Adjustment to opening fair value of plan assets	-	(18.78)
Expected return on plan assets	54.56	52.74
Contributions	7.99	119.39
Benefit paid	(307.42)	(113.67)
Actuarial gain / (loss) on plan assets	(26.56)	(35.80)
Fair value of plan assets at end of period	351.00	622.43
(D) Net Assets/(Liabilities) recognised in the balance sheet		
PVO at end of period	(1,983.60)	(1,892.22)
Fair value of plan assets at end of period	351.00	622.43
Funded status (deficit in plan assets over fair value of PVO)	(1,632.60)	(1,269.79)
Net assets / (Liability) recognised in the balance sheet	(1,632.60)	(1,269.79)
(E) Expenses recognised in the statement of profit and loss		
Current service cost	174.39	184.02
Interest cost	147.91	144.53
Expected return on plan assets	(54.56)	(52.74)
Net Actuarial (Gain)/Loss recognised for the period	103.06	142.16
Expense recognised in the statement of profit and loss	370.80	417.97
(F) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investment with insurer	100.00%	100.00%

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 28 EMPLOYEE BENEFIT: (contd.)

₹ in Lacs

(G) Amounts for the current and previous four periods are as follows:

	April to March 16	April to March 15	April to March 14	April to March 13	April to March 12
Defined benefit obligation	1,983.60	1,892.22	1,570.97	1,533.12	1,287.56
Plan assets	351.00	622.43	618.55	615.44	655.80
Surplus/ (Deficit)	1,632.60	1,269.79	952.42	917.68	631.76
Experience adjustment on plan liabilities	76.50	106.36	59.50	20.16	1.09
Experience adjustment on plan assets	(26.56)	(35.80)	2.44	1.28	0.74

(H) The Company expects to contribute ₹ 300.00 (2015- ₹ Nil) to gratuity fund and ₹ 35.53 (2015 - ₹ 34.63) to Superannuation fund in the next year.

(ii) Defined Contribution Plans -

Amount of ₹ 850.58 (2015 - ₹ 739.46) is recognised as an expense and included in Note 24 in the Statement of profit and loss.

NOTE 29 - SUPPLEMENTARY INFORMATION

	2015-16	2014-15
A) Earnings in foreign currency (accrual basis):		
FOB value of exports	1,228.86	1,439.17
B) Expenditure in foreign currency (accrual basis):		
i) Royalty	254.55	223.52
ii) Travelling and Conveyance	-	9.50
iii) Professional Consulting Fees	5.68	5.19
iv) Others	11.17	21.76
C) CIF value of imports		
(i) Raw material and Packing Material	2,416.19	926.30
(ii) Capital goods	4.85	-

D) Unhedged foreign currency exposure:

Particulars	Foreign Currency	2015-16		2014-15	
		₹ in Lacs	Amount in Foreign Currency	₹ in Lacs	Amount in Foreign Currency
Trade Receivables	USD	178.24	268,709	100.39	160,385
Trade Payables	USD	132.42	199,636	57.60	92,020
Trade Payables	Euro	39.88	53,100	71.70	106,200

E) Payment to auditors (excluding service tax)

	2015-16	2014-15
As Auditors		
Audit fee	52.75	41.50
Tax audit fees	8.00	8.00
Limited review	26.00	24.75
In other capacity		
Transfer pricing fee	1.25	1.00
Certification fee	1.50	0.25
Reimbursement of expenses	4.84	4.07
	94.34	79.57

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 29 - SUPPLEMENTARY INFORMATION (contd.)

₹ in Lacs

F) Details of Raw and packing material consumed:

Particulars	Consumption Value	
	2015-16	2014-15
Synthetic Dye	630.20	722.58
Soap Noodles	51.35	34.91
Dyes & Chemicals	15,208.29	13,391.75
Fatty Oils, Powder & Perfumes	15,081.70	13,298.93
Plastic	2,423.66	2,874.47
Others	2,616.01	2,834.91
Packing materials	12,629.31	12,478.13
Total	48,640.52	45,635.68

G) Value of Imported and Indigenous Raw Materials, Packing Materials, Stores and Spare Parts Consumed

Particulars	Raw Materials / Packing Materials				Stores and Spare parts			
	2015-16		2014-15		2015-16		2014-15	
	Value	%	Value	%	Value	%	Value	%
Imported	1,167.85	2.40%	679.96	1.49%	0.52	0.07%	0.05	0.01%
Indigenous	47,472.67	97.60%	44,955.72	98.51%	732.63	99.93%	626.26	99.99%
Total	48,640.52		45,635.68		733.15		626.31	

H) Details of product sold, inventory and purchase of traded goods

Item	Type	Opening Inventory	Purchases	Sales	Closing Inventory
Home Care	Traded	1,310.44	12,421.53	15,801.56	1,253.85
			<i>9,853.98</i>	<i>12,538.66</i>	
	Manufactured	2,651.67	-	22,674.63	2,540.67
			-	<i>19,297.94</i>	
Soaps & Detergents	Traded	2,350.09	17,547.15	27,334.56	1,694.84
			<i>20,609.40</i>	<i>31,518.66</i>	
	Manufactured	4,668.38	-	89,965.63	5,445.56
			-	<i>77,673.00</i>	
Others	Traded	446.22	743.72	1,533.31	163.95
			<i>1,326.59</i>	<i>1,798.56</i>	
	Manufactured	-	-	41.25	63.09
			-	-	
Total		11,426.80	30,712.40	157,350.94	11,161.96
			<i>31,789.97</i>	<i>142,826.82</i>	

Figures in italics are in respect of the previous year

I) Value of closing stock of work in progress

Particulars	2016	2015
Home Care	324.87	359.87
Soaps & Detergents	1,218.65	1,009.20
Others	2.55	-
Total	1,546.07	1,369.07

J) Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII is as given below:

Particulars	2015-16	2014-15
Promoting preventing health care and sanitation	44.28	91.44
Contribution to Prime Ministers National Relief Fund	-	19.86
Promotion of Education	5.00	-
Rural/ slum area development	185.56	10.03
Total	234.84	121.33
Gross amount required to be spent during the year	195.30	166.92

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 30 - SEGMENT REPORTING

Information about Business Segments

Business segments:

The primary segment of the Company has been determined on the basis of business segment. The Company is organized into following business segments - Soaps and Detergents, Home Care and others. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organization structure and the internal reporting system.

Soaps and Detergents includes fabric whiteners, fabric detergents, dish wash bar and soaps including ayurvedic soaps. Home Care products include incense sticks, scrubber, dhoop and mosquito repellents. Others includes bodycare, tea and coffee.

Secondary segment:

The Company mainly caters to the needs of the domestic market. The export turnover is not significant in the context of total turnover. As such, there is only one reportable geographical segment.

Segment revenue and result:

The income/ expense that are not directly attributable to the business segments are shown as unallocated corporate costs.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of debtors, inventories, advances and fixed assets. Assets at corporate level are not allocable to segments on a reasonable basis and thus the same have not been allocated. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liability.

₹ in Lacs

	Soaps and Detergents		Home care		Others		Eliminations		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Revenue										
External Revenue	117,300.19	109,191.66	38,476.19	31,836.60	1,574.56	1,798.56	-	-	157,350.94	142,826.82
Inter Segment Revenue	35.39	-	144.44	517.69	-	-	(179.83)	(517.69)	-	-
Net Revenue	117,335.58	109,191.66	38,620.63	32,354.29	1,574.56	1,798.56	(179.83)	(517.69)	157,350.94	142,826.82
Segment Result	15,906.66	11,520.80	2,085.56	955.37	(15.30)	14.79	-	-	17,976.92	12,490.96
Unallocated expenditure									(2,945.27)	(2,937.74)
Unallocated Income									5,594.99	6,550.52
Interest and finance expenses									(485.56)	(1,202.98)
Profit before exceptional items and tax									20,141.08	14,900.76
Exceptional Item									-	(209.18)
Profit before tax									20,141.08	14,691.58
Tax expenses									3,905.12	412.63
Profit after tax									16,235.96	14,278.95
Other Information										
Segment assets	56,795.83	58,112.58	15,865.43	13,466.17	2,110.06	2,250.46	-	-	74,771.32	73,829.21
Unallocated assets									112,355.13	117,813.80
Total assets									187,126.45	191,643.01
Segment liabilities	13,942.12	12,313.11	7,362.30	4,912.56	170.22	95.50	-	-	21,474.64	17,321.17
Unallocated liabilities									62,393.82	78,151.47
Total liabilities									83,868.46	95,472.64

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 30 - SEGMENT REPORTING (contd.)

₹ in Lacs

	Soaps and Detergents		Home care		Others		Eliminations		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment capital expenditure (including capital work in progress)	913.81	1,016.85	291.36	425.78	166.97	-	-	-	1,372.14	1,442.63
Unallocated capital expenditure (including capital work in progress)									305.92	351.55
Total capital expenditure (including capital work in progress)									1,678.06	1,794.18
Segment depreciation and amortisation	4,413.04	4,505.71	363.13	459.55	246.35	244.70	-	-	5,022.52	5,209.96
Unallocated depreciation and amortisation									1,771.47	1,827.11
Total depreciation and amortisation									6,793.99	7,037.07
Segment non cash expenses other than depreciation	60.36	78.45	19.52	12.30	-	-	-	-	79.88	90.75
Unallocated non cash expenses other than depreciation									77.99	(26.50)
Total non cash expenses other than depreciation									157.87	64.25

Information about geographical segment :

	2015-16		2014-15	
	India	Outside India	India	Outside India
Revenue	153,926.73	3,424.21	139,510.13	3,316.69

All assets of the Company are located in India

NOTE 31 - RELATED PARTY DISCLOSURES

a) Parties where control exists

Individual having control

M.P. Ramachandran

Chairman and Managing Director

As the Managing Director of the Company is an individual having control and hence not separately disclosed as a Key management personnel.

Wholly Owned Subsidiaries

Jyothy Consumer Products Marketing Limited

Other Subsidiaries

Jyothy Kallol Bangladesh Limited

Four Seasons Drycleaning Company Private Limited

Snoways Launderers & Drycleaners Private Limited

Jyothy Fabricare Services Limited

b) Related party relationships where transactions have taken place during the year

Partnership firm

M/S JFSL-JLL (JV)

Firm / HUF in which the relatives of individual having control are partners / members / proprietor

Quilon Trading Co.

M.P. Divakaran - H.U.F.

M.P. Sidharthan - H.U.F.

Relative of individual having control

M.P. Sidharthan

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 31 - RELATED PARTY DISCLOSURES (contd.)

M.R. Jyothy

M.R. Deepthi

Ananth Rao T

Ravi Razdan

M.P. Divakaran

Enterprises significantly influenced by key management personnel or their relatives

Sahyadri Agencies Ltd.

Key management personnel

K. Ullas Kamath

S.Raghunandan

Additional related party as per Companies Act, 2013.

M.L. Bansal

Joint Managing Director & CFO

Whole Time Director & CEO

Company Secretary

c) Transactions with related parties during the year

	₹ in Lacs	
	2015-16	2014-15
Individual having control		
Remuneration*	0.00	0.00
Commission	421.04	312.69
Dividend	5,768.96	1,442.24
Associated Industries Consumer Products Pvt Ltd (merged with Jyothy Consumer Products Marketing Limited)		
Sale of Finished goods (net of sales return), Raw material, Packing material and Stores & spares	-	41.07
Sale of Fixed assets	-	89.42
Royalty Income (including service tax)	-	4.88
Rent Income	-	1.68
Purchase of Finished goods (Net of purchase return), raw and packing material	-	459.97
Purchase of Fixed assets	-	14.57
Conversion Charges and excise net of cenvat / (refund)	-	70.30
Interest Income	-	27.58
Reimbursement of Expenses	-	3.59
Sale of shares held in Jyothy Consumer Products Marketing Limited	-	82.55
Sahyadri Agencies Limited		
Dividend	1,200.00	300.00
Assignment of receivables	-	1,478.00
Quilon Trading Company		
Rent Paid	1.20	1.20
Dividend (M.P. Divakaran - H.U.F. and M.P. Sidharthan - H.U.F.)	257.92	64.48
Jyothy Fabricare Services Limited		
Repayment of loan given	-	13,500.00
Reimbursement of expenses	19.41	26.14
Interest Income	-	710.86
Sale of Finished goods (net of sales return)	12.54	6.78
Purchases of services	0.15	0.08
Subscription to 75,00,000 2% Optionally Convertible Preference Shares	-	15,000.00
Corporate Guarantees given for borrowings taken		
Balance outstanding as at year end is :	4,000.00	4,000.00
Jyothy Consumer Products Marketing Ltd		
Interest Income	4,335.36	4,811.32

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 31 - RELATED PARTY DISCLOSURES (contd.)

	₹ in Lacs	
	2015-16	2014-15
Rent Income	65.79	74.21
Purchase of Finished goods and Raw Material (Net of purchase return)	800.73	1,405.61
Purchases of Fixed Assets	0.69	-
Sale of Finished goods (net of sales return)	5,017.37	3,012.86
Royalty Income (including service tax)	3.04	-
Conversion Charges	2.10	-
Sale of Fixed Assets	27.38	-
M/S JFSL-JLL (JV)		
Profit/(loss) in partnership	(7.32)	27.17
Interest on partner capital	11.15	8.68
Withdrawal of capital	12.50	43.00
Corporate Guarantees given for borrowings taken		
Balance outstanding as at year end is :	902.44	1,077.44
Jyothy Kallol Bangladesh Limited		
Sales of finished goods	65.35	145.09
Investment in share capital	78.82	-
Relatives of individuals having control		
Remuneration*		
M.R. Jyothy	102.48	96.32
M P Sidharthan	24.00	24.00
M R Deepthi	37.51	27.60
Ananth Rao T	45.03	34.74
Ravi Razdan	37.51	27.60
M.P. Divakaran	24.00	24.00
Dividend	2,327.52	581.97
Contribution to Superannuation fund		
M R Jyothy	-	0.90
M R Deepthi	-	2.40
Ravi Razdan	-	2.40
Key management personnel		
Remuneration*#	728.69	721.09
Commission	378.93	281.42
Dividend	131.75	32.94
Contribution to Superannuation fund	21.60	28.20

* As the future liabilities for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

The Company has accrued ₹ 1,544.53 in respect of employee stock options granted to whole time director and CEO. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.

NOTES

to the financial statements for the year ended March 31, 2016

NOTE 31 - RELATED PARTY DISCLOSURES (contd.)

₹ in Lacs

d) Related party balances

	2015-16	2014-15
Amounts receivable		
Loans and advances :		
Associated Industries Consumer Products Pvt Ltd	-	349.83
Jyothy Consumer Products Marketing Ltd	47,250.31	43,000.00
Trade receivables :		
Jyothy Consumer Products Marketing Ltd	-	415.39
Jyothy Kallol Bangladesh Limited	11.31	-
Amounts payable		
Trade payables :		
Individual having control	421.04	312.69
Key management personnel	378.93	281.42
Advance from customer		
Jyothy Consumer Products Marketing Ltd	22.38	-

NOTE 32 - OPERATING LEASES

In case of assets taken on lease

The Company has entered into Lease agreements for premises, which expire at various dates over the next five years. Certain agreements provide for increase in rent. Lease rental expense for the year ended March 31, 2016 was ₹ 1,266.10 (2015 - ₹ 1,160.19). There are no restrictions imposed by lease arrangements.

	2015-16	2014-15
Future lease payment under non - cancellable operating leases are as follows:		
Payable not later than one year	295.69	45.82
Payable later than one year and not later than five years	706.51	0.64
Payable later than five years	104.51	-
	1,106.71	46.46

In case of assets given on lease

The Company has leased out few of its premises on operating lease. The Gross carrying amount and accumulated depreciation as at March 31, 2016 is ₹ 97.46 and ₹ 24.45 (2015 - ₹ 97.46 and ₹ 23.47) respectively. Lease rent income for the year ended March 31, 2016 was ₹ 66.30 (2015 - ₹ 75.84). There is no escalation clause in the lease agreement and the lease is cancellable in nature. There are no restrictions imposed by lease arrangements.

NOTE 33 - CONTINGENT LIABILITIES

	2016	2015
Based on management's evaluation following contingent liabilities is not probable and hence not provided by the Company in respect of:		
(i) Amount outstanding in respect of corporate guarantees	4,902.44	5,077.44
(ii) Tax matters		
(a) Disputed sales tax demands – matters under appeal	1,870.13	1,843.20
(b) Disputed excise duty and service tax demand - matter under appeal	3,864.18	2,963.75
(c) Disputed income tax demand - matter under appeal *	6,733.15	3,741.60
(iii) Other statutory dues	3.83	7.72

* The amount shown above does not include contingent liability for assessment years which have been reopened (unless demand order is raised) and those pending assessments.

NOTES

to the financial statements for the year ended March 31, 2016

₹ in Lacs

NOTE 34 - CAPITAL COMMITMENTS (NET OF ADVANCES)

	2016	2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,050.72	441.50
	1,050.72	441.50

NOTE 35 : MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED')

The disclosure pursuant to the said Act is as under :

	2016	2015
Principal amount due to suppliers under MSMED Act	4,682.31	3,728.17
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid	4.97	4.05
Interest paid to suppliers under the MSMED Act	-	-
Interest due and payable towards suppliers under MSMED Act towards payment already made	-	-
Interest accrued and remaining unpaid at the end of accounting year	4.97	4.05

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 36 - EMPLOYEE STOCK OPTION PLANS ('ESOP')

On August 16, 2014 the Remuneration and Compensation Committee of the Board of Directors of the Company approved the Employee Stock Option Scheme 2014 ("ESOS-2014") for issue of stock options to the key employees and Employee Stock Option Scheme 2014-A ("ESOS- 2014-A") for issue of stock options to Whole Time Director & CEO of the Company. According to the scheme, whole time Director and CEO and eligible employees selected by the Remuneration and Compensation Committee will be entitled to options from time to time, subject to satisfaction of prescribed vesting conditions. The relevant terms of the grant are as below :-

Particulars	("ESOS -2014")	("ESOS -2014")	("ESOS -2014 - A")
	Grant - I	Grant - II	
Date of Grant	August 16, 2014	January 27, 2015	August 16, 2014
Number of options granted	5,03,445	34,507	27,15,352
Vesting period	33% - Year 1 33% - Year 2 34% - Year 3	33% - Year 1 33% - Year 2 34% - Year 3	66.67% - Year 1 16.67% - Year 2 16.66% - Year 3
Exercise period	5 years from the respective dates of vesting		
Exercise Price - Per share	₹ 1	₹ 1	₹ 1
Market price at grant date - Per share	₹ 188.70	₹ 289.80	₹ 188.70

The details of the activity under the above schemes are summarised as below;

Particulars	("ESOS -2014")	("ESOS -2014")	("ESOS -2014 - A")
	Grant - I	Grant - II	
Outstanding at April 1, 2014	-	-	-
Granted during 2014-15	5,03,445	34,507	27,15,352
Cancelled during 2014-15	52,994	-	-
Exercised during 2014-15	-	-	-
Outstanding at March 31, 2015	4,50,451	34,507	27,15,352
Exercisable at March 31, 2015	4,50,451	34,507	27,15,352
Outstanding at April 1, 2015	4,50,451	34,507	27,15,352
Granted during 2015-16	-	-	-
Cancelled during 2015-16	87,970	34,507	4,52,559
Exercised during 2015-16	96,184	-	-
Outstanding at March 31, 2016	2,66,297	-	22,62,793
Exercisable at March 31, 2016	2,66,297	-	22,62,793

NOTES

to the financial statements for the year ended March 31, 2016

₹ in Lacs

NOTE 36 - EMPLOYEE STOCK OPTION PLANS ('ESOP') (contd.)

For option exercised during the period, the weighted average share price at the exercise date was ₹ 297.44 per share (2015 - not applicable since no option were exercised).

No new stock option have been granted by the company in the current year.

The Black Scholes valuation model has been used for computing the weighted average fair value of the stock granted considering the following inputs for the year ended March 31, 2016 and March 31, 2015 :-

Variables	("ESOS -2014")- GRANT - I		
	Vest 1	Vest 2	Vest 3
	August 16, 2015	August 16, 2016	August 16, 2017
Volatility	36.19%	37.32%	40.33%
Riskfree Rate	8.73%	8.72%	8.72%
Exercise Price (₹)	1.00	1.00	1.00
Time To Maturity (In Years)	3.50	4.50	5.50
Dividend yield	1.59%	1.59%	1.59%
Weighted average fair Value of per stock option granted (₹)	174.98		

Variables	("ESOS -2014 - A")		
	Vest 1	Vest 2	Vest 3
	August 16, 2015	August 16, 2016	August 16, 2017
Volatility	36.19%	37.32%	40.33%
Riskfree Rate	8.73%	8.72%	8.72%
Exercise Price (₹)	1.00	1.00	1.00
Time To Maturity (In Years)	3.50	4.50	5.50
Dividend yield	1.59%	1.59%	1.59%
Weighted average fair Value of per stock option granted (₹)	176.38		

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

The Company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts as indicated below:

	As at March 31, 2016	As at March 31, 2015
Profit after tax as reported	16,235.96	14,278.95
Add: ESOP cost using the intrinsic value method	1,750.26	2,871.13
Less: ESOP cost using the fair value method	(1,636.78)	(2,661.17)
Proforma profit after tax	16,349.44	14,488.91
Earnings Per Share	As at March 31, 2016	As at March 31, 2015
Basic		
- As reported	8.97	7.89
- Proforma	9.03	8.00
Diluted		
- As reported	8.84	7.83
- Proforma	8.91	7.95

NOTE - 37 - DETAILS OF LOAN / ADVANCES GIVEN TO SUBSIDIARY COMPANIES (SECTION 186(4) OF COMPANIES ACT, 2013)

Particulars	Secured/ Unsecured	2016	2015
Associated Industries Consumer Products Pvt Ltd (AICPPL) *	Unsecured	-	349.83
Jyothy Consumer Products Marketing Ltd(JCPML)**	Unsecured	47,250.31	43,000.00

The above loans are repayable on demand and utilised by the subsidiaries towards their working capital requirements.

* Merged with Jyothy Consumer Products Marketing Limited w.e.f. April 1, 2014

** 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 AICPPL with JCPML.

NOTES

to the financial statements for the year ended March 31, 2016

₹ in Lacs

NOTE - 38 - DETAILS OF INVESTMENTS IN PARTNERSHIP FIRM

	Share of partner in profits (%)	
	2016	2015
Name of Partner		
Share of partner in profits (%)		
Jyothy Fabricare Services Limited	75.00%	75.00%
Jyothy Laboratories Limited	25.00%	25.00%
Total capital of the firm	339.00	318.20

NOTE 39 - EARNINGS PER SHARE

	2016	2015
Net Profit for calculation of basic and diluted EPS	16,235.96	14,278.95
Weighted average number of shares for calculation of basic EPS	18,10,77,764	18,10,23,496
Effect of dilution :		
Stock option granted under ESOP	25,06,850	12,24,545
Weighted average number of shares for calculation of diluted EPS	18,35,84,614	18,22,48,041
Basic EPS (₹)	8.97	7.89
Diluted EPS (₹)	8.84	7.83

NOTE - 40

As per the Notification no. 32/99-CE dated July 8, 1999, the Company was entitled to refund of excise duty in Guwahati and Jammu units equivalent to 100% of the amount of the duty paid through Personal Ledger Account ('PLA'). During an earlier year, the Government issued notifications no. 17/2008-CE and 19/2008-CE dated March 27, 2008 restricting the refund amount to a maximum percentage specified in the notification. The Company has received a favourable order from the High Court of Guwahati & Jammu and Kashmir in earlier years. Accordingly, the Company has accrued an additional benefit of ₹ 940.48 (2015 - ₹ 907.06) in the current year.

NOTE - 41

At its meeting held on May 23, 2016 the Board of Directors have approved the scheme of amalgamation of Jyothy Consumer Products Marketing Limited (wholly owned subsidiary) with the Company on May 23, 2016. The appointed date under the scheme will be April 1, 2016.

NOTE 42

The Company has entered into an option agreement dated May 5, 2011 with Henkel AG & Co. KGaA (Henkel AG) whereby the Company has granted Henkel AG a firm and irrevocable option, at its sole discretion at any time after the beginning of the fifth year and ending upon the expiry of the sixth year of the said agreement or such other mutually extended period, to acquire a maximum of 26% of the issued equity share capital of the Company at a price which will be mutually determined by the parties at a later date.

NOTE 43 - EXCEPTIONAL ITEM

Exceptional item relates additional payment towards retrenchment of employees for the Kandanaserry unit in previous year.

NOTE 44 - PREVIOUS YEAR FIGURES

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year classification.

Signatures to Notes 1 to 44

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. 324982E/ E300003

per **Vikram Mehta**

Partner

Membership No.: 105938

For and on behalf of the Board of Directors of

Jyothy Laboratories Limited

M.P. Ramachandran

Chairman and Managing Director

DIN: 00553406

M.L. Bansal

Company Secretary

Membership No.: F2297

Place: Mumbai

Date: May 23, 2016

K.Ullas Kamath

Joint Managing Director and Chief Financial Officer

DIN: 00506681

S.Raghunandan

Whole Time Director and Chief Executive Officer

DIN: 02263845

Place: Mumbai

Date: May 23, 2016