

August 14, 2025

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 023
BSE Code: 532926

National Stock Exchange of India Limited

Exchange Plaza, Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051
Scrip Code: JYOTHYLAB

Dear Sirs,

Sub: Transcript of the earnings conference call for the quarter ended June 30, 2025

Pursuant to Regulation 30(6) read with Part A of Para A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, transcript of the earnings conference call held on Tuesday, August 12, 2025 for analyst/ investors to discuss the Un-audited Financial Results for the quarter ended June 30, 2025 and the way forward, is enclosed.

Further, the aforesaid information is also available on the website of the Company at www.jyothylabs.com.

Kindly take the above on your record and disseminate the same for the information of investors.

Thanking you,

Yours faithfully,

For Jyothy Labs Limited

Shreyas Trivedi

Head – Legal & Company Secretary

Encl.: as above

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“Jyothy Labs Limited Q1 FY'26 Earnings Conference Call”

August 12, 2025



MANAGEMENT: **Ms. M. R. JYOTHY - CHAIRPERSON & MANAGING
DIRECTOR, JYOTHY LABS LIMITED
MR. PAWAN AGARWAL - CFO & EVP, JYOTHY LABS
LIMITED**

MODERATOR: **MR. MANOJ MENON FROM ICICI SECURITIES LTD.**

Moderator: Ladies and gentlemen, good day and welcome to the Jyothy Labs Q1 FY'26 Earnings Conference Call hosted by ICICI Securities Ltd.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Manoj Menon from ICICI Securities Ltd. Thank you and over to you, sir.

Manoj Menon: Hi, everyone. It's a wonderful good evening from the I-Sec team. It's our absolute pleasure once again to host the management of Jyothy Labs Ltd. for the Results Conference Call.

The Company is today represented by Ms. M. R. Jyothy – Chairperson & Managing Director, and Mr. Pawan Agarwal – CFO & EVP.

Over to the management for the opening remarks post which will open the floor for Q&A. Thank you. Over to you, ma'am.

M. R. Jyothy: Thanks, Manoj. Good afternoon, everyone. Thank you for joining us today for Jyothy Labs Ltd. Q1 FY'26 earnings call. Our Financial Results and Investor Presentations have been uploaded to our website and to the Stock Exchanges. I trust you have had the opportunity to review them.

The broader operating environment in Q1 remained mixed with lingering inflationary pressures and fragile urban sentiment. Consumers, particularly in urban centers, continue to either down trade or defer non-essential purchases. These behavioral shifts have been a recurring theme across the sector over the past 5-6 quarters. However, we believe we are now at the cusp of a gradual broad-based recovery. The Indian Meteorological Department's forecast of an above-normal monsoon is encouraging. A favorable monsoon not only augurs well for rural demand but also plays a vital role in stabilizing food inflation. It is one of the key levers that could revive household spending in the coming quarters. Recent fiscal measures announced by the government such as income tax relief and targeted rural welfare schemes combined with the RBI's calibrated interest rate cuts are already beginning to reflect in consumer sentiment. If these tailwinds sustain, we expect the demand environment to firm up meaningfully, especially from Q3 onwards. While global uncertainties, particularly the geopolitical tensions in the Middle East, have triggered raw material supply disruptions and increased cost volatility, the overall trend points towards improving stability.

Crude oil prices have softened, although derivative costs such as LAB, SLES, PFAD and PKFAD are yet to correct proportionately due to lag effects and processing costs. These should ease gradually as the supply chain normalizes. Channel dynamics continue to evolve. Rural markets once again outperformed urban areas, demonstrating inherent resilience. General trade

faced volume pressures, while modern trade, including e-commerce and quick commerce, sustained double-digit growth. That said, the rise of quick commerce must be viewed with nuance. While its share in the overall mix is expanding, it largely substitutes traditional outlets rather than contributing to incremental consumption. Pricing remains the primary differentiator on these platforms due to similar user experiences. Encouraging early signs of urban demand recovery have started to emerge, especially from July onwards. However, we need to wait and watch the demand scenario, especially in coming months and quarters.

Now, let's look at the performance of our various categories:

In Fabric care, both Main Wash and Post Wash segments delivered a satisfactory performance, clocking mid-single-digit volume growth. Our liquid detergent range continues to stand out. It more than doubled its growth versus the same period last year and delivered strong sequential double-digit value growth. With brands like More Light, Henko, Henko Matic, Ujala and Mr. White catering to varied consumer needs, this category remains a strong pillar of our growth. That said, it must be noted that competitive intensity in this space is on the rise. We are actively monitoring the pricing environment and are taking calibrated steps to preserve our value proposition. Detergent powders and bars also perform steadily. We are pleased with the early market response to our fabric conditioner Ujala Young and Fresh, which is gaining traction in select markets. During the quarter, we successfully launched a TV commercial in select markets featuring actress Keerthy Suresh endorsing the product.

The Dish wash segment faced intensive competitive activity, particularly in terms of grammage offers. This impacted value growth despite healthy volumes. Pril liquid posted double-digit volume growth and Exo bars grew in high single-digit. These numbers are a testament to brand strength and continued consumer preference. While year-on-year numbers were flat in the personal care segment, sequential growth gives us confidence. Jovia, our new beauty soap, is gaining market acceptance and our intensified efforts behind Margo brand are already showing encouraging signs through enhanced visibility and consumer recall.

The household insecticide segment remains a work in progress. While near-term growth may remain muted, we are focused on improving profitability and scaling up the liquid vaporizer category and recent launched NPDs like aerosols and packets. Our medium-term goal remains clear to significantly reduce losses and turn around this category in a capital-efficient manner.

Now, I will talk about the financial performance of the Company:

Revenue from operations for Q1 stood at Rs. 751 crore, reflecting 1.4% value growth and 3.6% volume growth year-on-year. The value-volume gap was primarily driven by higher grammage and promotional price-offs in select categories. Gross margin was at 48%, down 330 bps year-on-year due to input cost pressures and increased competitive intensity in Dish wash. We implemented calibrated price increases in some of the product categories to partially offset these pressures. Advertisement and promotion spend stood at 7.8% in Q1, moderated slightly to reflect

the prevailing market context. However, our commitment to long-term brand investment remains intact, as evident from our annual brand spends. Despite elevated input cost and volume pressures, we maintained our EBITDA margin at 16.5% in line with our guidance. Operating EBITDA stood at Rs. 124 crore and PAT at Rs 97 crore. We approached second half of FY 2026 with cautious optimism. While the near-term headwinds, especially in the urban markets, persist, we believe the tide is slowly turning. A combination of a good monsoon, easing inflation, supportive government policies, and improving consumer sentiment lays the foundation for stronger performance in H2. We expect Q3 and Q4 to show meaningful improvements supported by recovery in urban discretionary spending momentum in the festive season, increasing traction from our new product launches and ongoing gains in cost efficiency and distribution expansion. We remain focused on innovation, category development, scaling up new launches, digital execution, and sharpening our go-to-market strategy. We are committed to delivering profitable, sustainable, and capital-efficient growth. Our strategy has been consistent, balancing agility with discipline while being acutely consumer-centric.

Before I close, I want to thank all our stakeholders, customers, shareholders, employees, and partners for their trust and continued support. We look forward to building on this foundation and delivering superior value in the quarters ahead.

With that, I conclude my opening remarks and look forward to your questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Sonal from Prescient Capital. Please go ahead.

Sonal Minhas: Hi, this is Sonal Minhas. My question is with regard to the household insecticide segment. I'm sure we have some discussions at the management level as to how much bleed we can sustain as a team, as a Company, beyond which we decide to sell this business off or carve this out. Any guidance for investors, shareholders?

Pawan Agarwal: So, we have indicated in the past that we are actively working towards turning around this category, household insecticides, and we have taken certain measures. And there are a few which are in pipeline. We have launched new products also, aerosol and racquets in the previous quarter, and we have taken some price increases in coils. So, there's a lot of action which is happening in order to improve the performance of this category. We have also indicated in the past that we are hopeful that in next year FY'27, we will be able to turn around this category and necessary steps are being taken in that direction. So, as of now, there is no intention to sell or divest this particular line of business of the Company.

Sonal Minhas: Got it. And so, FY'27 should we consider is like the year where we decide that this is going in the right direction or it's not going in the right direction?

Pawan Agarwal: The progressive steps that we are taking, the results should be visible slowly and gradually. And by second half of the next financial year is what we are aiming to turn this category profitable.

- Sonal Minhas:** Got it. My second question is in regard to the softness and demand in the urban side, wanted to understand from more like what you've seen this demand, is this something which was earlier fueled by credit or was something which was largely driven by, let's say, some segment of population which consumed a lot earlier and did not. And hence, there is a kind of a delay in the next set of demand that is coming. Because the products we have here, the Fabric care, Dish washing, these are readily consumable. I think I understand they are trading on volume. But what was the issue in terms of this growing very fast last year? Was there some stocking in the channel, which is getting released now in this year and hence we've seen demand come back? Or this is linked to credit on the online channels, people bought on credit. Just trying to get a sense of this?
- M. R. Jyothy:** So, Sonal, largely this softness in demand, when we say it is moving from traditional trade to modern trade and your e-commerce and largely e-commerce and your quick commerce gaining bigger traction, which we are also seeing internally in the Company. We are growing at double digits there. But not all of it is getting converted. Basically, ideally, it should have been that all of it, which is your general trade and modern trade, all of them grow. And this should be ideally a top-up. But consumers are seeking convenience and more and more we see traditional outlets lose out on business or are not able to generate that kind of sales, some of them even closing down. So, that's the kind of thing when we are saying more urban thing where these quick commerce and e-commerce exist. That's where we are seeing that shift. While for us, rural seems to be okay. So, this is what we are seeing. There's nothing in relation to credit or anything of that sort.
- Sonal Minhas:** Got it. So, is there a need for repackaging, rebranding on these modern channels? Because the consumer is looking at a different product or different grammage or different packaging price point altogether?
- M. R. Jyothy:** Yes. So, all that is happening while we are talking. So, hence, when we say that most of the business that is affected is only the general trade. Our modern trade, e-commerce, all of that are growing in higher double digits.
- Sonal Minhas:** As you mentioned, yes.
- M. R. Jyothy:** Yes, so there the consumers where we are packaging it, the SKUs, the pricing, all of it is being taken care of, investment, all of that is being taken care of. If the traditional channels, which obviously, if as a consumer, especially in metros, where time is also a thing, time, traffic, all of that, also money. So, an e-commerce and the quick commerce is there to satisfy all of that. That's where the traditional outlet seems to lose. So, that's the shift we are seeing in terms of channels. And that may stay for some time.
- Sonal Minhas:** Got it. I'll fall back in the queue. Thanks for answering my questions. Thank you.

- Moderator:** Thank you. The next question is from the line of Manoj Menon from ICICI Securities. Please go ahead.
- Manoj Menon:** Hi, team. Just a few clarifications if I may. One, any more, let's say, qualitative or quantitative color you could give on, let's say, Jovia?
- M. R. Jyothy:** See, I can only say qualitatively, Manoj, that as of now, we are seeing some repeats happening and it being received fairly well. Numbers, we won't be able to say. It is overall covered in the thing. But yes, it's a very small start, but a good start.
- Manoj Menon:** Understood. So, can I just, let's say, if I may, is it in line with your expectations, exceeded, underwhelmed? How do you look at it?
- M. R. Jyothy:** I would say it is in line, neither exceeded nor bad. So, it's fairly okay from the current demand perspective. And we are taking it slow and steady.
- Manoj Menon:** Okay, understood, and good luck. Secondly, when I look at the overall volume growth of 3.6% and also let's say, the segment growth, the revenue growth rather, just trying to link both and trying to understand which are the categories we should have driven the volume growth, let's say, which are the categories that have grown, let's say, far higher than the overall?
- Pawan Agarwal:** So, if you look at, Manoj, volume growth in Dish wash category has been quite impressive. In bars, we have high single digit, in liquid, we have double digit, in mid-teens. So, there, the volume growth has been pretty decent. In Fabric care also Main Wash and Post Wash both have done reasonably well in the mid-single digit. In Personal Care, we are taking price increases as we had indicated in the earlier call, but there we had some stress on the volume. And HI, of course, the coil is having pressure on the volume side. So, that's the broad construct.
- Manoj Menon:** Understood. In Personal Wash or in soaps actually, the problem situation identification which I have heard from HUL and Godrej, it actually has been that it is largely limited to the Rs. 10 price point granmage reduction, which is resulting in an overall volume decline. Would that be a same assertion for Jyothy Labs as well?
- Pawan Agarwal:** Yes, sort of, you know, we also tend to agree. And one more point on the volume growth, if you look at the numbers excluding HI segment, then our volume growth is close to 5%, 4.8% actually. So, that way, volume growth has been pretty decent on an overall Company level basis.
- Manoj Menon:** Understood. Just one clarification here, there is no category in which volume growth has been significantly ahead of revenue growth, right?
- Pawan Agarwal:** In Dish wash, as I said, the liquid dish wash, volume growth has been pretty high.

- Manoj Menon:** Okay, sure. And if I heard correctly, Jyothy ma'am telling a little earlier in the initial remarks that higher competitive intensity or activity in home care, right? Did I hear it correctly?
- Pawan Agarwal:** Yes, I mean, in Dish wash, we have seen intensity.
- Manoj Menon:** Okay. One last thing and after than I will fall back in the queue. Again, some color in terms of your Home care performance, right? Because there are different segments, different formats, liquid has been a big adoption you have seen, etc. So, any color you could add on Home Care and how do you see, let's say, home care performance for the next, let's say, 1 or 2 years?
- M. R. Jyothy:** So, Manoj, competitive activity, when we say it's not restricted to one category, it is there across. It's a very, the category that we are in is highly competitive, every segment, every new category or new launch, everything are facing that kind of a thing. And rightly so, with so many players coming in, and trying to make good or trying to revive that consumer sentiments, trying to create more volume related purchases, trying to woo the consumers, I think all of them are being competitive, and which is what maybe is required for the current environment and that is, and we are also accordingly calibrating, whether be it the grammage, be it the price, price cuts or offering of promos. So, it's a combination of all of this, it's not one category alone, it is there across. And I think that this whole thing, when everybody does it, basically, the consumer sentiments will be better going forward maybe it will result in more of volume uplift going forward. Yes, but being in Home Care, yes, it's a very, very competitive segment. And it looks like that will remain going ahead. But we are trying our best to see, to bring in relevance and to bring in the best quality to the consumers at a good price.
- Manoj Menon:** Thank you so much and all the best.
- M. R. Jyothy:** Thank you.
- Moderator:** Thank you. The next question is from the line of Harit Kapoor from Investec. Please go ahead.
- Harit Kapoor:** Yes, hi, good evening. I had a few. So, one was on the pricing versus volume growth. So, difference is about 2.5%, 2.2%. Now, does this quarter reflect the full impact of price cuts, grammage increases in your view? My question is really just to understand, the price volume differential at 2% 2.5%, 3%, is this fully reflecting the actions in the quarter or it was, there were further actions mid-quarter where, because of which this differential would increase in Q2?
- Pawan Agarwal:** It reflects broadly, it covers the full picture. So, this gap, you will see probably a narrowing volume, also value going forward.
- Harit Kapoor:** So, Pawan, when we should see this, you think, like from Q3 or the narrowing or should from Q2 or only a little bit?

- Pawan Agarwal:** Q3 would be the fair timeframe. Q2, more or less, it will be the same. But Q3 onwards, it should start narrowing because last year the extra grammages, higher promotions, etc. intensity increased Quarter 2 onwards, it picked up momentum. So, I think quarter three onwards, you should see this gap narrowing.
- Harit Kapoor:** Got it. The second thing on Dish wash, you mentioned very high single digit growth in bars and double digits in liquids. So, the differential looks like almost a double digit impact, which means like a higher grammage plus price cut impact. Just wanted to get your sense about, is this the most competitive space right now for you, in terms of a subcategory? Are you seeing the highest level of competitive activity here?
- Pawan Agarwal:** No, I mean, it's very difficult to point it out in that manner because as Jyothy indicated, competitive intensity is high across segments. However, recently, off late, we have seen, intensity increasing in Dish wash segment, but other categories also have high competition.
- Harit Kapoor:** Got it. And, if you look at the EBIT margins on the standalone side, you've seen a reduction sequentially from Q4 to Q1 in the Fabric care, but Dish wash has increased now, expanded. Now, I didn't understand this because if you think about price cuts are higher in Dish wash, in terms of volume-value differential, also the commodities are not extremely different. So, if you could just help me understand, is there a difference, significant difference in the RM structure in Fabric care because of which, you know, sequentially you have seen a fall versus Dish wash?
- Pawan Agarwal:** No, in Dish wash, you are right. Your observation is correct. The margins, the reasons for margin is operational efficiency. And also, at the plant level, manufacturing cost wise, the operational efficiency, we drove and a little bit of marketing spend allocation between categories also, that also paid.
- Harit Kapoor:** Okay, got it. That's very clear. And last couple of things, one was, and both for Jyothy, you know, you did mention July is a little bit better. So, are you saying that kind of June exits and early July have been better than the average volume growth of Q1? Is that the comment you're making?
- Pawan Agarwal:** No, July, we are seeing early signs in terms of secondaries, you know, secondaries are picking up in July, not necessarily in June. But July, we saw some towards the second half of the month, we saw some improvement on the secondary side. So, but it's too short a period to draw any conclusion. But these are our early readings.
- Harit Kapoor:** Yes, very clear. And last thing was on this, you mentioned innovation to be a driver in your outlook. Do you see a substantial increase in our own innovation intensity in 2H in line with our estimation of a growth improvement in the macro? Is that the way we should think about it? I'm thinking about FY'26. So, should innovation intensity be, would we see more launches in H2 coinciding with hopefully an improved demand environment?

- M. R. Jyothy:** So, Harit, yes, in a way. I mean, seeing the current scenario, we've tried to hold on and we'll see better things coming in Q3, Q4. It'll be slightly better than your first half.
- Harit Kapoor:** Got it. Those are my questions. Thank you.
- Moderator:** Thank you. The next question is from the line of Vishal from ASK Investment Managers. Please go ahead.
- Vishal:** Hi, team. Good show on a tough environment. Two questions from my side. Firstly, on Henko Liquids. Historically, they have been priced at a premium like Surf Excel, but our ground checks are suggesting that Company has taken some price corrections, so it can compete with Surf Excel. My question is that how do you plan to communicate your differential with the Surf Excel or the larger brand that is in the market. So, that still the product security comes out? And second question is on Young & Fresh. Again, your acceptance seems to be quite high. So, I think you're planning to roll out some media campaigns. What are the medium term plans for Young & Fresh? Can it be a Rs. 200 crores-Rs. 300 crores brand in 2-3 years' time span?
- M. R. Jyothy:** So, Vishal, so Henko, we are definitely I think once a consumer uses Henko, they will know, they'll continue to use that and that we are very sure of. And we are investing behind the brand, in markets where it makes a difference, not the entire country. But yes, we have selective markets for where the appreciation for premium products are there and there we choose to spend. So, that is on Henko. And the differential is also being mentioned in the creative copies that we are spending on. And on Young & Fresh, yes, it is the initial readings are fine. We hope that it continues and will continue to invest where it matters. So, that's on Young & Fresh.
- Pawan Agarwal:** It's early days and the initial response is encouraging and, let's wait and watch.
- Vishal:** Last question, where do you expect the Fabric care margins to stabilize in 1-2 years' time span? I understand increased competitive part is there. Competition level is on a higher side, but where should it stabilize? What are the expectations?
- Pawan Agarwal:** See, it's very, very volatile situation right now. As you know, as you are aware, the liquid detergent, the way margins are fluctuating and the competitive intensity is there. Right now, these quarters margins are lower compared to last year. But I think this year, looking at the current situation and next few quarters, the visibility that we have and the sense that we are getting from the market, the margins will be slightly lower compared to FY'25.
- Vishal:** Got it. And sir, any update on M&A front given that you've been accumulating cash? I think you've been looking out, you've been evaluating acquisition, but any update on that front?
- Pawan Agarwal:** Yes. So, we are in pursuit of finding the right fit, and in that regard we are evaluating few assets and at an appropriate time, the information will be shared with the investor community.

- Vishal:** Thank you. Wishing you all the best.
- Pawan Agarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Amit Purohit from Elara Capital. Please go ahead.
- Amit Purohit:** Yes, sir. Thank you for the opportunity. So, just on this price versus volume gap, you indicated it will narrow down. But I just want to know, you're saying one, Dish wash competitive intensity is increasing. Have we taken any further pricing action year to date? And if that's so, then in second half, we would have started the base effects of benefits of so price increase will also start coming in. So, to that extent, still think that that will nullify and the narrowing would continue and probably for the full year exit may be a flattish kind of a volume or you think this will only, I mean, I'm just trying to understand what it will be to negate the effect of soap price increase that we would have taken in second half when we know that competitive intensity is very high?
- Pawan Agarwal:** In soaps, our price increases we have taken slightly later compared to other players and it is because we have multiple categories and within that we have sub segments. So, the volume value relationship cannot be established in a direct manner the way you indicated. So, overall, looking at all the factors, we believe that this gap should narrow down to Quarter 3 onwards, but it's not going to be completely eliminated in the second half of the year is what we feel.
- Amit Purohit:** Sure. And second on the margin outlook, we did 16.5 this quarter. How do we look at from a full year basis, because there are a lot of seasonality in the margins as well. So, just wanted to know your thoughts? I mean, would be touching 17% or so.
- Pawan Agarwal:** So, the current situation in the market is known to everybody and the H1 margin overall, as we indicated earlier also would be under pressure. H2 with demand picking up and the overall environment being conducive, there could be a little bit of improvement over there. But an overall basis for the year, we still believe that between 16% and 17% margin is possible.
- Amit Purohit:** Okay. And anything on the volume outlook, you want to comment for FY'26?
- Pawan Agarwal:** Difficult. It's very difficult to comment on volume.
- Amit Purohit:** Okay. Thanks a lot, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Saheel Shirsat from Delta Group. Please go ahead.
- Saheel Shirsat:** Hi, thank you so much for taking my question. So, my first question is on what strategy we have for urban and rural markets going forward? And my second question is on marketing spends. How are we going to plan for them? Thank you so much.

- Pawan Agarwal:** So, let me address your second question first. So, marketing spend, so we are committed to invest behind our brands. And in that direction, we every quarter, our spends are more or less in line with our overall stated strategy, which is between 8% and 9%. And on an annualized basis, you see the number hovering between 8 and 9. So, that is likely to continue at least in the near term. And on the first question, I would request Jyothy to answer. Urban versus rural.
- M. R. Jyothy:** So, Sahil, right? The urban versus rural strategy for us right now, rural contributes around 40% for us. And urban is the one that is right now, while we are putting all our efforts to see that both urban and rural both perform. For us, rural is the one that is currently performing. And we are still investing in reaching as many outlets as possible. That is a continuous agenda. And as of last year, as we completed, we reached 1.3 million retail outlets directly. Now coming to urban, we are seeing growth in urban more from a modern trade e-commerce, that part of it and not in the traditional retail, which contributes largely. So, while your modern trade and e-commerce are growing, the traditional outlets are not to that effect growing. So, that is where the whole issue is. But hopefully that should change going forward if consumers, if the current situation in terms of demand and things may change, hopefully from the second half onwards, with good monsoon and with the government spending and things like that, we are hopeful that at least from the second half, things turn to be better.
- Participant:** Thank you so much. Thank you.
- Moderator:** Thank you. The next question is from the line of Senthil Manikandan from Ithought PMS. Please go ahead.
- Senthil Manikandan:** Good evening. Just a couple of questions. First is on the distribution, like Jyothy ma'am mentioned, there is pressure on the general trade channel. Ma'am, any initiatives internally the Company has taken to spur the demand in this channel?
- M. R. Jyothy:** Senthil, it's the usual thing. Like, see for us, it is while we are continuing to service the retail outlets and things like that, it's the consumers who are seeking more convenience who are turning into your modern trade and e-commerce. I think all of us are examples of seeking convenience. We see it at our own homes that we prefer to when there is less time and somehow we try and order everything online and which used to be all of us going to traditional outlets and buying, now that is shifting. So, while we are servicing the retail outlets, but they seem to be not getting consumers on a regular basis, and there you see closure of certain outlets and the overall sales coming down there. While we are trying to be competitive both in modern trade and e-commerce, we are also trying to extend that bit in the general trade, but not completely because there is still an element of convenience which obviously they cannot match. Even if you try and do by pricing, it is still the convenience that takes one step ahead in terms of your modern trade, which is your e-commerce that they deliver. So, we are trying our best while we, that is what we can do and we will be consistent with doing that. What we can do is only maybe keep increasing the number of retail outlets so that many number of outlets add to that additional revenue for us and things will improve maybe later.

- Senthil Manikandan:** Thanks. Second question is on the innovation side. So, if you can share some data in terms of NPDs launched over the last three years, percentage of sales, and it could be very helpful in terms of tracking the NPD rate of the business.
- Pawan Agarwal:** We do not share, unfortunately, the innovation-related data. So, you will come to know as and when it gets launched. And we have a strong pipeline of NPD, that much I can tell you.
- Senthil Manikandan:** Great. Thanks and all the best.
- Moderator:** Thank you. The next question is from the line of Sonal from Prescient Capital. Please go ahead.
- Sonal Minhas:** Hi, thanks for taking my question again. We wanted to understand what are the terms of trade for modern and quick commerce, sorry, for most pertinent to quick commerce, compared to general trade. Are there lower margins or are there more days? Just wanted to understand that.
- Pawan Agarwal:** So, in general trade, we have largely cash and carry business in most regions of the country. But in modern trade, we extend credit and it varies. Again, the terms of trade are negotiated, discussed with individual players. So, it's very difficult to give you the sense. But we do extend credit to modern trade e-commerce, quick commerce players. So, that's all I can tell you.
- Sonal Minhas:** So, quick commerce roughly works around 60-90 days of credit?
- Pawan Agarwal:** No, it varies. Again, retail chains, e-commerce platform, quick commerce platform, cash and carry outlets. So, it's institutions, it's a mix. So, overall, we can say a basket approach if you see about 30-35 days credit.
- Sonal Minhas:** Got it. Understand. And my second question was, I'm sure you guys are tracking the category leaders in e-commerce and quick commerce in the categories which you operated. So, let's take, for example, the Dish wash category or the detergent category. Are there newer names which are in the top 3, top 5 list there? Or these are the same players like you who have done well on the traditional and are doing well. So, you're seeing some new names who are doing exceptionally well and are in the top 3, 4, 5 category in the categories you operated?
- Pawan Agarwal:** No, these are the usual suspects.
- Sonal Minhas:** So, no D2C brands trying to break in and becoming the top 2-3 players in quick commerce, e-commerce channels that you're looking at?
- Pawan Agarwal:** At least we have not seen that.
- Sonal Minhas:** Understand. Sir, from a 2-3 year out perspective, a new categories we're working on, anything which you can share, which are not part of the current categories, or a completely different category which we're working on. Just wanted to understand that.

Pawan Agarwal: Thanks for the question, but as I said earlier, unfortunately, we are not able to share the information related to new product launches, etc. at an early stage. As and when it gets launched, we'll come to know.

Sonal Minhas: Got it. Okay. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Pawan Agarwal: Thank you. Thanks for your continued interest in Jyothy Labs Limited and have a pleasant evening. Thank you.

Moderator: Thank you. On behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

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