

STANDALONE  
FINANCIAL  
STATEMENTS



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PIDILITE INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

## Opinion

We have audited the accompanying standalone financial statements of Pidilite Industries Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Principal audit procedures performed
<p>Impairment of Investment in certain subsidiaries (Refer Note 7 of the Standalone Financial Statements)</p> <p>The standalone financial statements of the Company includes investment in two subsidiaries, located at Brazil and Middle East, aggregating ₹ 165.98 crores (as at 31<sup>st</sup> March, 2023) which is measured at cost less impairment and is tested for impairment if there are any indicators of impairment. Due to material accumulated losses being incurred by these subsidiaries, the Company's management has tested these investments for impairment in accordance with Ind AS 36. For impairment testing, management determines recoverable amount, using discounted cash flow projections, which represent management's best estimate about future developments and takes into account past experience.</p> <p>Key assumptions on which management has based its determination of recoverable amount include estimated long-term growth rates, discount rate, estimated sales growth rate and estimated operating margins. Management has obtained fair value of investments from independent valuation experts for investments in the said two subsidiaries.</p> <p>We have identified this as a key audit matter as determination of recoverable amount involves significant judgements, as regards to reasonableness of assumptions involved in estimating future cash flows of these subsidiaries and in determining the discount rate to be used. Changes in these assumptions could impact the results of the impairment assessment.</p>	<p>To evaluate impairment of investment in these two subsidiaries, our procedures included:</p> <p>a) Evaluated the design and implementation of the controls over identification of impairment indicators and review of the impairment assessment of investment in subsidiaries and tested the operating effectiveness of these controls.</p> <p>b) Validating impairment models through testing of the mathematical accuracy and verifying the application of the input assumptions.</p> <p>c) Assessed the appropriateness of the forecast cash flows within the budgeted period based on the understanding of the business.</p> <p>d) Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved.</p> <p>e) Compared the assumptions made by the management of the Company with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates with the assistance of our fair value specialists</p> <p>f) Performed sensitivity analysis on the key assumptions such as long-term growth rates and discount rates, to ascertain the extent of change in those assumptions that would be required for the investment in these subsidiaries to be impaired further.</p>

## Information Other than the Financial Statements and Auditor's Report Thereon ("other information").

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Business Responsibility and Sustainability Report, Corporate Governance and Information for Shareholder, but does not include the

consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient

and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 purposes 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, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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, as amended 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 standalone 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.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 53(a) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 54(h) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
  - v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
  - (b) The Company did not declare any interim dividend in the current year.
  - (c) As stated in note 20(b) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1<sup>st</sup> April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**N. K. Jain**  
(Partner)  
(Membership No. 045474)  
UDIN: 23045474BGYOVK3116

Place: Mumbai  
Date: 8<sup>th</sup> May, 2023

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PIDILITE INDUSTRIES LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Pidilite Industries Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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 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 with reference to standalone financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 Company's internal financial controls with reference to standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to standalone financial statements**

A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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 **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**N. K. Jain**  
(Partner)  
(Membership No. 045474)  
UDIN: 23045474BGYOVK3116

Place: Mumbai  
Date: 8<sup>th</sup> May, 2023

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PIDILITE INDUSTRIES LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of its property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items once in every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed /transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) In respect of the Company's Inventories:
- (a) The inventories except for goods in transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received / delivered subsequent to the year end.

No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, throughout the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statement comprising stock statement, statements on ageing analysis of the debtors, payable statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in, provided guarantees and granted unsecured loans to subsidiary companies or any other parties during the year, in respect of which:
- (a) The Company has provided loans and stood guarantees during the year and details of which are given below:

(₹ in crores)

	Loans	Guarantees
<b>A. Aggregate amount provided during the year:</b>		
- Subsidiaries	-	102.83
- Associates	2.04	-
- Others	8.21	-
<b>B. Balance Outstanding as at balance sheet date in respect of above cases*</b>		
- Subsidiaries	-	205.17
- Associates	2.04	-
- Others	11.04	-

\* includes opening balance.

The Company has not provided any advances in the nature of loans and security to any other entity during the year.

- (b) The investments made, guarantees provided and the terms and conditions of the all above mentioned loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, 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 the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Service tax, 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 in arrears as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March, 2023 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in crores)
Income Tax Act, 1961	Income Tax	Commissioner (Appeals)	AY 2007-08, AY 2010-11 to AY 2014-15, AY 2017-18, AY 2018-19	22.20
	Income Tax TDS	Commissioner (Appeals)	AY 2013-14 to 2019-20	37.20
Income Tax Act, 1961 – Total				59.40*
Goods and Service tax Act, 2017	Goods and Service tax	Additional Commissioner	2017-18	0.08
	Goods and Service tax	Pending to be filed at 1 <sup>st</sup> Appellate	2019-20	0.75
Goods and Service tax Act, 2017 – Total				0.83**
Finance Act, 1994	Service Tax	The Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2006-07 to 2011-12, 2013-14	11.59
Finance Act, 1994 – Total				11.59 <sup>®</sup>
Central Excise Act, 1944	Excise Duty in Various States	Commissioner of Central Excise (Appeals)	2016-17 & 2017-18 (Upto Jun'2017)	0.13
	Excise Duty in Various States	The Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2007-08 to 2008-09 and 2011-12 to 2016-17	0.65
	Excise Duty in Various States	High Court	2010-11 to 2016-17	2.55
Central Excise Act, 1944 – Total				3.33 <sup>#</sup>

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in crores)
Sales Tax Act	Sales Tax in Various States	Assessing officer	2004-05, 2005-06, 2009-10 to 2015-16	6.09
	Sales Tax in Various States	Commissioner of Sales Tax	2008-09	0.25
	Sales Tax in Various States	Additional Commissioner	2002-03, 2008-09 to Apr 2017-Jun 2017	16.84
	Sales Tax in Various States	Deputy commissioner of Sales Tax	1994-95, 2005-06 to 2012-13	0.36
	Sales Tax in Various States	Joint commissioner of Sales Tax	2002-03, 2009-10 to Apr 2017-Jun 2017	69.06
	Sales Tax in West Bengal	Revision Board	2004-05	0.59
	Sales Tax in Various States	Sales Tax Tribunal	1999-00, 2002-03, 2005-06, 2006-07, 2009-10 to 2016-17	29.63
	Sales Tax in Various States	High Court	2003-04, 2005-06 to 2010-11, 2012-13 to 2014-15	7.19
Sales Tax Act – Total				130.01 <sup>^</sup>
Maharashtra Municipal Corporation Act, 1949	Local Body Tax	High Court	FY 2015-16 to FY 2017-18 (Upto June 2017)	13.01
Municipal Corporation Act, 1949 – Total				13.01 <sup>^^</sup>

\* Net of ₹ 39.02 crores paid under protest

\*\* Net of ₹ 0.08 crores is paid under protest

# Net of ₹ 0.05 crores paid under protest

⊙ Net of ₹ 0.33 crores paid under protest

<sup>^</sup> Net of ₹ 31.71 crores paid under protest

<sup>^^</sup> Net of ₹ 0.61 crores paid under protest

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.



- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date when performing our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi) (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**N. K. Jain**  
(Partner)  
(Membership No. 045474)  
UDIN: 23045474BGYOVK3116

Place: Mumbai  
Date: 8<sup>th</sup> May, 2023

## BALANCE SHEET

as at 31<sup>st</sup> March 2023

(₹ in crores)

Particulars	Note No.	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
<b>ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	1,443.37	1,322.77
(b) Right of Use Assets	5	272.95	170.95
(c) Capital Work-In-Progress	4	351.00	207.34
(d) Goodwill	6	1,184.85	1,184.85
(e) Other Intangible Assets	6	1,536.24	1,556.88
(f) Financial Assets			
(i) Investments	7	1,003.91	914.46
(ii) Loans	10	6.20	5.05
(iii) Other Financial Assets	12	34.95	19.45
(g) Income Tax Assets (net)	17	137.21	129.92
(h) Other Non-Current Assets	18	47.76	42.20
<b>Total Non-Current Assets</b>		<b>6,018.44</b>	<b>5,553.87</b>
<b>2 Current Assets</b>			
(a) Inventories	16	1,561.24	1,441.92
(b) Financial Assets			
(i) Investments	8	442.71	170.31
(ii) Trade Receivables	9	1,305.12	1,211.93
(iii) Cash and Cash Equivalents	14	153.30	147.70
(iv) Bank balances other than (iii) above	15	2.75	2.87
(v) Loans	11	23.96	17.81
(vi) Other Financial Assets	13	7.70	11.40
(c) Other Current Assets	19	164.91	180.56
<b>Total Current Assets</b>		<b>3,661.69</b>	<b>3,184.50</b>
<b>TOTAL ASSETS</b>		<b>9,680.13</b>	<b>8,738.37</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	20	50.83	50.83
(b) Other Equity	21	7,057.33	6,292.87
<b>Total Equity</b>		<b>7,108.16</b>	<b>6,343.70</b>
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liabilities		143.15	66.94
(ii) Other Financial Liabilities	24	14.45	19.94
(b) Provisions	26	64.62	56.22
(c) Deferred Tax Liabilities (net)	28	376.51	388.53
<b>Total Non-Current Liabilities</b>		<b>598.73</b>	<b>531.63</b>
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	-	105.00
(ii) Trade Payables	23		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		52.82	68.15
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		886.14	877.69
(iii) Lease Liabilities		43.47	26.48
(iv) Other Financial Liabilities	25	834.38	659.62
(b) Other Current Liabilities	29	87.94	82.10
(c) Provisions	27	30.24	34.94
(d) Current Tax Liabilities (net)	30	38.25	9.06
<b>Total Current Liabilities</b>		<b>1,973.24</b>	<b>1,863.04</b>
<b>TOTAL LIABILITIES</b>		<b>2,571.97</b>	<b>2,394.67</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,680.13</b>	<b>8,738.37</b>

See accompanying notes to the financial statements

1 to 57

In terms of our report attached

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants

**N. K. JAIN**  
Partner

**BHARAT PURI**  
Managing Director  
DIN:02173566

**SANDEEP BATRA**  
Director Finance & Chief Financial Officer  
DIN:00871843

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**M B PAREKH**  
Executive Chairman  
DIN:00180955

**MANISHA SHETTY**  
Company Secretary

Place: Mumbai  
Date: 8<sup>th</sup> May 2023

Place: Mumbai  
Date : 8<sup>th</sup> May 2023

## STATEMENT OF PROFIT AND LOSS

for the year ended 31<sup>st</sup> March 2023

(₹ in crores)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
<b>INCOME</b>			
Revenue from Operations	31	10,597.07	8,895.62
Other Income	32	63.04	39.96
<b>Total Income</b>		<b>10,660.11</b>	<b>8,935.58</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	33	5,345.97	4,523.17
Purchases of Stock-in-Trade		858.96	607.84
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	34	(61.02)	(225.52)
Employee Benefits Expense	35	1,044.83	926.76
Finance Costs	36	28.53	27.24
Depreciation and Amortisation Expense	37	221.97	194.38
Other Expenses	38	1,553.15	1,290.97
<b>Total Expenses</b>		<b>8,992.39</b>	<b>7,344.84</b>
<b>Profit before Exceptional Items and Tax</b>		<b>1,667.72</b>	<b>1,590.74</b>
Exceptional Items		-	-
<b>Profit before Tax</b>		<b>1,667.72</b>	<b>1,590.74</b>
<b>Tax Expense</b>			
Current Tax	48	423.05	397.53
Deferred Tax	48	(12.51)	1.80
<b>Net Tax Expense</b>		<b>410.54</b>	<b>399.33</b>
<b>Profit for the year</b>		<b>1,257.18</b>	<b>1,191.41</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of Defined Benefit Plan	45	1.94	(12.11)
Income tax relating to items that will not be reclassified to profit or loss	48	(0.49)	3.05
<b>Total Other Comprehensive Income / (Loss)</b>		<b>1.45</b>	<b>(9.06)</b>
<b>Total Comprehensive Income for the year</b>		<b>1,258.63</b>	<b>1,182.35</b>
<b>Earnings Per Equity Share:</b>	43		
Basic (₹)		24.73	23.45
Diluted (₹)		24.72	23.43
See accompanying notes to the financial statements	1 to 57		

In terms of our report attached

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants

**N. K. JAIN**  
Partner

**BHARAT PURI**  
Managing Director  
DIN:02173566

**SANDEEP BATRA**  
Director Finance & Chief Financial Officer  
DIN:00871843

Place: Mumbai  
Date: 8<sup>th</sup> May 2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**M B PAREKH**  
Executive Chairman  
DIN:00180955

**MANISHA SHETTY**  
Company Secretary

Place: Mumbai  
Date : 8<sup>th</sup> May 2023

## STATEMENT OF CHANGES IN EQUITY

for the year ended 31<sup>st</sup> March 2023

(₹ in crores)

a. Equity Share Capital		Amount
Balance as at 1 <sup>st</sup> April 2021		50.82
Changes in equity share capital during the year		
• Issue of equity shares under Employee Stock Option Plan 2016		0.01
Balance as at 31 <sup>st</sup> March 2022		50.83
Changes in equity share capital during the year		
• Issue of equity shares under Employee Stock Option Plan 2016		0.00*
<b>Balance as at 31<sup>st</sup> March 2023</b>		<b>50.83</b>

\*denotes amount less than ₹ 50,000

b. Other Equity								
	Reserves and Surplus							TOTAL
	Capital Reserve on Business Combination	Securities Premium	Capital Redemption Reserve	Cash Subsidy Reserve	Share Options Outstanding Account	General Reserve	Retained Earnings	
Balance as at 1 <sup>st</sup> April 2021	(1.38)	26.04	0.50	0.95	25.42	1,335.38	4,123.49	5,510.40
Profit for the year	-	-	-	-	-	-	1,191.41	1,191.41
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	(9.06)	(9.06)
Payment of dividends	-	-	-	-	-	-	(431.93)	(431.93)
Due to Business combination (refer Note 56)	-	-	-	-	-	-	3.95	3.95
Recognition of share-based payments	-	20.47	-	-	7.63	-	-	28.10
Transferred to Securities Premium on Options exercised during the year	-	20.47	-	-	(20.47)	-	-	-
Amortised during the year	-	-	-	-	28.55	-	-	28.55
Lapsed during the year	-	-	-	-	(0.45)	-	-	(0.45)
Balance as at 31 <sup>st</sup> March 2022	(1.38)	46.51	0.50	0.95	33.05	1,335.38	4,877.86	6,292.87
Profit for the year	-	-	-	-	-	-	1,257.18	1,257.18
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	1.45	1.45
Payment of dividends	-	-	-	-	-	-	(508.30)	(508.30)
Recognition of share-based payments	-	3.54	-	-	10.59	-	-	14.13
Transferred to Securities Premium on Options exercised during the year	-	3.54	-	-	(3.54)	-	-	-
Amortised during the year	-	-	-	-	14.89	-	-	14.89
Lapsed during the year	-	-	-	-	(0.76)	-	-	(0.76)
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>(1.38)</b>	<b>50.05</b>	<b>0.50</b>	<b>0.95</b>	<b>43.64</b>	<b>1,335.38</b>	<b>5,628.19</b>	<b>7,057.33</b>

In terms of our report attached  
For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

N. K. JAIN  
Partner

BHARAT PURI  
Managing Director  
DIN:02173566

SANDEEP BATRA  
Director Finance & Chief Financial Officer  
DIN:00871843

Place: Mumbai  
Date: 8<sup>th</sup> May 2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

M B PAREKH  
Executive Chairman  
DIN:00180955

MANISHA SHETTY  
Company Secretary

Place: Mumbai  
Date : 8<sup>th</sup> May 2023

## STATEMENT OF CASH FLOWS

for the year ended 31<sup>st</sup> March 2023

(₹ in crores)

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
<b>A</b>		
<b>Cash Flows From Operating Activities</b>		
Profit before tax	1,667.72	1,590.74
Adjustments for:		
Finance costs	28.53	27.24
Interest income	(4.90)	(2.41)
Dividend income	(17.46)	(4.01)
(Profit)/Loss on disposal of Property, Plant and Equipment	(1.96)	8.20
Net gain arising on financial assets designated at FVTPL	(16.78)	(11.37)
Allowance for Doubtful Debts and Advances (net)	4.64	(2.57)
Depreciation and Amortisation Expense	221.97	194.38
Unrealised foreign exchange loss (net)	4.73	3.75
Provision for Employee Benefits	5.64	15.79
Profit on buyback of shares by subsidiary	-	(1.11)
Expense recognised in respect of Equity-Settled Share-Based Payments	14.13	28.09
<b>Operating profits before Working Capital changes</b>	<b>1,906.26</b>	<b>1,846.72</b>
Movements in Working Capital:		
(Increase)/Decrease in Operating Assets		
Trade Receivables	(99.30)	(122.46)
Inventories	(119.32)	(415.73)
Non-Current Loans	(1.15)	(0.20)
Current Loans	(6.15)	(1.36)
Other Non-Current Financial Assets	(15.50)	(3.64)
Other Current Financial Assets	3.70	(2.90)
Other Non-Current Non Financial Assets	(17.32)	(21.06)
Other Current Non Financial Assets	15.59	(15.39)
Increase/(Decrease) in Operating Liabilities		
Trade Payables	(10.05)	(1.91)
Other Current Financial Liabilities	173.36	35.02
Other Non-Current Financial Liabilities	(5.49)	6.31
Other Current Non Financial Liabilities	6.30	2.48
<b>Cash generated from Operations</b>	<b>1,830.93</b>	<b>1,305.88</b>
Taxes paid (net of refund and interest on refund)	(398.57)	(448.96)
<b>Net Cash generated from Operating Activities [A]</b>	<b>1,432.36</b>	<b>856.92</b>

## STATEMENT OF CASH FLOWS

for the year ended 31<sup>st</sup> March 2023

(₹ in crores)

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
<b>B</b>	<b>Cash Flows from Investing Activities</b>	
Payments for purchase of Property, Plant and Equipment, Other Intangible Assets & Capital Work-In-Progress	(435.60)	(322.57)
Proceeds from disposal of Property, Plant and Equipment & Other Intangible Assets	7.00	0.77
Net Cash outflow on acquisition / Investment in Subsidiaries	(78.95)	(359.95)
Proceeds from buyback of shares from subsidiary	-	11.28
Payments on purchase of Investments	(1,713.68)	(49.00)
Proceeds on sale of Investments	1,447.81	170.24
Decrease in Bank Deposits	0.12	3.01
Increase in Other Bank Balances	-	(0.08)
Interest received	2.32	2.41
Dividend received	17.46	4.01
<b>Net cash used in Investing Activities [B]</b>	<b>(753.52)</b>	<b>(539.88)</b>
<b>C</b>	<b>Cash Flows from Financing Activities</b>	
Net (decrease) / increase in Current Borrowings	(105.00)	50.00
Payment of Lease Liabilities	(41.80)	(33.63)
Dividends paid on Equity Shares	(508.30)	(431.85)
Interest paid	(17.59)	(20.12)
<b>Net cash used in Financing Activities [C]</b>	<b>(672.69)</b>	<b>(435.60)</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents [A+B+C]</b>	<b>6.15</b>	<b>(118.56)</b>
Cash and Cash Equivalents at the beginning of the year	147.70	109.81
Acquisition under Business Combination (refer Note 56)	-	156.45
Unrealised gain on foreign currency cash and cash equivalents	(0.05)	(0.05)
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>147.65</b>	<b>266.21</b>
Cash and Cash Equivalents at the end of the year (refer Note 14)	153.30	147.70
Unrealised loss/ (gain) on foreign currency cash and cash equivalents	0.50	(0.05)
<b>Cash and Cash Equivalents at the end of the year</b>	<b>153.80</b>	<b>147.65</b>
<b>Net Increase / (decrease) in Cash and Cash Equivalents</b>	<b>6.15</b>	<b>(118.56)</b>

Notes:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

N. K. JAIN  
Partner

BHARAT PURI  
Managing Director  
DIN:02173566

SANDEEP BATRA  
Director Finance & Chief Financial Officer  
DIN:00871843

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

M B PAREKH  
Executive Chairman  
DIN:00180955

MANISHA SHETTY  
Company Secretary

Place: Mumbai  
Date: 8<sup>th</sup> May 2023

Place: Mumbai  
Date: 8<sup>th</sup> May 2023

### 1 Corporate information

Pidilite Industries Limited (CIN L24100MH1969PLC014336), together with its subsidiaries are pioneers in consumer and industrial speciality chemicals in India. The equity shares of the Company are listed on BSE Ltd (BSE) and National Stock Exchange of India Ltd (NSE).

The address of its registered office is Regent Chambers, 7<sup>th</sup> Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai 400 021. The address of principal place of business is Ramkrishna Mandir Road, Off Mathuradas VasANJI Road, Andheri (E), Mumbai 400 059.

### 2 Significant Accounting Policies

#### 2.1 Basis of accounting and preparation of financial statements

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements have been prepared under the historical cost convention except for the following items –

- a. Certain Financial Assets / Liabilities (including derivative instruments) – at Fair value
- b. Employee Stock Options - at Fair value

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores, except otherwise indicated.

#### 2.2 Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of acquiree. Acquisition-related costs are recognised in statement of profit or loss as incurred.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding changes against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. Contingent consideration that is classified as an asset or a liability is subsequently (after the measurement period) remeasured at subsequent reporting dates with the corresponding gain or loss being recognised in Statement of Profit and Loss.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Identity of the reserves appearing in the financial statements of the transferor is preserved and appears in the financial statements of the transferee in the same form. Any excess or shortfall of consideration paid over share capital and reserves of transferor entity is recognised as capital reserve under equity.

#### 2.3 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred over the net of acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each assets in the unit. Any impairment loss for goodwill is recognised directly in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

## 2.4 Revenue Recognition

The Company recognises revenue from sale of goods, based on the terms of contract and as per the business practice; the Company determines transaction price considering the amount it expects to be entitled in exchange of transferring promised goods to the customer. Revenue is recognised when it is realized or is realizable and has been earned after the deduction of variable components such as discounts, rebates, incentives, promotional couponing and schemes. The company estimates the amount of variable components based on historical, current and forecast information available and either expected value method or most likely method, as appropriate and records a corresponding liability in other payables; the actual amounts may be different from such estimates. These differences, which have historically not been significant, are recognized as a change in management estimate in a subsequent period.

### 2.4.1.a Sale of Goods

Revenue is recognised when control of the products being sold has been transferred to a customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point where the performance obligations in our contracts are satisfied and the Company no longer has control over the inventory.

Advance received from customer before transfer of control of goods to the customer is recognised as contract liability.

### 2.4.1.b Sale of Services

Revenue from sale of services includes fixed price contracts and time and material contracts and is recognized as sale, as and when the related services are performed and certified by the client. Incomplete services are recorded at cost as work-in-progress.

The Company accounts for provision of warranty in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

### 2.4.2 Dividend, Interest income and Royalty

Dividend income from investments is recognised when the Company's right to receive dividend is established. Interest income from a financial asset is recognised on a time basis, by reference to the principal outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement or underlying arrangement in case of sales provided that it is probable that the economic benefits associated with the royalty shall flow to the Company and the amount of royalty can be measured reliably.

Claims / Insurance Claim etc. are accounted for when no significant uncertainties are attached to their eventual receipt.

The Company's policy for recognition of revenue (rental income) from leases is described in note 2.5.2.

## 2.5 Leasing

The company at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

### 2.5.1 Company as Lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short - term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.



The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related Right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing activity under cash flows.

#### 2.5.2 Company as Lessor

Rental income from leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increase, such increases are recognised in the year in which such benefits accrue.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect constant periodic rate of return of the Company's net investment outstanding in respect of the leases.

#### 2.6 Foreign Currencies

The functional currency of the Company is the Indian Rupee.

At the end of each reporting period, monetary items (including financial assets and liabilities) denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Gains or losses arising from these translations are recognised in the Statement of Profit and Loss.

In respect of the foreign offices / branches, which are integral foreign operations, all revenues and expenses during the month are reported at monthly average rates. Outstanding balances in respect of monetary assets and liabilities are restated at the year end exchange rates. Outstanding balances in respect of non-monetary assets and liabilities are stated at the rates prevailing on the date of the transaction. Net gain / loss on foreign currency translation are recognised in the Statement of Profit and Loss.

#### 2.7 Share-based payment transactions of the Company

Equity-settled share-based payments to employees providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

#### 2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### 2.8.1 Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

## 2.8.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## 2.8.3 Current and Deferred Tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

## 2.9 Property, Plant and Equipment

### 2.9.1 Property, Plant and Equipment acquired separately

Freehold land is stated at cost and not depreciated. Buildings, plant and machinery, vehicles, furniture and office equipments are stated at cost less accumulated depreciation and accumulated impairment losses.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

### 2.9.2 Capital Work-in-Progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### 2.9.3 Depreciation

Depreciation is recognised so as to write off the cost of assets (other than Freehold Land and Capital Work-in-Progress) less their residual values over their useful lives, using the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

For certain items of Property, Plant and Equipment, the Company depreciates over estimated useful life which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 which is based upon technical assessment made by technical expert and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of Asset	Useful Life
Buildings	30 - 60 years
Plant and Machinery	6 - 25 years
Vehicles	8 - 10 years
Furniture and Fixtures	10 years
Office Equipment	3 - 6 years

## 2.10 Intangible Assets

### 2.10.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

### 2.10.2 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

### 2.10.3 Internally generated Intangible Assets – Research and Development Expenditure

Expenditure on research activities is recognised in Statement of Profit and Loss in the period in which it is incurred.

An internally generated intangible asset arising from development is recognised if and only if it meets the recognition criteria of intangible assets. The amount initially recognised is the sum total of expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no intangible asset can be recognised, development expenditure is recognised in Statement of Profit and Loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

### 2.10.4 Useful lives of Intangible Assets

Estimated useful lives of the Intangible Assets are as follows:

Type of Asset	Useful Life
Computer Software	6 years
Technical Knowhow	10 years
Non-Compete Fees	7-10 years
Distribution Network	15 years
Copyrights	Indefinite Life
Trademarks	Indefinite Life

## 2.11 Impairment of Tangible and Intangible Assets other than Goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in Statement of Profit and Loss.

## 2.12 Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, excise duty and appropriate share of overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

## 2.13 Provisions (other than Employee Benefits)

A provision is recognised when as a result of past event, the Company has a present legal or constructive obligation which can be reliably estimated and it is probable that an outflow of economic benefit will be required to settle the obligation.

Provisions (excluding retirement benefits) are determined based on the best estimate required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## 2.14 Financial Instruments

### 2.14.1 Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All financial assets and financial liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value Through Profit or Loss) are added to or deducted from the value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value Through Profit or Loss are recognised in the Statement of Profit and Loss.

### 2.14.2 Subsequent measurement of Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Debt instruments that meet conditions based on purpose of holding assets and contractual terms of instrument are subsequently measured at amortised cost using effective interest method.

All other financial assets are measured at fair value.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as Fair Value Through Profit or Loss. Interest income is recognised in Statement of Profit and Loss and is included in the "Other income" line item.

### 2.14.3 Impairment of Financial Assets

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value Through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

For Trade receivables, the Company measures loss allowance at an amount equal to lifetime expected credit losses. The Company computes expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### 2.14.4 Financial Liabilities and equity instruments

#### 2.14.4.1 Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

#### 2.14.4.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

#### 2.14.4.3 Financial Liabilities

All financial liabilities (other than derivative financial instruments) are measured at amortised cost using effective interest method at the end of reporting periods.

#### 2.14.5 Derecognition of Financial Assets and Liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive the cash flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

The Company derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expired.

#### 2.14.6 Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to manage its exposure to foreign currency exchange rate risks. Also, the Company has an option to purchase and the seller has an option to sell balance stake in equity share capital of certain partly owned subsidiary(ies).

Derivatives are initially recognised at fair value at the date the contracts are entered into. Subsequent to initial recognition, these contracts are measured at fair value at the end of each reporting period and changes are recognised in Statement of Profit and Loss.

#### 2.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / loss before tax for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments. Cash Flows from operating, investing and financing activities of the Company are segregated.

Cash and Cash Equivalents for the purpose of Cash Flow Statement comprise of cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, as reduced by bank overdrafts.

#### 2.16 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of cost plus margins. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities" respectively.

#### 2.17 Employee Benefits

Employee benefits include Provident Fund, Superannuation Fund, Employee State Insurance Scheme, Gratuity Fund, Compensated Absences, Anniversary Awards, Premature Death Pension Scheme and Total Disability Pension Scheme.

##### 2.17.1 Defined Contribution Plans

The Company's contribution to Provident Fund, Superannuation Fund, National Pension Scheme and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

##### 2.17.2 Defined Benefit Plans

For Defined Benefit Plans in the form of Gratuity Fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

**2.17.3 Short-Term and Other Long-Term Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**2.18 Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**2.19 Assets held for sale**

Sale of business is classified as held for sale, if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification as held for sale is met when disposal business is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale.

**2.20 Discontinued operations**

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

**2.21 Non-current assets and disposal groups held for sale**

Assets of disposal groups that is available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale. Non-current assets and disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell.

**3 Critical Accounting Judgements and key sources of Estimation Uncertainty**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies, reported amounts of assets, liabilities, income and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**3.1 Key accounting judgements, assumptions and estimates**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**3.1.1 Impairment of investments in subsidiaries**

Investment in subsidiaries is measured at cost and tested for impairment annually. For impairment testing, management determines recoverable amount, using cash flow projections which take into account past experience and represent management's best estimate about future developments. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Management obtains fair value of investments from independent valuation experts.

### 3.1.2 Impairment of Goodwill and Other Intangible Assets

Goodwill and Other Intangible Assets (i.e. trademarks and copyrights) are tested for impairment on an annual basis. Recoverable amount of cash-generating units is determined based on higher of value-in-use and fair value less cost to sell. The impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which the intangibles are monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

### 3.1.3 Employee related provisions

The costs of long term and short term employee benefits are estimated using assumptions by the management. These assumptions include rate of increase in compensation levels, discount rates, expected rate of return on assets and attrition rates (disclosed in Note 45).

### 3.1.4 Income taxes

Significant judgements are involved in estimating budgeted profits for the calculation of advance tax and deferred tax, and determining provision for income taxes and uncertain tax positions (disclosed in Note 48).

### 3.1.5 Property, Plant and Equipment and Other Intangible Assets

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired. These estimates are reviewed annually by the management. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

### 3.1.6 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### 3.1.7 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, the effective date for adoption of below amendments is for annual periods beginning on or after 1<sup>st</sup> April 2023.

**Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company is evaluating the amendment and its impact on financial statements.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company is evaluating the amendment and its impact on financial statements.

**Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company is evaluating the amendment and its impact on financial statements.

(₹ in crores)

4 Property, Plant and Equipment and Capital Work-In-Progress	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
<b>Carrying Amounts</b>		
• Freehold Land	100.98	100.69
• Buildings	482.01	421.01
• Plant and Machinery	777.07	722.70
• Vehicles	7.19	5.74
• Furniture and Fixtures	31.98	30.34
• Office Equipment	44.14	42.29
	<b>1,443.37</b>	<b>1,322.77</b>
Capital Work-In-Progress	351.00	207.34
<b>TOTAL</b>	<b>1,794.37</b>	<b>1,530.11</b>

	Freehold Land	Buildings	Plant and Machinery	Vehicles	Furniture and Fixtures	Office Equipment	TOTAL
<b>Gross Carrying Amount</b>							
Balance as at 1 <sup>st</sup> April 2021	89.94	421.19	1,313.50	16.01	82.36	129.81	2,052.81
Additions	5.10	113.62	271.25	1.64	10.15	21.14	422.90
Acquisition under Business Combination (refer Note 56)	5.65	5.72	17.06	1.60	1.36	2.16	33.55
Disposals / Adjustments	-	(0.39)	(28.26)	(0.26)	(5.38)	(7.00)	(41.29)
Balance as at 31 <sup>st</sup> March 2022	100.69	540.14	1,573.55	18.99	88.49	146.11	2,467.97
Additions	0.29	83.47	170.45	2.79	6.89	18.31	282.20
Disposals / Adjustments	-	(0.51)	(35.60)	(0.47)	(0.69)	(6.62)	(43.89)
Balance as at 31 <sup>st</sup> March 2023	100.98	623.10	1,708.40	21.31	94.69	157.80	2,706.28

<b>Accumulated Depreciation and Impairment</b>							
Balance as at 1 <sup>st</sup> April 2021	-	(100.58)	(765.75)	(11.08)	(57.33)	(94.69)	(1,029.43)
Acquisition under Business Combination (refer Note 56)	-	(1.65)	(5.36)	(1.15)	(0.82)	(1.79)	(10.77)
Eliminated on disposal of assets	-	0.10	23.22	0.21	4.91	6.57	35.01
Depreciation expense	-	(17.00)	(102.96)	(1.23)	(4.91)	(13.91)	(140.01)
Balance as at 31 <sup>st</sup> March 2022	-	(119.13)	(850.85)	(13.25)	(58.15)	(103.82)	(1,145.20)
Eliminated on disposal of assets	-	0.19	31.81	0.44	0.66	6.05	39.15
Depreciation expense	-	(22.15)	(112.29)	(1.31)	(5.22)	(15.89)	(156.86)
Balance as at 31 <sup>st</sup> March 2023	-	(141.09)	(931.33)	(14.12)	(62.71)	(113.66)	(1,262.91)

<b>Net Carrying Amount</b>							
Balance as at 1 <sup>st</sup> April 2021	89.94	320.61	547.75	4.93	25.03	35.12	1,023.38
Additions	5.10	113.62	271.25	1.64	10.15	21.14	422.90
Acquisition under Business Combination (refer Note 56)	5.65	4.07	11.70	0.45	0.54	0.37	22.78
Disposals / Adjustments	-	(0.39)	(28.26)	(0.26)	(5.38)	(7.00)	(41.29)
Depreciation expense	-	(17.00)	(102.96)	(1.23)	(4.91)	(13.91)	(140.01)
Depreciation Eliminated on disposal of assets	-	0.10	23.22	0.21	4.91	6.57	35.01
Balance as at 31 <sup>st</sup> March 2022	100.69	421.01	722.70	5.74	30.34	42.29	1,322.77
Additions	0.29	83.47	170.45	2.79	6.89	18.31	282.20
Disposals / Adjustments	-	(0.51)	(35.60)	(0.47)	(0.69)	(6.62)	(43.89)
Depreciation expense	-	(22.15)	(112.29)	(1.31)	(5.22)	(15.89)	(156.86)
Depreciation Eliminated on disposal of assets	-	0.19	31.81	0.44	0.66	6.05	39.15
Balance as at 31 <sup>st</sup> March 2023	100.98	482.01	777.07	7.19	31.98	44.14	1,443.37



## Notes forming part of the financial statements

## Notes:

(₹ in crores)

a) Capital Work-In-Progress (CWIP) Ageing Schedule	CWIP for a period of				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	255.44	46.57	9.15	39.84	351.00
	(147.89)	(19.45)	(5.84)	(34.16)	(207.34)
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Figures in brackets () represents previous year

b) There are no projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

(₹ in crores)

c) Assets given under lease included in Note 4 above are as under:		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
<b>Carrying Amounts</b>		
• Freehold Land	14.99	14.99
• Leasehold Land	6.40	6.46
• Buildings	39.42	36.28
• Plant & Machinery	1.07	0.57
<b>TOTAL</b>	<b>61.88</b>	<b>58.30</b>

	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	TOTAL
<b>Gross Carrying Amount</b>					
Balance as at 1 <sup>st</sup> April 2021	17.00	-	33.03	5.44	55.47
Additions	-	6.50	14.90	0.06	21.46
Disposals / Adjustments	(2.01)	-	-	-	(2.01)
Balance as at 31 <sup>st</sup> March 2022	14.99	6.50	47.93	5.50	74.92
Additions	-	-	5.44	0.55	5.99
Balance as at 31 <sup>st</sup> March 2023	14.99	6.50	53.37	6.05	80.91

<b>Accumulated Depreciation and Impairment</b>					
Balance as at 1 <sup>st</sup> April 2021	-	-	(10.19)	(4.84)	(15.03)
Depreciation expense	-	(0.04)	(1.46)	(0.09)	(1.59)
Balance as at 31 <sup>st</sup> March 2022	-	(0.04)	(11.65)	(4.93)	(16.62)
Depreciation expense	-	(0.06)	(2.30)	(0.05)	(2.41)
Balance as at 31 <sup>st</sup> March 2023	-	(0.10)	(13.95)	(4.98)	(19.03)

<b>Net Carrying Amount</b>					
Balance as at 1 <sup>st</sup> April 2021	17.00	-	22.84	0.60	40.44
Additions	-	6.50	14.90	0.06	21.46
Disposals / Adjustments	(2.01)	-	-	-	(2.01)
Depreciation expense	-	(0.04)	(1.46)	(0.09)	(1.59)
Balance as at 31 <sup>st</sup> March 2022	14.99	6.46	36.28	0.57	58.30
Additions	-	-	5.44	0.55	5.99
Depreciation expense	-	(0.06)	(2.30)	(0.05)	(2.41)
Balance as at 31 <sup>st</sup> March 2023	14.99	6.40	39.42	1.07	61.88

d) Buildings includes shares of co-operative societies of ₹ 0.01 crores (₹ 0.01 crores as at 31<sup>st</sup> March 2022)

(₹ in crores)

5 Right of Use Assets			
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)	
<b>Carrying Amounts</b>			
• Leasehold Land	114.99	89.96	
• Leasehold Buildings	157.96	80.99	
<b>TOTAL</b>	<b>272.95</b>	<b>170.95</b>	

	Leasehold Land	Leasehold Buildings	TOTAL
<b>Gross Carrying Amount</b>			
Balance as at 1 <sup>st</sup> April 2021	64.49	104.92	169.41
Additions	30.27	54.55	84.82
Acquisition under Business Combination (refer Note 56)	0.46	5.23	5.69
Disposals / Adjustments	-	(9.31)	(9.31)
Balance as at 31 <sup>st</sup> March 2022	95.22	155.39	250.61
Additions	28.64	117.46	146.10
Disposals / Adjustments	(0.38)	(3.06)	(3.44)
Balance as at 31 <sup>st</sup> March 2023	123.48	269.79	393.27

<b>Accumulated Depreciation</b>			
Balance as at 1 <sup>st</sup> April 2021	(2.69)	(48.05)	(50.74)
Acquisition under Business Combination (refer Note 56)	(0.13)	(3.11)	(3.24)
Depreciation expense	(2.53)	(29.84)	(32.37)
Depreciation Eliminated on disposal of assets	0.09	6.60	6.69
Balance as at 31 <sup>st</sup> March 2022	(5.26)	(74.40)	(79.66)
Depreciation expense	(3.23)	(38.80)	(42.03)
Depreciation Eliminated on disposal of assets	-	1.37	1.37
Balance as at 31 <sup>st</sup> March 2023	(8.49)	(111.83)	(120.32)

<b>Net Carrying Amount</b>			
Balance as at 1 <sup>st</sup> April 2021	61.80	56.87	118.67
Additions	30.27	54.55	84.82
Acquisition under Business Combination (refer Note 56)	0.33	2.12	2.45
Disposals / Adjustments	-	(9.31)	(9.31)
Depreciation expense	(2.53)	(29.84)	(32.37)
Depreciation Eliminated on disposal of assets	0.09	6.60	6.69
Balance as at 31 <sup>st</sup> March 2022	89.96	80.99	170.95
Additions	28.64	117.46	146.10
Disposals / Adjustments	(0.38)	(3.06)	(3.44)
Depreciation expense	(3.23)	(38.80)	(42.03)
Depreciation Eliminated on disposal of assets	-	1.37	1.37
Balance as at 31 <sup>st</sup> March 2023	114.99	157.96	272.95

(₹ in crores)

6 Goodwill and Other Intangible Assets		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
<b>Carrying Amounts</b>			
• Goodwill		1,184.85	1,184.85
<b>Total Goodwill (A)</b>		<b>1,184.85</b>	<b>1,184.85</b>
<b>Other Intangible Assets</b>			
• Trademark		1,329.09	1,329.09
• Computer Software		14.22	16.72
• Copyrights		4.48	4.48
• Technical Knowhow Fees		8.09	11.90
• Distribution Network		180.36	194.69
• Non Compete Fees		-	-
<b>Total Other Intangible Assets (B)</b>		<b>1,536.24</b>	<b>1,556.88</b>
<b>Total Intangible Assets (A)+(B)</b>		<b>2,721.09</b>	<b>2,741.73</b>

	Goodwill	Trademark	Computer Software	Copyrights	Technical Knowhow Fees	Distribution Network	Non Compete Fees	TOTAL
<b>Gross Carrying Amount</b>								
Balance as at 1 <sup>st</sup> April 2021	86.34	157.67	65.37	4.48	40.36	-	4.54	358.76
Additions	-	-	3.91	-	-	-	-	3.91
Acquisition under Business Combination (refer Note 56)	1,098.51	1,171.42	0.82	-	-	215.00	-	2,485.75
Disposals/ Adjustments	-	-	(11.07)	-	(0.62)	-	-	(11.69)
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>1,184.85</b>	<b>1,329.09</b>	<b>59.03</b>	<b>4.48</b>	<b>39.74</b>	<b>215.00</b>	<b>4.54</b>	<b>2,836.73</b>
Additions	-	-	2.44	-	-	-	-	2.44
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>1,184.85</b>	<b>1,329.09</b>	<b>61.47</b>	<b>4.48</b>	<b>39.74</b>	<b>215.00</b>	<b>4.54</b>	<b>2,839.17</b>

<b>Accumulated Amortisation and Impairment</b>								
Balance as at 1 <sup>st</sup> April 2021	-	-	(48.39)	-	(25.49)	-	(4.37)	(78.25)
Acquisition under Business Combination (refer Note 56)	-	-	(0.07)	-	-	(5.98)	-	(6.05)
Amortisation expense	-	-	(4.58)	-	(2.92)	(14.33)	(0.17)	(22.00)
Eliminated on disposal of assets	-	-	10.73	-	0.57	-	-	11.30
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>-</b>	<b>-</b>	<b>(42.31)</b>	<b>-</b>	<b>(27.84)</b>	<b>(20.31)</b>	<b>(4.54)</b>	<b>(95.00)</b>
Amortisation expense	-	-	(4.94)	-	(3.81)	(14.33)	-	(23.08)
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>-</b>	<b>-</b>	<b>(47.25)</b>	<b>-</b>	<b>(31.65)</b>	<b>(34.64)</b>	<b>(4.54)</b>	<b>(118.08)</b>

<b>Net Carrying Amount</b>								
Balance as at 1 <sup>st</sup> April 2021	86.34	157.67	16.98	4.48	14.87	-	0.17	280.51
Additions	-	-	3.91	-	-	-	-	3.91
Acquisition under Business Combination (refer Note 56)	1,098.51	1,171.42	0.75	-	-	209.02	-	2,479.70
Disposals/ Adjustments	-	-	(11.07)	-	(0.62)	-	-	(11.69)
Amortisation expense	-	-	(4.58)	-	(2.92)	(14.33)	(0.17)	(22.00)
Amortisation Eliminated on disposal of assets	-	-	10.73	-	0.57	-	-	11.30
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>1,184.85</b>	<b>1,329.09</b>	<b>16.72</b>	<b>4.48</b>	<b>11.90</b>	<b>194.69</b>	<b>-</b>	<b>2,741.73</b>
Additions	-	-	2.44	-	-	-	-	2.44
Amortisation expense	-	-	(4.94)	-	(3.81)	(14.33)	-	(23.08)
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>1,184.85</b>	<b>1,329.09</b>	<b>14.22</b>	<b>4.48</b>	<b>8.09</b>	<b>180.36</b>	<b>-</b>	<b>2,721.09</b>

(₹ in crores)

Goodwill pertaining to following cash generating unit ("CGU")		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Consumer & Bazaar	1,127.23	1,127.23
Business to Business	57.62	57.62
<b>Total</b>	<b>1,184.85</b>	<b>1,184.85</b>

The company has estimated the useful life for its copyrights and trademark as indefinite on the basis of renewal of legal rights and the management's intention to keep it perpetually.

### Goodwill, Copyrights and Trademark

Goodwill, copyrights and trademark in the books of the Company pertain to Consumer and Bazaar & Business to Business of the Company.

At the end of each reporting period, the Company reviews carrying amount of goodwill, copyrights and trademark to determine whether there is any indication that goodwill, copyrights and trademark has suffered any impairment loss. Accordingly, recoverable amount of goodwill, copyrights and trademark is arrived basis projected cashflows from Consumer and Bazaar business & Business to Business.

Recoverable amount of goodwill, copyrights and trademark exceeds the carrying amount of goodwill, copyrights and trademark in the books as on 31<sup>st</sup> March 2023. Further there are no external indications of impairment of goodwill, copyrights and trademark. As a result, no impairment loss on goodwill, copyrights and trademark is required to be recognised.

### Projected cashflows from Consumer and Bazaar business (including Araldite) and Business to Business

The recoverable amount of this cash-generating unit is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the management for next year, estimates prepared for the next 4 years thereafter and a discount rate of **12.7%** per annum (12.0% per annum as at 31<sup>st</sup> March 2022).

Cash flow projections during the budget period are based on the same expected gross margins and raw materials price inflation throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady **7%** per annum (7% per annum as at 31<sup>st</sup> March 2022) growth rate. The management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

The key assumptions used in the value in use calculations for Consumer and Bazaar and Business to Business cash-generating unit are as follows:

<b>Budgeted sales growth</b>	Sales growth is assumed at <b>12.8%</b> (CAGR) (12.3% as at 31 <sup>st</sup> March 2022) for Consumer and Bazaar business and at <b>10.9%</b> (CAGR) for Business to Business which is in line with current year projections. The values assigned to the assumption reflect past experience and current market scenario considering COVID-19 impact and are consistent with the managements' plans for focusing operations in these markets. The management believes that the planned sales growth per year for the next five years is reasonably achievable.
<b>Raw materials price inflation</b>	Forecast for Material cost growth CAGR higher by <b>0.2%</b> (0.2% as at 31 <sup>st</sup> March 2022) vs. sales growth, considering impact of commodity cost inflation.
<b>Other budgeted costs</b>	Commercial spends (schemes and A&SP) are kept consistent with sales growth. Other fixed costs are in line with the current year's growth.

7 Investments - Non-Current				
	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022 (refer Note 56)	
	Qty	₹ in crores	Qty	₹ in crores
<b>Non-Current Investments</b>				
A] Investment in Equity Instruments				
i) Quoted:				
Investment in Associates (fully paid up) (at cost)				
Equity Shares of ₹ 1 each of Vinyl Chemicals (India) Ltd	74,51,540	1.18	74,51,540	1.18
<b>TOTAL Quoted (i)</b>		<b>1.18</b>		<b>1.18</b>
ii) Unquoted:				
Investment in Subsidiaries (fully paid up) (at cost unless otherwise stated)				
• Equity Shares of USD 1 each of Pidilite International Pte Ltd [refer Note 53 (b)]	2,70,07,156	142.02	2,59,83,766	133.84
• Equity Shares of AED 1 each of Pidilite Middle East Ltd [refer Note 53 (b)] [Impairment in value of investments ₹ 65.92 crores (₹ 65.92 crores as at 31 <sup>st</sup> March 2022)]	10,37,65,030	167.06	9,61,63,000	150.03
• Equity Shares of BRL 1 each of Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda [Impairment in value of investments ₹ 110.20 crores (₹ 110.20 crores as at 31 <sup>st</sup> March 2022)]	7,43,02,867	175.04	7,43,02,867	175.04
• Equity Shares of USD 1 each of Pidilite USA Inc	1,47,80,000	64.77	1,47,80,000	64.77
• Equity Shares of EGP 100 each of Pidilite Industries Egypt SAE	7,396	0.54	7,396	0.54
• Equity Shares of BIRR 100 each of Pidilite Chemical PLC [Impairment in value of investments ₹ 4.54 crores (₹ 4.54 crores as at 31 <sup>st</sup> March 2022)]	1,77,159	4.54	1,77,159	4.54
• Equity Shares of ₹ 10 each of Fevicol Company Ltd	2,69,260	2.24	2,69,260	2.24
• Equity Shares of ₹ 10 each of Pagel Concrete Technologies Pvt Ltd [Impairment in value of investments ₹ 0.84 crores (₹ 0.84 crores as at 31 <sup>st</sup> March 2022)]	80,000	0.84	80,000	0.84
• Equity Shares of ₹ 10 each of Bhimad Commercial Company Pvt Ltd	10,000	0.02	10,000	0.02
• Equity Shares of ₹ 10 each of Pidilite Ventures Pvt Ltd (formerly known as Madhumala Ventures Pvt Ltd ) [refer Note 53 (a)]	2,75,500	220.08	2,41,500	191.96
• Equity Shares of ₹ 10 each of Building Envelope Systems India Ltd	50,10,000	8.88	50,10,000	8.88
• Equity Shares of ₹ 10 each of Nina Percept Pvt Ltd	8,79,999	70.99	8,79,999	70.99
• Equity Shares of ₹ 10 each of ICA Pidilite Pvt Ltd [refer Note 53 (d)]	32,73,124	114.68	32,73,124	114.68
• Equity contribution towards 100% Membership Interest in Pidilite Ventures LLC	1	7.41	1	7.41
• Equity Shares of ₹ 10 each of Pidilite Litokol Pvt Ltd [refer Note 53 (c)]	15,60,000	27.10	11,25,000	14.88
• Equity Shares of ₹ 10 each of Pidilite Grupo Puma Manufacturing Ltd [refer Note 53 (c)]	9,19,100	24.75	4,55,000	11.71
• Equity Shares of ₹ 10 each of Pidilite C Techos Walling Ltd [refer Note 53 (e)]	10,90,796	1.82	10,90,796	1.82
• Equity Shares of ₹ 100 each of Tenax Pidilite India Pvt Ltd	42,000	84.66	42,000	84.66
Less: Impairment in value of Investments		(181.49)		(181.49)
<b>TOTAL Unquoted (ii)</b>		<b>935.95</b>		<b>857.36</b>
<b>Total Investment in Equity Instruments [(i)+(ii)] [A]</b>		<b>937.13</b>		<b>858.54</b>

	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022 (refer Note 56)	
	Qty	₹ in crores	Qty	₹ in crores
<b>B] Investment in Preference Shares (at FVTPL) (Quoted)</b>				
• Non-Cumulative Perpetual Preference shares of Kotak Mahindra Bank Ltd	3,00,00,000	15.00	3,00,00,000	15.03
<b>Total [B]</b>		15.00		15.03
<b>C] Investment in Bonds (at FVTPL) (Quoted)</b>				
• Units of Bharat Bond ETFs	2,50,000	30.73	2,50,000	29.25
<b>Total [C]</b>		30.73		29.25
<b>D] Investment in Alternative Investment Fund (at FVTPL) (Unquoted)</b>				
• Units of Fireside Ventures Investment Fund II	1,40,000	21.05	1,00,000	11.64
<b>Total [D]</b>		21.05		11.64
<b>TOTAL [A+B+C+D]</b>		1,003.91		914.46
Aggregate carrying value of quoted investments		46.91		45.46
Aggregate market value of quoted investments		249.55		195.27
Aggregate carrying value of unquoted investments		957.00		869.00
Aggregate amount of Impairment in value of investments		181.49		181.49

8 Investments - Current	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022 (refer Note 56)	
	Qty	₹ in crores	Qty	₹ in crores
<b>Current Investments</b>				
<b>Investment in Mutual Funds (at FVTPL) (Unquoted)</b>				
• Units of SBI Magnum ultra short duration fund - Direct growth	92,337	47.63	3,071	1.50
• Units of Kotak Liquid Direct Growth	88,419	40.22	3,493	1.50
• Units of HDFC liquid - DP - growth option	50,675	22.41	3,592	1.50
• Units of ABSL Liquid Fund -Growth Direct	4,21,685	15.31	-	-
• Units of ABSL CRISIL IBX AAA JUN23 Index Fund Direct Growth	4,29,98,550	45.28	-	-
• Units of IDFC Cash Fund - Growth Direct plan	55,204	15.01	-	-
• Units of ICICI Prudential Ultra Short term DP Growth	60,08,135	15.20	-	-
• Units of HSBC Ultra Short Duration Fund Direct Growth	1,71,864	20.00	-	-
• Units of ICICI Prudential Equity Arbitrage Fund- Direct Growth	1,13,35,269	35.09	-	-
• Units of UTI Banking & PSU Debt Fund - Direct Plan - Growth	1,34,50,703	25.24	-	-
• Units of HSBC Banking and PSU Debt Fund Direct Growth	93,30,339	20.09	-	-
• Units of HDFC Money Market Fund - DP Growth	1,13,048	55.64	-	-
• Units of Kotak Money Market Fund - DIR - Growth	1,32,125	50.58	-	-
• Units of Nippon India Dynamic Bond Fund -Direct Growth Plan	30,32,182	10.00	-	-
• Units of UTI Liquid Cash Plan - Direct Plan - Growth	67,807	25.01	-	-
• Units of SBI FMP Series C33 (1216 days) - Direct Growth	-	-	2,00,00,000	25.81
• Units of Kotak FMP Series 251 - 1265 days Direct Plan Growth	-	-	2,00,00,000	26.14
• Units of SBI Debt Fund Series C49 1178 days - Direct Plan Growth	-	-	2,00,00,000	25.06
• Units of HDFC FMP 1182D Jan 2019 (1) - Direct Growth	-	-	2,00,00,000	25.60
• Units of HDFC FMP 1126D Mar 2019 (1) - Direct Growth	-	-	2,00,00,000	25.18
• Units of IDFC FTP Series 149 (1424 days) - Direct Growth	-	-	1,50,00,000	19.52
• Units of Axis Liquid Fund	-	-	8,516	2.00
• Units of Axis Treasury Advantage Fund	-	-	7,743	2.00
• Units of HDFC Ultra Short Term Fund	-	-	12,20,544	1.50
• Units of Kotak Overnight Fund	-	-	17,644	2.00
• Units of Kotak Savings Fund	-	-	4,21,412	1.50
• Units of L&T Ultra short term Fund- Growth	-	-	5,56,184	2.00
• Units of Nippon India Mutual Fund	-	-	3,861	2.00
• Units of SBI Overnight Fund	-	-	5,780	2.00
• Units of HDFC Overnight Fund - Growth	-	-	6,349	2.00
• Units of SBI Liquid Fund - Growth	-	-	4,513	1.50
<b>TOTAL</b>		<b>442.71</b>		<b>170.31</b>
Aggregate carrying value of unquoted investments		<b>442.71</b>		<b>170.31</b>

(₹ in crores)

9 Trade Receivables		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
• Secured, Considered good		156.23	133.92
• Unsecured, Considered good		1,148.89	1,078.01
• Unsecured, Considered doubtful		53.63	48.53
		1,358.75	1,260.46
Less: Allowance for expected credit loss		(53.63)	(48.53)
<b>TOTAL</b>		<b>1,305.12</b>	<b>1,211.93</b>

Trade Receivables ageing schedule							
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More Than 3 years	TOTAL
(i) Undisputed Trade	1,195.05	76.78	17.53	12.85	-	2.91	1,305.12
Receivables – considered good	(1,137.57)	(64.31)	(6.76)	(3.29)	(-)	(-)	(1,211.93)
(ii) Undisputed Trade	-	15.55	3.76	2.18	0.97	1.20	23.66
Receivables – considered doubtful	(-)	(12.16)	(4.04)	(1.25)	(1.08)	(3.72)	(22.25)
(iii) Disputed Trade	-	-	-	-	-	-	-
Receivables – considered good	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(iv) Disputed Trade	-	-	0.62	2.49	3.46	23.40	29.97
Receivables – considered doubtful	(-)	(0.07)	(0.49)	(2.66)	(9.61)	(13.45)	(26.28)
	1,195.05	92.33	21.91	17.52	4.43	27.51	1,358.75
	(1,137.57)	(76.54)	(11.29)	(7.20)	(10.69)	(17.17)	(1,260.46)
Less: Allowance for expected credit loss							53.63
							(48.53)
<b>TOTAL</b>							<b>1,305.12</b>
							(1,211.93)

Figures in brackets () represents previous year

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivable days and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit Loss	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Within the credit period (in days)		
01-90	0.9%	0.8%
91-180	57.3%	54.1%
181-360	65.0%	65.6%
>360	82.8%	84.1%

Movement in expected credit loss allowance:		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Balance at the beginning of the year	48.53	34.75
Acquisition under Business Combination (refer Note 56)	-	15.30
Movement in expected credit loss allowance	5.10	(1.52)
<b>Balance at the end of the year</b>	<b>53.63</b>	<b>48.53</b>

A formal credit policy has been framed and credit facilities are given to dealers within the framework of the credit policy. As per credit risk management mechanism, a policy for doubtful debt has been formulated and risk exposure related to receivables are identified based on criteria mentioned in the policy and provided for credit loss allowance.

Trade receivables includes receivables from Companies/firms where directors are directors/members/partners (refer Note 44).



(₹ in crores)

10 Loans - Non-Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Unsecured, Considered good		
Loans to Employees	4.16	5.05
Loans to Related Party* (refer Note 44)	2.04	-
<b>TOTAL</b>	<b>6.20</b>	<b>5.05</b>

\*given for business purpose

11 Loans - Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
<b>Loans and Advances to Related Parties*</b> (refer Note 44)		
Unsecured, Considered good	-	2.32
Considered doubtful	0.33	0.33
	0.33	2.65
Less: Allowance for doubtful balances	(0.33)	(0.33)
	-	2.32
Loans and Advances to Employees & Others*	23.96	15.49
<b>TOTAL</b>	<b>23.96</b>	<b>17.81</b>

\*includes advances given amounting to ₹ 17.08 crores (₹ 12.71 crores for the year ended 31<sup>st</sup> March 2022)

12 Other Financial Assets - Non-Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
<b>Security Deposit</b>		
Unsecured, Considered good	32.66	17.18
Considered doubtful	-	-
	32.66	17.18
Fixed Deposits with Banks with more than 12 months maturity*	2.29	2.12
<b>Other Receivables</b>		
Unsecured, Considered good	-	0.15
Considered doubtful	1.74	1.74
	1.74	1.89
Less: Allowance for doubtful balances	(1.74)	(1.74)
	-	0.15
<b>TOTAL</b>	<b>34.95</b>	<b>19.45</b>
* Fixed Deposits under lien	2.23	2.12

13 Other Financial Assets - Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
<b>Security Deposit</b>		
Unsecured, Considered good	5.47	7.12
Considered doubtful	0.10	0.16
	5.57	7.28
Less: Allowance for doubtful balances	(0.10)	(0.16)
	5.47	7.12
Derivative assets towards Foreign Exchange Forward Contracts	-	0.44
<b>Other Receivables*</b>		
Unsecured, Considered good	2.23	3.84
Considered doubtful	1.04	1.04
Less: Allowance for doubtful balances	(1.04)	(1.04)
<b>TOTAL</b>	<b>7.70</b>	<b>11.40</b>

\* Includes receivable on account of windmill income

(₹ in crores)

14 Cash and Cash Equivalents		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Cash and Cash Equivalents		
Cash on Hand	0.09	0.06
Cheques on Hand / Remittance in Transit	71.83	56.76
Balance with banks		
In Current Account	15.40	25.78
In EEFC Account	18.11	21.09
In Fixed Deposit Accounts with original maturity of 3 months or less	47.87	44.01
<b>TOTAL</b>	<b>153.30</b>	<b>147.70</b>
<b>Cash and Cash Equivalents (as per Statement of Cash Flows)</b>	<b>153.30</b>	<b>147.70</b>

15 Bank Balances other than Cash and Cash Equivalents above		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Other Bank Balance		
In Fixed Deposit Accounts with original maturity of more than 3 months but upto 12 months*	0.11	0.23
Earmarked Account		
Dividend Payment Bank Account	2.64	2.64
<b>TOTAL</b>	<b>2.75</b>	<b>2.87</b>
*Includes Fixed Deposit under lien	0.11	0.18

16 Inventories (at lower of cost and net realisable value)		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Raw Material and Packing Material	746.81	691.04
Work-in-Progress	120.46	130.29
Finished Goods	503.07	470.62
Stock-in-Trade (acquired for trading)	178.91	140.51
Stores and Spares	11.99	9.46
<b>TOTAL</b>	<b>1,561.24</b>	<b>1,441.92</b>
Goods-in-Transit included above		
Raw Material and Packing Material	74.62	106.78
Work-in-Progress	6.30	7.17
Finished Goods	83.63	63.14
Stock-in-Trade (acquired for trading)	11.52	32.51
<b>TOTAL</b>	<b>176.07</b>	<b>209.60</b>

- The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 6,143.91 crores (₹ 4,905.49 crores for the year ended 31<sup>st</sup> March 2022)
- The cost of inventories recognised as an expense includes ₹ 13.20 crores in respect of write-downs of inventory to net realisable value (₹ 14.24 crores for the year ended 31<sup>st</sup> March 2022)
- The mode of valuation of inventories has been stated in Note 2.12

(₹ in crores)

<b>17 Income Tax Asset (net) - Non-Current</b>			
		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Advance Payment of Taxes (net of provisions ₹ 1,907.81 crores) (net of provisions ₹ 1,907.81 crores as at 31 <sup>st</sup> March 2022)		137.21	129.92
<b>TOTAL</b>		<b>137.21</b>	<b>129.92</b>

<b>18 Other Non-Current Assets</b>			
		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Unsecured, Considered good			
Capital Advances		29.63	21.42
Prepaid Expenses		3.41	1.13
Balance with Government Authorities*		14.72	19.65
<b>TOTAL</b>		<b>47.76</b>	<b>42.20</b>

\* Includes amounts paid under protest against Excise Duty rebates / Sales Tax claims disputed by the Company (shown under contingent liabilities), GST receivable, etc.

<b>19 Other Current Assets</b>			
		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Export Benefits receivable			
Unsecured, Considered good		1.76	6.83
Considered doubtful		2.76	0.26
		4.52	7.09
Less: Allowance for doubtful balances		(2.76)	(0.26)
		1.76	6.83
Balances with Government Authorities*			
Unsecured, Considered good		110.67	117.65
Considered doubtful		0.09	0.09
		110.76	117.74
Less: Allowance for doubtful balances		(0.09)	(0.09)
		110.67	117.65
Advances to vendors			
Unsecured, Considered good		32.43	35.96
Considered doubtful		0.01	0.01
		32.44	35.97
Less: Allowance for doubtful balances		(0.01)	(0.01)
		32.43	35.96
Prepaid Expenses		19.38	19.39
Others**		0.67	0.73
<b>TOTAL</b>		<b>164.91</b>	<b>180.56</b>

\*Includes input tax credit, VAT / GST receivable, etc.

\*\*Mainly consists of Share Application Money

(₹ in crores)

20 Equity Share Capital	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Authorised Capital:</b>		
70,00,00,000 Equity Shares of ₹ 1 each	70.00	70.00
(70,00,00,000 Equity Shares of ₹ 1 each as at 31 <sup>st</sup> March 2022)		
<b>TOTAL</b>	<b>70.00</b>	<b>70.00</b>
<b>Issued, Subscribed and Paid-up Capital:</b>		
50,83,14,240 Equity Shares of ₹ 1 each, fully paid up	50.83	50.83
(50,82,88,415 Equity Shares of ₹ 1 each as at 31 <sup>st</sup> March 2022)		
<b>TOTAL</b>	<b>50.83</b>	<b>50.83</b>

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period	Number of Shares	₹ in crores
<b>Balance as at 1<sup>st</sup> April 2021</b>	50,81,53,380	50.82
Shares issued during the year on exercise of options under Employee Stock Option Plan - 2016	1,35,035	0.01
<b>Balance as at 31<sup>st</sup> March 2022</b>	50,82,88,415	50.83
Shares issued during the year on exercise of options under Employee Stock Option Plan - 2016	25,825	0.00*
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>50,83,14,240</b>	<b>50.83</b>

\* denotes amount less than ₹ 50,000.

b. Terms/ Rights attached to equity shares
The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion of their shareholding.
The Board of Directors at its meeting held on 8 <sup>th</sup> May 2023 declared a final dividend of ₹ 11.00 per equity share of ₹ 1 each, subject to approval of the shareholders at the ensuing Annual General Meeting.
During the year ended 31 <sup>st</sup> March 2023, the Company had paid final dividend of ₹ 10.00 per equity share of ₹ 1 each for the financial year 2021-22.

c. Details of shareholders holding more than 5% shares in the Company:	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Shri Madhukar Balvantray Parekh	5,15,51,286	10.14	5,15,51,286	10.14
Shri Narendrakumar Kalyanji Parekh	5,42,73,688	10.68	5,42,73,688	10.68
Shri Ajay Balvantray Parekh	4,74,33,489	9.33	4,74,33,489	9.33
Devkalyan Sales Pvt Ltd	2,62,24,280	5.16	2,62,24,280	5.16
Mrudula Sushilkumar Parekh	4,05,25,693	7.97	4,05,25,693	7.97

d. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years, immediately preceding the reporting date:	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	Number of Shares	Number of Shares
<b>Equity Shares</b>		
Buy-back of Shares (FY 17-18)	50,00,000	50,00,000

e. Equity Shares reserved for issuance under Employee Stock Option Scheme / Plan: (refer Note 46c)		
	As at	As at
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
	Number of Shares	Number of Shares
Equity Shares of ₹ 1 each under Employee Stock Option Scheme - 2012	34,200	34,200
Equity Shares of ₹ 1 each under Employee Stock Option Plan - 2016	37,41,230	37,34,975

f. Shares held by promoters as defined in the Companies Act, 2013 at the end of the year					
Promoters Name	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022		% change during the year
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	
Narendrakumar Kalyanji Parekh	5,42,73,688	10.68	5,42,73,688	10.68	0.00
Madhukar Balvantray Parekh	5,15,51,286	10.14	5,15,51,286	10.14	0.00
Ajay Balvantray Parekh	4,74,33,489	9.33	4,74,33,489	9.33	0.00
Mrudula Sushilkumar Parekh	4,05,25,693	7.97	4,05,25,693	7.97	0.00
Devkalyan Sales Private Ltd	2,62,24,280	5.16	2,62,24,280	5.16	0.00
Ishijas Chemicals Private Limited	2,49,62,038	4.91	2,49,62,038	4.91	0.00
Harton Private Limited	1,23,57,634	2.43	1,23,57,634	2.43	0.00
The Vacuum Forming Company Pvt Ltd	1,14,62,186	2.25	1,14,62,186	2.26	(0.01)
Pidichem Pvt Ltd	87,83,916	1.73	87,83,916	1.73	0.00
Prakash Shah (Trustee of SANMP Private Beneficiary Trust)	82,00,000	1.61	82,00,000	1.61	0.00
Kalpana Apurva Parekh	65,77,079	1.29	65,77,079	1.29	0.00
Mala Madhukar Parekh	64,98,618	1.28	64,98,618	1.28	0.00
Darshana Bimal Mody	57,41,535	1.13	57,41,535	1.13	0.00
Ami Ajay Parekh	55,50,120	1.09	55,50,120	1.09	0.00
Apurva Parekh (Trustee of NKP Family Trust)	40,00,000	0.79	40,00,000	0.79	0.00
Ishita Rajiv Amersey	36,00,000	0.71	36,00,000	0.71	0.00
Prakash Dharshibhai Shah (Trustee of I M Family Trust)	35,80,217	0.70	35,80,217	0.70	0.00
Jasna Raoul Thackersey	35,76,765	0.70	35,76,765	0.70	0.00
Harish Himatlal Parekh	33,13,443	0.65	33,13,443	0.65	0.00
Rashmikant Himatlal Parekh	32,47,570	0.64	32,47,570	0.64	0.00
Apurva Narendrakumar Parekh	30,76,918	0.61	30,76,918	0.61	0.00
Maithili Apurva Parekh	27,59,598	0.54	27,59,598	0.54	0.00
Neerav A Parekh	27,25,476	0.54	27,25,476	0.54	0.00
Amrita Ajay Parekh	19,47,130	0.38	19,47,130	0.38	0.00
Ajay Balvantray Parekh (Trustee of Ruchi India Trust)	19,11,480	0.38	19,47,480	0.38	0.00
Bharati Narendrakumar Parekh	17,72,323	0.35	17,72,323	0.35	0.00
Parkem Dyes & Chemicals Pvt Ltd	14,36,510	0.28	14,36,510	0.28	0.00
Parul Harish Parekh	14,20,074	0.28	14,20,074	0.28	0.00
Kalva Marketing And Services Ltd	13,82,628	0.27	13,82,628	0.27	0.00
Kamalini Rashmikant Parekh	11,06,055	0.22	11,06,055	0.22	0.00
Parekh Marketing Limited	8,56,700	0.17	8,56,700	0.17	0.00
Purvee Apurva Parekh	7,93,299	0.16	7,93,299	0.16	0.00
Harshada Harvadan Vakil	7,85,929	0.15	7,97,429	0.16	(0.01)
Panna Deepak Sanghavi	6,62,391	0.13	6,62,391	0.13	0.00
Trivenikalyan Trading Pvt Ltd	4,63,040	0.09	4,63,040	0.09	0.00
Malay Rashmikant Parekh	4,21,286	0.08	4,21,286	0.08	0.00
Anuja Ankur Shah	2,53,670	0.05	2,53,670	0.05	0.00
Jimeet D Sanghavi	1,00,000	0.02	1,00,000	0.02	0.00
Urvi Malay Parekh	50,663	0.01	50,663	0.01	0.00
Harvadan Manilal Vakil	41,430	0.01	41,430	0.01	0.00
Malay Rashmikant Parekh (Trustee of Anuja Family Trust)	25,000	0.00*	25,000	0.00*	0.00
Hetal Nandan Valia	19,334	0.00*	-	-	Not Applicable
Lakshmi Bimal Shah	18,500	0.00*	-	-	Not Applicable
Malay Rashmikant Parekh (Trustee of Malay Family Trust)	12,500	0.00*	12,500	0.00*	0.00
Isha Nandan Valia	4,000	0.00*	-	-	Not Applicable
<b>TOTAL</b>	<b>35,55,05,491</b>		<b>35,55,11,157</b>		

\* denoted percentage less than 0.01

(₹ in crores)

21 Other Equity	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Capital Reserve on Business Combination	(1.38)	(1.38)
Securities Premium	50.05	46.51
Capital Redemption Reserve	0.50	0.50
Cash Subsidy Reserve	0.95	0.95
Share Options Outstanding Account	43.64	33.05
General Reserve	1,335.38	1,335.38
Retained Earnings	5,628.19	4,877.86
<b>TOTAL</b>	<b>7,057.33</b>	<b>6,292.87</b>

**21.1 Capital Reserve on Business Combination**

Capital Reserve represents excess/short of net assets acquired in business combination. It is not available for the distribution to shareholders as dividend.

**21.2 Securities Premium**

Securities Premium is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the Securities Premium, and Company can use this reserve for buy-back of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**21.3 Capital Redemption Reserve**

The Company has recognised Capital Redemption Reserve on buy-back of equity shares from its General Reserve. The amount in Capital Redemption Reserve is equal to the nominal amount of equity shares bought back. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**21.4 Cash Subsidy Reserve**

Cash Subsidy Reserve represents subsidies received from state government. It is not available for distribution as dividend to shareholders.

**21.5 Share Options Outstanding Account**

The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in Note 46.

**21.6 General Reserve**

General Reserve is created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

**21.7 Retained Earnings**

This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(₹ in crores)

22 Borrowings - Current	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Unsecured - at amortised cost		
Working Capital Demand Loan	-	105.00
<b>TOTAL</b>	<b>-</b>	<b>105.00</b>

Unsecured working capital demand loan carries interest rate of relevant benchmark rate plus applicable spread per annum as at 31<sup>st</sup> March 2022.

(₹ in crores)

23 Trade Payables		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Total outstanding dues of micro enterprises and small enterprises (refer Note 50)	52.82	68.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	886.14	877.69
<b>TOTAL</b>	<b>938.96</b>	<b>945.84</b>

Trade Payables ageing schedule						
	Not Due	Less than 1 year	1-2 years	2-3 years	More Than 3 years	TOTAL
(i) Micro enterprises and Small enterprises (MSME)	52.82	-	-	-	-	52.82
	(59.96)	(8.19)	(-)	(-)	(-)	(68.15)
(ii) Others	634.96	29.49	1.77	1.36	-	667.58
	(559.42)	(75.05)	(6.16)	(0.03)	(-)	(640.66)
(iii) Disputed Dues - MSME	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
(vi) Disputed Dues - Others	-	-	-	-	-	-
	(-)	(-)	-	(-)	(-)	(-)
(v) Unbilled Dues	218.56	-	-	-	-	218.56
	(237.03)	(-)	(-)	(-)	(-)	(237.03)
<b>TOTAL</b>	<b>906.34</b>	<b>29.49</b>	<b>1.77</b>	<b>1.36</b>	<b>-</b>	<b>938.96</b>
	(856.41)	(83.24)	(6.16)	(0.03)	(-)	(945.84)

Figures in brackets () represents previous year

24 Other Financial Liabilities - Non-Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Retention money payable	14.45	19.94
<b>TOTAL</b>	<b>14.45</b>	<b>19.94</b>

25 Other Financial Liabilities- Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Unclaimed Dividend	2.64	2.64
Payables on purchase of assets	2.74	1.53
Trade/ Security Deposit received	195.32	155.39
Liabilities for expenses	590.83	465.96
Liability for purchase of investment in subsidiary	4.00	4.25
Employee related liabilities	19.52	16.60
Derivative liabilities towards Foreign Exchange Forward Contracts	0.60	0.60
Retention money payable	18.73	12.65
<b>TOTAL</b>	<b>834.38</b>	<b>659.62</b>

(₹ in crores)

26 Provisions - Non-Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Provision for Employee Benefits		
Gratuity (net) (refer Note 45)	-	0.85
Compensated Absences	58.72	51.04
Anniversary Awards	3.06	1.78
Premature Death Pension Scheme	2.37	2.13
Total Disability Pension Scheme	0.47	0.42
<b>TOTAL</b>	<b>64.62</b>	<b>56.22</b>
27 Provisions - Current		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Provision for Employee Benefits		
Gratuity (net) (refer Note 45)	13.02	18.65
Compensated Absences	16.11	15.04
Anniversary Awards	0.53	0.31
Premature Death Pension Scheme	0.01	0.01
Total Disability Pension Scheme	0.08	0.07
Provision for warranty expenses (refer Note 40)	0.49	0.86
<b>TOTAL</b>	<b>30.24</b>	<b>34.94</b>
28 Deferred Tax Liabilities (net)		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Tax effect of items constituting Deferred Tax Assets (refer Note 48)	(40.15)	(34.60)
Tax effect of items constituting Deferred Tax Liabilities (refer Note 48)	416.66	423.13
<b>TOTAL</b>	<b>376.51</b>	<b>388.53</b>
29 Other Current Liabilities		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Statutory remittances	74.59	68.08
Advance from customers	11.44	12.13
Other Liabilities	1.91	1.89
<b>TOTAL</b>	<b>87.94</b>	<b>82.10</b>
30 Current Tax Liabilities (net)		
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
Provision for Tax (net of Advance Tax ₹ 1,808.02 crores) (net of Advance Tax ₹ 1,054.69 crores as at 31 <sup>st</sup> March 2022)	38.25	9.06
<b>TOTAL</b>	<b>38.25</b>	<b>9.06</b>



(₹ in crores)

31 Revenue From Operations	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Revenue From Operations*		
Sale of Products	10,543.06	8,847.32
Sale of Services	2.06	4.99
<b>TOTAL (A)</b>	<b>10,545.12</b>	<b>8,852.31</b>
Other Operating Revenue		
Scrap Sales	20.64	16.64
Export Incentives	13.26	13.91
GST / Excise Refund	5.71	2.01
Others	12.34	10.75
<b>TOTAL (B)</b>	<b>51.95</b>	<b>43.31</b>
<b>TOTAL (A+B)</b>	<b>10,597.07</b>	<b>8,895.62</b>

\*The Company disaggregated revenues from contracts with customers by customer type and by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors. For geography wise and customer wise breakup of revenue, refer Note 42.

Further, the Company derives its revenue from the transfer of goods at a point in time for its major service lines. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 'Operating Segment'.

Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Contracted Price	11,683.00	9,665.05
Reduction towards variable consideration components*	(1,137.88)	(812.74)
<b>Revenue Recognised</b>	<b>10,545.12</b>	<b>8,852.31</b>

\*The reduction towards variable consideration includes discounts, rebates, incentives, promotional couponing and schemes.

(₹ in crores)

<b>32 Other Income</b>		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
<b>Interest on:</b>		
Bank Deposit (at amortised cost)	1.48	2.12
Overdue Trade Receivables	0.74	0.18
Income Tax Refund	2.58	-
Others	0.10	0.11
<b>Dividend on:</b>		
Investments in in Preference Shares (at FVTPL)	1.22	1.22
Long-term Investments in Subsidiary / Associate (at cost)	16.24	2.79
<b>Other Non-Operating Income:</b>		
Windmill Income	2.99	1.78
Profit on Sale / Transfer of Assets	1.96	-
Royalty & Technical Knowhow Income	4.91	3.81
Insurance claim received	1.33	3.18
Liabilities no longer required written back	0.28	8.25
Rental Income from Leases	1.49	1.20
Net gain arising on financial assets designated as at FVTPL	16.78	11.37
Profit on buyback of shares of subsidiary	-	1.11
Miscellaneous Income	10.94	2.84
<b>TOTAL</b>	<b>63.04</b>	<b>39.96</b>

<b>33 Cost of Materials Consumed</b>		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Inventory at the beginning of the year	691.04	469.05
Add : Purchases	5,401.74	4,710.81
Add : Acquisition under Business combination (refer Note 56)	-	34.35
	<b>6,092.78</b>	<b>5,214.21</b>
Less : Inventory at the end of the year	(746.81)	(691.04)
<b>TOTAL</b>	<b>5,345.97</b>	<b>4,523.17</b>

(₹ in crores)

<b>34 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Inventories at the end of the year		
Stock-in-Trade	178.91	140.51
Work-in-Progress	120.46	130.29
Finished Goods	503.07	470.62
<b>Total (A)</b>	<b>802.44</b>	<b>741.42</b>
Acquisition under Business Combination (refer Note 56)		
Stock-in-Trade	-	5.13
Work-in-Progress	-	3.16
Finished Goods	-	9.36
<b>Total (B)</b>	<b>-</b>	<b>17.65</b>
Inventories at the beginning of the year		
Stock-in-Trade	140.51	94.74
Work-in-Progress	130.29	88.76
Finished Goods	470.62	314.75
<b>Total (C)</b>	<b>741.42</b>	<b>498.25</b>
<b>TOTAL (C+B-A)</b>	<b>(61.02)</b>	<b>(225.52)</b>

<b>35 Employee Benefits Expense</b>		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Salaries and Wages	941.79	825.75
Contribution to Provident and Other Funds (refer Note 45)	60.07	50.55
Share based payments to employees (refer Note 46)	14.13	28.09
Staff Welfare Expenses	28.84	22.37
<b>TOTAL</b>	<b>1,044.83</b>	<b>926.76</b>

<b>36 Finance Costs</b>		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Interest expense on:		
Borrowings	7.71	12.72
Lease Liability (refer Note 51)	10.94	7.12
Dealer Deposits & others	9.88	7.40
<b>TOTAL</b>	<b>28.53</b>	<b>27.24</b>

<b>37 Depreciation and Amortisation Expense</b>		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Depreciation on Property, Plant and Equipment (refer Note 4)	156.86	140.01
Depreciation on Right of Use of Assets (refer Note 5 and Note 51)	42.03	32.37
Amortisation of Other Intangible Assets (refer Note 6)	23.08	22.00
<b>TOTAL</b>	<b>221.97</b>	<b>194.38</b>

(₹ in crores)

38 Other Expenses		For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
Consumption of Stores and Spares		53.38	46.46
Clearing and Forwarding Charges		400.64	362.43
Power and Fuel		86.66	78.88
Contract Labour		144.58	131.98
Water Charges		5.48	4.60
Rent (refer Note 51)		25.74	16.77
Rates and Taxes		14.95	8.17
Insurance		22.89	15.98
License fees		1.35	0.86
Repairs:			
Buildings	12.49		12.31
Machinery	24.95		22.91
Others	21.40		23.60
		58.84	58.82
Directors' Fees		0.58	0.82
Advertisement and Publicity		241.47	172.66
Legal, Professional and Consultancy fees		59.11	45.82
Communication Expenses		7.52	7.25
Computer and Software Expenses		58.40	47.18
Printing and Stationery		3.54	2.45
Travelling and Conveyance Expenses		111.33	64.51
Bad Debts		1.03	4.30
Allowance for Doubtful Debts and advances (net)		4.64	(2.57)
Processing and Packing Charges		109.44	99.13
Sales Commission		5.10	4.35
Commission to non executive directors		2.22	2.00
Payments to Auditor (refer Note a)		1.36	1.72
Donations		1.92	0.82
Corporate Social Responsibility Expenses (refer Note 52)		30.95	27.10
Loss on disposal of Property, Plant and Equipment		-	8.20
Net Loss on Foreign Currency Transactions and Translation		20.88	13.58
Miscellaneous Expenses		79.15	66.70
<b>TOTAL</b>		<b>1,553.15</b>	<b>1,290.97</b>

a. Details of Payments to Auditor (net of GST)		For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022 (refer Note 56)
a) Auditors		1.24	1.29
b) Tax Matters		-	0.02
c) Other Services		0.08	0.40
d) Reimbursement of Expenses		0.04	0.01
<b>TOTAL</b>		<b>1.36</b>	<b>1.72*</b>

\* includes fees paid to erstwhile auditors of Cipy Polyurethanes Pvt Ltd and Pidilite Adhesives Pvt Ltd

(₹ in crores)

39 Contingent Liabilities and Commitments		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022 (refer Note 56)
A)	Contingent liabilities not provided for:		
1.	Claims against the Company not acknowledged as debts comprise:		
a)	Income Tax demand against the Company not provided for and relating to issues of deduction and allowances in respect of which the Company is in appeal	89.97	89.97
b)	Excise Duty and Service Tax claims disputed by the Company relating to issues of classifications	23.10	24.19
c)	Sales Tax (VAT, CST, Entry Tax, LBT and GST) claims disputed by the Company relating to issues of declaration forms and classifications	162.12	174.98
d)	Other Matters (relating to disputed Electricity Duty, Gram Panchayat Tax, Open Access Charges, etc.)	1.50	2.66
2.	a) Guarantees given by Banks on behalf of the Company*	38.79	44.25
	b) Corporate Guarantees given by the Company on behalf of the Subsidiaries to Banks*		
	Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	17.26	15.90
	Pidilite Bamco Ltd	3.53	3.26
	Pidilite MEA Chemicals LLC (Previously known as Jupiter Chemicals LLC)	44.74	41.23
	Pidilite Lanka Private Limited	36.12	33.28
	Bamco Supply and Services Ltd	1.19	1.10
	Pidilite East Africa Limited	12.33	7.57
	Nina Percept Private Limited	90.00	-
	* Guarantees given are for business purpose.		
B)	Commitments:		
a)	Estimated amount of contracts, net of advances, remaining to be executed for the acquisition of Property, Plant and Equipment, investments and not provided for	209.92	122.46
b)	For other commitments, refer Note 47(E)(ii) for financial instruments and Note 51 for leases.		
c)	The Company, being the holding/ultimate holding company, will extend financial support to its subsidiaries as and when required.		

40 Details of provisions						
Provision for warranties represents management's best estimate of the liability for warranties based on past experience of claims						
Particulars	Opening Balance	Additions under Business Combination (refer Note 56)	Additions	Utilisation	Reversal (withdrawn as no longer required)	Closing Balance
Provision for Warranty Expenses	0.86	-	0.03	(0.40)	-	0.49
	(-)	(0.35)	(0.53)	((0.02))	(-)	(0.86)

Figures in brackets () represents previous year

41 Disclosure as per Regulation 34(3) read with Schedule 5 of Listing Regulations with the Stock Exchanges						
a) Loans and Advances in the nature of loans given to subsidiaries, associates, firms / companies in which directors are interested:						
Name of the Companies	Relationship	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022		
		Amount Outstanding	Maximum Balance Outstanding during the year	Amount Outstanding	Maximum Balance Outstanding during the year	
Pagel Concrete Technologies Pvt Ltd (refer Note a)	Subsidiary	0.33	0.33	0.33	0.33	
Aapkapainter Solutions Private Limited (refer Note b)	Associate	2.04	2.04	-	-	
Notes:						
a)	Loans and Advances to subsidiary, fall under the category of 'Loans & Advances' in the nature of loans where there is no repayment schedule and re-payable on demand. Loan to subsidiary is not bearing any interest and are fully provided.					
b)	Loan to associate is interest bearing @ 9% per annum and is repayable as per agreed schedule.					

**42 Segment information****Business Segment:**

The Company operates in two business segments namely Consumer & Bazaar (C&B) and Business to Business (B2B). Consumer & Bazaar segment covers sale of products mainly to end consumers which are retail users such as carpenters, painters, plumbers, mechanics, households, students, offices, etc. Sale consists of mainly adhesives, sealants, art and craft materials and construction and paint chemicals. B2B covers sale of products to end customers which are mainly large business users. This includes Industrial Products (IP) such as adhesives, synthetic resins, organic pigments, pigment preparations, construction chemicals (projects), surfactants, etc. and caters to various industries like packaging, textiles, paints, joineries, printing inks, paper, leather, etc. Others includes sale of raw materials.

Operating Segment disclosures are consistent with the information provided to and reviewed by the Managing Director (Chief Operating Decision Maker).

(₹ in crores)

Business Segments	Year 2022-23				Year 2021-22			
	Consumer & Bazaar	Business to Business	Others	Total	Consumer & Bazaar	Business to Business	Others	Total
<b>Revenue</b>								
Segment Revenue	8,487.64	2,233.84	102.19	10,823.67	7,018.02	1,987.32	63.70	9,069.04
Less : Inter Segment Revenue (at cost plus fixed margin)	(12.25)	(214.35)	-	(226.60)	(5.97)	(167.45)	-	(173.42)
<b>Net Revenue</b>	<b>8,475.39</b>	<b>2,019.49</b>	<b>102.19</b>	<b>10,597.07</b>	<b>7,012.05</b>	<b>1,819.87</b>	<b>63.70</b>	<b>8,895.62</b>
<b>Revenue based on geography</b>								
India				9,713.29				8,016.36
Outside India				883.78				879.26
<b>Segment Result</b>	<b>1,995.61</b>	<b>225.16</b>	<b>5.67</b>	<b>2,226.44</b>	<b>1,874.79</b>	<b>195.00</b>	<b>(2.16)</b>	<b>2,067.63</b>
Unallocable Expenses				(577.19)				(479.39)
Unallocable Income				24.64				23.32
<b>Operating Income</b>				<b>1,673.89</b>				<b>1,611.56</b>
Finance Costs				(28.53)				(27.24)
Interest / Dividend Income				22.36				6.42
<b>Profit before Exceptional Items and Tax</b>				<b>1,667.72</b>				<b>1,590.74</b>
Exceptional Items				-				-
<b>Profit Before Tax</b>				<b>1,667.72</b>				<b>1,590.74</b>
Tax Expense				(410.54)				(399.33)
<b>Profit for the year</b>				<b>1,257.18</b>				<b>1,191.41</b>
Other Comprehensive Income				1.45				(9.06)
<b>Total Comprehensive Income</b>				<b>1,258.63</b>				<b>1,182.35</b>
<b>The above includes:</b>								
Depreciation and Amortisation (allocable)	99.94	53.88	-	153.82	93.09	46.38	-	139.47
Depreciation and Amortisation (unallocable)				68.15				54.91
Capital Expenditure (including Capital Work in Progress) (allocable)	301.95	84.23	-	386.18	207.03	155.63	-	362.66
Capital Expenditure (unallocable)				70.76				14.66

There is no transaction with single external customer which amounts to 10% or more of the Company's revenue

Segment Assets & Liabilities	31 <sup>st</sup> March 2023				31 <sup>st</sup> March 2022			
	Consumer & Bazaar	Business to Business	Others	Total	Consumer & Bazaar	Business to Business	Others	Total
<b>Segment Assets</b>	<b>6,188.24</b>	<b>1,427.85</b>	<b>17.07</b>	<b>7,633.16</b>	<b>5,740.11</b>	<b>1,412.04</b>	<b>11.74</b>	<b>7,163.89</b>
Unallocable Assets				2,046.97				1,574.48
<b>Total Assets</b>				<b>9,680.13</b>				<b>8,738.37</b>
<b>Assets based on geography:</b>								
India				9,493.35				8,543.01
Outside India				186.78				195.36
<b>Segment Liabilities</b>	<b>1,527.77</b>	<b>476.02</b>	<b>3.59</b>	<b>2,007.38</b>	<b>1,340.46</b>	<b>495.64</b>	<b>1.00</b>	<b>1,837.10</b>
Unallocable Liabilities				564.59				557.57
<b>Total Liabilities</b>				<b>2,571.97</b>				<b>2,394.67</b>
<b>Other Information</b>								
<b>Capital Employed</b>				<b>7,108.16</b>				<b>6,343.70</b>

All the Non-Current Assets of the Company are located in India

**43 Earnings Per Share (EPS)**

The following reflects the Profit and Share data used in the Basic and Diluted EPS computations:

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<b>Basic:</b>		
Profit for the year (₹ in crores)	1,257.18	1,191.41
Weighted average number of equity shares in calculating basic EPS	50,83,00,950	50,81,64,425
Par value per share (₹)	1.00	1.00
Earning per share (Basic) (₹)	24.73	23.45
<b>Diluted:</b>		
Profit for the year (₹ in crores)	1,257.18	1,191.41
Weighted average number of equity shares in calculating basic EPS	50,83,00,950	50,81,64,425
Add: Effect of Employee Stock Options	3,52,660	3,85,070
Weighted average number of equity shares in calculating diluted EPS	50,86,53,610	50,85,49,495
Par value per share (₹)	1.00	1.00
Earning per share (Diluted) (₹)	24.72	23.43

**44 Related Party Disclosures**

Related Party Disclosures as required by Ind-AS 24 'Related Party Disclosures' are given below:

<b>(i) Relationships:</b>		
a.	Fevicol Company Ltd	Subsidiary
b.	Bhimad Commercial Company Pvt Ltd	Subsidiary
c.	Pidilite Ventures Private Limited (Formerly known as Madhumala Ventures Pvt Ltd)	Subsidiary
d.	Pageel Concrete Technologies Pvt Ltd	Subsidiary
e.	Building Envelope Systems India Ltd	Subsidiary
f.	Hybrid Coatings	Subsidiary
g.	Nina Percept Private Limited	Subsidiary
h.	Pidilite International Pte Ltd	Subsidiary
i.	Pidilite Middle East Ltd	Subsidiary
j.	Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	Subsidiary
k.	Pidilite USA Inc	Subsidiary
l.	Pidilite MEA Chemicals LLC	Subsidiary
m.	PT Pidilite Indonesia	Subsidiary
n.	Pidilite Speciality Chemicals Bangladesh Pvt Ltd	Subsidiary
o.	Pidilite Innovation Centre Pte Ltd	Subsidiary
p.	Pidilite Industries Egypt - SAE	Subsidiary
q.	Pidilite Bamco Ltd	Subsidiary
r.	Bamco Supply and Services Ltd	Subsidiary
s.	PIL Trading (Egypt) Company	Subsidiary
t.	Pidilite Industries Trading (Shanghai) Co Ltd	Subsidiary
u.	Pidilite Chemical PLC	Subsidiary
v.	Pidilite Lanka (Pvt) Ltd	Subsidiary
w.	ICA Pidilite Pvt Ltd	Subsidiary
x.	Nebula East Africa Pvt Ltd	Subsidiary
y.	Nina Lanka Construction Technologies (Pvt) Ltd	Subsidiary
z.	Pidilite East Africa Limited	Subsidiary
aa.	Pidilite Ventures LLC	Subsidiary
ab.	Pidilite Litokol Pvt Ltd	Subsidiary
ac.	Pidilite Grupo Puma Manufacturing Ltd	Subsidiary
ad.	Nina Percept (Bangladesh) Pvt Ltd	Subsidiary
ae.	Pidilite C-Techos Walling Ltd	Subsidiary
af.	Tenax Pidilite India Pvt Ltd	Subsidiary
ag.	Cipy Polyurethanes Pvt Ltd [refer Note 56]	Subsidiary
ah.	Pidilite Adhesives Pvt Ltd [refer Note 56]	Subsidiary
ai.	Vinyl Chemicals (India) Ltd	Associate
aj.	Aapkapainter Solutions Private Limited [Refer Note 53(a)(iii)]	Associate
ak.	Kaarwan Eduventures Private Limited [Refer Note 53(a)(vii)]	Associate
al.	Climacrew Private Limited [Refer Note 53(a)(ix)]	Associate
am.	Buildnext Construction Solutions Private Limited	Associate
an.	Finemake Technologies Private Limited [refer Note 53(a)(viii)]	Associate
ao.	Plus Call Technical Services LLC (upto 31 <sup>st</sup> October 2022)	Substantial Interest in Voting Power (Joint Venture)
ap.	Parekh Marketing Ltd	Significant Influence of KMP
aq.	Pargro Investment Pvt Ltd	Significant Influence of KMP
ar.	Kalva Marketing and Services Ltd	Significant Influence of KMP
as.	Dr. Fixit Institute of Structural Protection and Rehabilitation	Significant Influence of KMP
<b>(ii) Key Management Personnel (KMP):</b>		
a.	Shri M B Parekh	Executive Chairman
b.	Shri N K Parekh	Vice Chairman
c.	Shri Bharat Puri	Managing Director
d.	Shri Sudhanshu Vats (w.e.f. 18 <sup>th</sup> May 2022)	Deputy Managing Director
e.	Shri A B Parekh	Whole Time Director
f.	Shri A N Parekh	Whole Time Director
g.	Shri Debabrata Gupta (upto 9 <sup>th</sup> November 2022)	Whole Time Director
h.	Shri Joseph Varghese (w.e.f. 9 <sup>th</sup> November 2022)	Whole Time Director
i.	Shri Sandeep Batra	Chief Financial Officer (w.e.f. 1 <sup>st</sup> June 2022) & Whole Time Director (w.e.f. 9 <sup>th</sup> November 2022)
j.	Shri Bansi S. Mehta	Non-Executive Independent Director
k.	Shri Sanjeev Aga	Non-Executive Independent Director
l.	Shri Uday Chander Khanna	Non-Executive Independent Director
m.	Smt. Meera Shankar	Non-Executive Independent Director
n.	Shri Vinod Kumar Dasari	Non-Executive Independent Director
o.	Shri Piyush Pandey	Non-Executive Independent Director
p.	Shri Rajeev Vasudeva	Non-Executive Independent Director
h.	Shri Meher Pudumjee (w.e.f. 18 <sup>th</sup> May 2022)	Non-Executive Independent Director
<b>(iii) Close member of Key Management Personnel:</b>		
a.	Smt Mala M Parekh	Wife of Executive Chairman



**44 (iv) Transactions with Related Parties are as follows:**

(₹ in crores)

Nature of Transaction	For the year ended 31 <sup>st</sup> March 2023				For the year ended 31 <sup>st</sup> March 2022			
	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total
<b>a. Sales and Related Income</b>								
Parekh Marketing Ltd	-	-	118.01	118.01	-	-	92.40	92.40
Pidilite MEA Chemicals LLC	80.92	-	-	80.92	67.26	-	-	67.26
Nina Percept Private Limited	32.53	-	-	32.53	29.19	-	-	29.19
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	44.29	-	-	44.29	35.70	-	-	35.70
Pidilite Lanka (Pvt) Ltd	7.29	-	-	7.29	14.58	-	-	14.58
Pidilite Industries Egypt - SAE	10.80	-	-	10.80	6.38	-	-	6.38
Pidilite USA Inc	5.79	-	-	5.79	6.94	-	-	6.94
ICA Pidilite Pvt Ltd	0.20	-	-	0.20	0.21	-	-	0.21
PIL Trading (Egypt) Company	1.36	-	-	1.36	1.06	-	-	1.06
Pidilite East Africa Ltd	6.46	-	-	6.46	6.92	-	-	6.92
Pidilite Innovation Centre Pte Ltd	0.75	-	-	0.75	0.71	-	-	0.71
Pidilite Bamco Ltd	0.18	-	-	0.18	0.16	-	-	0.16
Tenax Pidilite India Pvt Ltd	0.15	-	-	0.15	0.01	-	-	0.01
Pidilite Litokol Pvt Ltd	0.34	-	-	0.34	-	-	-	-
<b>Sub-Total (a)</b>	<b>191.06</b>	<b>-</b>	<b>118.01</b>	<b>309.07</b>	<b>169.12</b>	<b>-</b>	<b>92.40</b>	<b>261.52</b>
<b>b. Royalty and Technical Knowhow Received</b>								
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	2.29	-	-	2.29	1.93	-	-	1.93
Pidilite MEA Chemicals LLC	1.15	-	-	1.15	0.73	-	-	0.73
Pidilite Industries Egypt - SAE	0.67	-	-	0.67	0.58	-	-	0.58
Pidilite Lanka (Pvt) Ltd	0.42	-	-	0.42	0.26	-	-	0.26
Pidilite East Africa Ltd	0.25	-	-	0.25	0.15	-	-	0.15
Pidilite Bamco Ltd	0.07	-	-	0.07	0.09	-	-	0.09
Bamco Supply and Services Ltd	0.04	-	-	0.04	0.04	-	-	0.04
Nebula East Africa Pvt Ltd	0.02	-	-	0.02	0.03	-	-	0.03
<b>Sub-Total (b)</b>	<b>4.91</b>	<b>-</b>	<b>-</b>	<b>4.91</b>	<b>3.81</b>	<b>-</b>	<b>-</b>	<b>3.81</b>

(₹ in crores)

Nature of Transaction	For the year ended 31 <sup>st</sup> March 2023				For the year ended 31 <sup>st</sup> March 2022			
	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total
<b>c. Income from Services Rendered</b>								
Nina Percept Private Limited	6.70	-	-	6.70	4.33	-	-	4.33
ICA Pidilite Pvt Ltd	-	-	-	-	0.05	-	-	0.05
Pidilite Lanka (Pvt) Ltd	0.40	-	-	0.40	0.36	-	-	0.36
Pidilite MEA Chemicals LLC	0.23	-	-	0.23	0.21	-	-	0.21
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	0.01	-	-	0.01	0.13	-	-	0.13
Pidilite Bamco Ltd	0.16	-	-	0.16	0.13	-	-	0.13
Pidilite Industries Egypt - SAE	0.07	-	-	0.07	0.06	-	-	0.06
Pidilite East Africa Ltd	0.16	-	-	0.16	0.08	-	-	0.08
Pulvitec Do Brasil Industria E Comercio De Colas E Adesivos Ltda	0.07	-	-	0.07	0.06	-	-	0.06
Pidilite C-Techos Walling Ltd	0.03	-	-	0.03	0.03	-	-	0.03
Pidilite Grupo Puma Mfg Ltd	0.24	-	-	0.24	0.13	-	-	0.13
Tenax Pidilite India Pvt Ltd	0.37	-	-	0.37	0.46	-	-	0.46
Hybrid Coatings	0.06	-	-	0.06	0.06	-	-	0.06
Building Envelope Systems India Ltd	0.06	-	-	0.06	0.06	-	-	0.06
Pidilite Innovation Centre Pte Ltd	0.02	-	-	0.02	0.01	-	-	0.01
Pidilite Litokol Pvt Ltd	0.01	-	-	0.01	0.01	-	-	0.01
Aapkapainter Solutions Private Limited	-	0.04	-	0.04	-	-	-	-
<b>Sub-Total (c)</b>	<b>8.59</b>	<b>0.04</b>	<b>-</b>	<b>8.63</b>	<b>6.17</b>	<b>-</b>	<b>-</b>	<b>6.17</b>
<b>d. Dividend Received</b>								
Vinyl Chemicals (India) Ltd	-	7.45	-	7.45	-	2.80	-	2.80
ICA Pidilite Pvt Ltd	2.29	-	-	2.29	-	-	-	-
Bhimad Commercial Company Pvt Ltd	6.50	-	-	6.50	-	-	-	-
<b>Sub-Total (d)</b>	<b>8.79</b>	<b>7.45</b>	<b>-</b>	<b>16.24</b>	<b>-</b>	<b>2.80</b>	<b>-</b>	<b>2.80</b>
<b>e. Purchase of Goods</b>								
Vinyl Chemicals (India) Ltd	-	896.49	-	896.49	-	714.00	-	714.00
ICA Pidilite Pvt Ltd	74.24	-	-	74.24	63.62	-	-	63.62
Hybrid Coatings	2.89	-	-	2.89	1.68	-	-	1.68
Tenax Pidilite India Pvt Ltd	33.31	-	-	33.31	12.90	-	-	12.90
Building Envelope Systems India Ltd	10.75	-	-	10.75	6.24	-	-	6.24
Nina Percept Private Limited	0.93	-	-	0.93	-	-	-	-
Pidilite Litokol Pvt Ltd	3.49	-	-	3.49	-	-	-	-
<b>Sub-Total (e)</b>	<b>125.61</b>	<b>896.49</b>	<b>-</b>	<b>1,022.10</b>	<b>84.44</b>	<b>714.00</b>	<b>-</b>	<b>798.44</b>
<b>f. Royalty Paid</b>								
Pidilite International Pte Ltd	0.12	-	-	0.12	0.09	-	-	0.09
<b>Sub-Total (f)</b>	<b>0.12</b>	<b>-</b>	<b>-</b>	<b>0.12</b>	<b>0.09</b>	<b>-</b>	<b>-</b>	<b>0.09</b>
<b>g. Expense for services received</b>								
Pidilite USA Inc	7.86	-	-	7.86	12.93	-	-	12.93
Pidilite Innovation Centre Pte Ltd	9.22	-	-	9.22	8.64	-	-	8.64
PT Pidilite Indonesia	0.71	-	-	0.71	0.55	-	-	0.55
Pidilite Industries Trading (Shanghai) Co Ltd	1.30	-	-	1.30	1.33	-	-	1.33
Dr. Fixit Institute of Structural Protection and Rehabilitation	-	-	0.46	0.46	-	-	0.11	0.11
Finemake Technologies Pvt Ltd	-	0.07	-	0.07	-	-	-	-
<b>Sub-Total (g)</b>	<b>19.09</b>	<b>0.07</b>	<b>0.46</b>	<b>19.62</b>	<b>23.45</b>	<b>-</b>	<b>0.11</b>	<b>23.56</b>

(₹ in crores)

Nature of Transaction	For the year ended 31 <sup>st</sup> March 2023				For the year ended 31 <sup>st</sup> March 2022			
	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total
<b>h. Investment in Share Capital</b>								
Pidilite C-Techos Walling Ltd	-	-	-	-	1.21	-	-	1.21
Pidilite Middle East Ltd	17.03	-	-	17.03	-	-	-	-
Pidilite Ventures Private Limited (formerly known as Madhumala Ventures Pvt Ltd)	28.11	-	-	28.11	54.96	-	-	54.96
Pidilite International Pte Ltd	8.18	-	-	8.18	-	-	-	-
Pidilite Industries Egypt - SAE	0.11	-	-	0.11	-	-	-	-
Pidilite Grupo Puma Mfg Ltd	13.04	-	-	13.04	-	-	-	-
Pidilite Litokol Pvt Ltd	12.22	-	-	12.22	-	-	-	-
<b>Sub-Total (h)</b>	<b>78.69</b>	<b>-</b>	<b>-</b>	<b>78.69</b>	<b>56.17</b>	<b>-</b>	<b>-</b>	<b>56.17</b>
<b>i. Buy Back of Shares</b>								
ICA Pidilite Pvt Ltd	-	-	-	-	11.28	-	-	11.28
<b>Sub-Total (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.28</b>	<b>-</b>	<b>-</b>	<b>11.28</b>
<b>j. Sale / (Purchase) of Fixed Assets</b>								
Nina Percept Private Limited	(2.01)	-	-	(2.01)	-	-	-	-
Nina Percept Private Limited	0.06	-	-	0.06	0.01	-	-	0.01
<b>Sub-Total (j)</b>	<b>(1.95)</b>	<b>-</b>	<b>-</b>	<b>(1.95)</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>0.01</b>
<b>k. Rent Paid / (Received)</b>								
ICA Pidilite Pvt Ltd	0.17	-	-	0.17	0.05	-	-	0.05
Smt. Mala Parekh	-	-	0.90	0.90	-	-	0.69	0.69
Parekh Marketing Ltd	-	-	0.09	0.09	-	-	0.08	0.08
Pargro Investment Pvt Ltd	-	-	(0.08)	(0.08)	-	-	(0.07)	(0.07)
Tenax India Stone Products Pvt Ltd	(0.47)	-	-	(0.47)	-	-	-	-
Pidilite Grupo Puma Mfg. Ltd	(0.63)	-	-	(0.63)	-	-	-	-
<b>Sub-Total (k)</b>	<b>(0.93)</b>	<b>-</b>	<b>0.91</b>	<b>(0.02)</b>	<b>0.05</b>	<b>-</b>	<b>0.70</b>	<b>0.75</b>
<b>l. Reimbursement of expenses made</b>								
Pidilite MEA Chemicals LLC	6.01	-	-	6.01	6.26	-	-	6.26
Pidilite USA Inc	0.02	-	-	0.02	-	-	-	-
Pidilite Lanka (Pvt) Ltd	-	-	-	-	0.18	-	-	0.18
Pidilite Industries Egypt - SAE	0.69	-	-	0.69	-	-	-	-
Nina Percept Private Limited	0.69	-	-	0.69	3.76	-	-	3.76
<b>Sub-Total (l)</b>	<b>7.41</b>	<b>-</b>	<b>-</b>	<b>7.41</b>	<b>10.20</b>	<b>-</b>	<b>-</b>	<b>10.20</b>
<b>m. Reimbursement of expenses received</b>								
Pidilite Grupo Puma Mfg. Ltd	2.64	-	-	2.64	1.25	-	-	1.25
Pidilite C-Techos Walling Ltd	0.33	-	-	0.33	0.31	-	-	0.31
Pidilite Litokol Pvt Ltd	0.08	-	-	0.08	0.16	-	-	0.16
Tenax India Stone Products Pvt Ltd	1.98	-	-	1.98	1.69	-	-	1.69
ICA Pidilite Pvt Ltd	0.85	-	-	0.85	0.94	-	-	0.94
Nina Percept Private Limited	0.32	-	-	0.32	3.68	-	-	3.68
Pidilite MEA Chemicals LLC	0.54	-	-	0.54	1.04	-	-	1.04
Pidilite Bamco Ltd	-	-	-	-	0.03	-	-	0.03
Pidilite Lanka (Pvt) Ltd	0.16	-	-	0.16	0.79	-	-	0.79
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	0.60	-	-	0.60	0.99	-	-	0.99
<b>Sub-Total (m)</b>	<b>7.50</b>	<b>-</b>	<b>-</b>	<b>7.50</b>	<b>10.88</b>	<b>-</b>	<b>-</b>	<b>10.88</b>

(₹ in crores)

Nature of Transaction	For the year ended 31 <sup>st</sup> March 2023				For the year ended 31 <sup>st</sup> March 2022			
	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total
<b>n. Compensation of Key Management Personnel of the Company:</b>								
Remuneration / Commission to Directors:								
<b>i Short Term Employee benefits</b>								
- Shri M B Parekh	-	-	3.90	3.90	-	-	3.86	3.86
- Shri Bharat Puri	-	-	15.96	15.96	-	-	15.75	15.75
- Shri A B Parekh	-	-	1.90	1.90	-	-	1.49	1.49
- Shri A N Parekh	-	-	6.72	6.72	-	-	6.57	6.57
- Shri Debabrata Gupta	-	-	1.36	1.36	-	-	2.52	2.52
- Shri Sudhanshu Vats*	-	-	8.89	8.89	-	-	-	-
- Shri Joseph Varghese	-	-	1.09	1.09	-	-	-	-
- Shri Sandeep Batra**	-	-	3.64	3.64	-	-	-	-
<b>Sub-Total</b>	-	-	<b>43.46</b>	<b>43.46</b>	-	-	<b>30.19</b>	<b>30.19</b>
<b>ii Share-based payments***</b>								
- Shri Bharat Puri	-	-	-	-	-	-	26.58	26.58
- Shri Debabrata Gupta	-	-	-	-	-	-	0.05	0.05
<b>Sub-Total</b>	-	-	-	-	-	-	<b>26.63</b>	<b>26.63</b>
<b>iii Sitting Fees and Commission</b>	-	-	<b>2.80</b>	<b>2.80</b>	-	-	<b>2.74</b>	<b>2.74</b>
* includes Remuneration as Deputy MD w.e.f. 18 <sup>th</sup> May 2022 amounting to ₹ 8.07 crores								
** includes Remuneration as Whole Time Director w.e.f. 9 <sup>th</sup> November 2022 amounting to ₹ 2.06 crores								
*** Share-based payments does not include stock options which will be subject to vesting conditions in accordance with the 2016 plan.								
<b>o. Dividend Paid</b>	-	-	<b>111.23</b>	<b>111.23</b>	-	-	<b>100.90</b>	<b>100.90</b>
<b>p. Outstanding Balances:</b>	<b>As at 31<sup>st</sup> March 2023</b>				<b>As at 31<sup>st</sup> March 2022</b>			
<b>i Trade &amp; Other Receivables</b>								
Parekh Marketing Ltd	-	-	22.02	22.02	-	-	20.23	20.23
Pidilite MEA Chemicals LLC	29.36	-	-	29.36	28.37	-	-	28.37
Nina Percept Private Limited	49.78	-	-	49.78	31.31	-	-	31.31
Pidilite Industries Egypt - SAE	7.16	-	-	7.16	5.16	-	-	5.16
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	10.37	-	-	10.37	10.02	-	-	10.02
Pulvitec Do Brasil Industria E Comercio De Colas E Adesivos Ltda	0.02	-	-	0.02	0.02	-	-	0.02
Pidilite USA Inc	0.34	-	-	0.34	2.30	-	-	2.30
Pidilite Lanka (Pvt) Ltd	3.11	-	-	3.11	12.35	-	-	12.35
Pidilite Innovation Centre Pte Ltd	0.20	-	-	0.20	-	-	-	-
PIL Trading (Egypt) Company	-	-	-	-	0.57	-	-	0.57
Pidilite Bamco Ltd	0.06	-	-	0.06	0.22	-	-	0.22
Bamco Supply and Services Ltd	0.01	-	-	0.01	0.01	-	-	0.01
Building Envelope Systems India Ltd	-	-	-	-	0.03	-	-	0.03
Hybrid Coatings	-	-	-	-	0.06	-	-	0.06
ICA Pidilite Pvt Ltd	0.50	-	-	0.50	0.81	-	-	0.81
Pidilite C-Techos Walling Ltd	0.52	-	-	0.52	0.08	-	-	0.08
Pidilite Litokol Pvt Ltd	0.48	-	-	0.48	0.26	-	-	0.26
Pidilite Grupo Puma Mfg. Ltd	4.21	-	-	4.21	0.78	-	-	0.78
Tenax India Stone Products Pvt Ltd	3.10	-	-	3.10	0.53	-	-	0.53
Pidilite East Africa Ltd	2.52	-	-	2.52	1.51	-	-	1.51
Nebula East Africa Pvt Ltd	0.02	-	-	0.02	0.03	-	-	0.03
<b>Sub-Total</b>	<b>111.76</b>	-	<b>22.02</b>	<b>133.78</b>	<b>94.42</b>	-	<b>20.23</b>	<b>114.65</b>

(₹ in crores)

Nature of Transaction	As at 31 <sup>st</sup> March 2023				As at 31 <sup>st</sup> March 2022			
	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total	Subsidiary	Associate	KMP/ Significant Influence of KMP/Close member of KMP	Total
<b>ii Loans and advances</b>								
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	-	-	-	-	0.26	-	-	0.26
Pidilite MEA Chemicals LLC	-	-	-	-	1.52	-	-	1.52
Pidilite Lanka (Pvt) Ltd	-	-	-	-	0.29	-	-	0.29
Pagel Concrete Technologies Pvt Ltd	0.33	-	-	0.33	0.33	-	-	0.33
ICA Pidilite Pvt Ltd	-	-	-	-	0.15	-	-	0.15
Aapkapainter Solutions Private Limited	-	2.04	-	2.04	-	-	-	-
<b>Sub-Total</b>	<b>0.33</b>	<b>2.04</b>	<b>-</b>	<b>2.37</b>	<b>2.55</b>	<b>-</b>	<b>-</b>	<b>2.55</b>
<b>iii Trade Payables</b>								
Vinyl Chemicals (India) Ltd	-	17.35	-	17.35	-	2.03	-	2.03
ICA Pidilite Pvt Ltd	11.52	-	-	11.52	9.40	-	-	9.40
Pidilite Industries Trading (Shanghai) Co Ltd	1.60	-	-	1.60	1.33	-	-	1.33
Pidilite USA Inc	0.02	-	-	0.02	1.12	-	-	1.12
Pidilite Innovation Centre Pte Ltd	1.61	-	-	1.61	0.97	-	-	0.97
PT Pidilite Indonesia	0.03	-	-	0.03	0.03	-	-	0.03
Hybrid Coatings	0.54	-	-	0.54	0.01	-	-	0.01
Building Envelope Systems India Ltd	0.56	-	-	0.56	1.73	-	-	1.73
Pidilite Litokol Pvt Ltd	1.35	-	-	1.35	0.14	-	-	0.14
Tenax India Stone Products Pvt Ltd	3.81	-	-	3.81	2.20	-	-	2.20
PIL Trading (Egypt) Company	0.10	-	-	0.10	0.46	-	-	0.46
Pidilite MEA Chemicals LLC	0.71	-	-	0.71	0.05	-	-	0.05
Nina Percept Private Limited	0.37	-	-	0.37	0.30	-	-	0.30
Pidilite East Africa Ltd	0.17	-	-	0.17	-	-	-	-
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	1.79	-	-	1.79	-	-	-	-
Pidilite Industries Egypt - SAE	0.02	-	-	0.02	-	-	-	-
Pidilite International Pte Ltd	0.21	-	-	0.21	0.09	-	-	0.09
Finemake Technologies Pvt Ltd	-	0.01	-	0.01	-	-	-	-
<b>Sub-Total</b>	<b>24.41</b>	<b>17.36</b>	<b>-</b>	<b>41.77</b>	<b>17.83</b>	<b>2.03</b>	<b>-</b>	<b>19.86</b>
<b>iv Corporate guarantee given to bank on behalf of</b>								
Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	17.26	-	-	17.26	15.90	-	-	15.90
Pidilite Bamco Ltd	3.53	-	-	3.53	3.26	-	-	3.26
Pidilite MEA Chemicals LLC	44.74	-	-	44.74	41.23	-	-	41.23
Pidilite Lanka Private Limited	36.12	-	-	36.12	33.28	-	-	33.28
Bamco Supply & Services Ltd	1.19	-	-	1.19	1.10	-	-	1.10
Pidilite East Africa Limited	12.33	-	-	12.33	7.57	-	-	7.57
Nina Percept Private Limited	90.00	-	-	90.00	-	-	-	-
<b>Sub-Total</b>	<b>205.17</b>	<b>-</b>	<b>-</b>	<b>205.17</b>	<b>102.34</b>	<b>-</b>	<b>-</b>	<b>102.34</b>

**45 Employee Benefits**

The Company has classified various employee benefits as under:

**(A) Defined Contribution Plans**

- (a) Provident Fund
- (b) Superannuation Fund
- (c) State Defined Contribution Plans
  - Employers' Contribution to Employees' State Insurance
  - Employers' Contribution to Employees' Pension Scheme 1995
  - Labour Welfare Fund
- (d) National Pension Scheme

The Provident Fund and the State Defined Contribution Plans are operated by the Regional Provident Fund Commissioner, the Superannuation Fund is administered by the LIC of India and National Pension Fund is administered by Pension Fund Regulatory and Development Authority (PFRDA), as applicable, for all eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in crores)

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
(i) Contribution to Provident Fund	30.97	25.75
(ii) Contribution to Employees' Superannuation Fund	0.66	0.80
(iii) Contribution to Employees' State Insurance Scheme	0.19	0.25
(iv) Contribution to Employees' Pension Scheme 1995	10.18	9.43
(v) Contribution to National Pension Scheme	5.89	4.77
<b>TOTAL</b>	<b>47.89</b>	<b>41.00</b>
<b>(B) Defined Benefit Plans</b>		
Gratuity		
<b>(C) Other Long-Term Benefits</b>		
(a) Compensated Absences		
(b) Anniversary Awards		
(c) Premature Death Pension Scheme		
(d) Total Disability Pension Scheme		

## Notes forming part of the financial statements

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

		Valuations as at	
		31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
(i)	Discount Rate (per annum)	7.47%	6.91% to 7.26%
(ii)	Rate of increase in Compensation levels (per annum)	1 <sup>st</sup> yr - 8.50%, thereafter 6.50%	1 <sup>st</sup> yr - 8.50%, thereafter 6.50%
(iii)	Expected Rate of Return on Assets	7.47%	6.50% to 7.18%
(iv)	Attrition Rate	upto 5 yrs - 12.7%, 5 - 10 yrs - 5.4%, Above 10 yrs - 4.5%	2% to 12.7%
(v)	Retirement Age	60 years	60 years
(vi)	The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment/ strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.		
(vii)	The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.		
(viii)	The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.		
Gratuity fund asset is managed by Life Insurance Corporation of India, there is no material risk that the Company would be unable to meet its gratuity liability. Also as the fund is set up as a trust, the money as a part of the trust will not flow back into the Company until the last employee of the trust is paid.			

### Note on other risks:

- Investment Risk** – The funds are invested by LIC / Kotak and they provide returns basis the prevalent bond yields, LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the bond yields provided, basis the past experience it is low risk.
- Interest Risk** – LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually – The fall in interest rate is not therefore offset by increase in value of Bonds, hence may pose a risk.
- Longevity Risk** – Since the gratuity payment happens at the retirement age of 60, longevity impact is very low at this age, hence this is a non-risk.
- Salary Risk** – The liability is calculated taking into account the salary increase, basis past experience of the Company's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

(₹ in crores)

		31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
		Gratuity Funded	Gratuity Funded
(i)	<b>Changes in Present value of Obligation</b>		
1	Present value of defined benefit obligation at the beginning of the year	122.57	101.16
2	Previous period adjustments	1.84	(0.54)
3	Current Service Cost	11.50	9.87
4	Interest Cost	8.08	6.46
5	Actuarial (Gains) / Loss arising from changes in		
	- demographic assumption	-	(0.02)
	- financial assumption	(2.62)	(2.81)
	- experience adjustment	1.42	15.66
6	Benefits Paid	(11.87)	(9.22)
7	Acquisition under Business combination (refer Note 56)*	-	2.01
8	<b>Present value of defined benefit obligation at the end of the year</b>	<b>130.92</b>	<b>122.57</b>
	* includes unfunded liability of Pidilite Adhesive Private Limited (₹ 0.39 crores)		
(ii)	<b>Changes in Fair value of Plan Assets</b>		
1	Fair value of plan assets at the beginning of the year	103.07	97.99
2	Expected Return on Plan Assets	7.40	6.78
3	Actuarial Gain / (Loss)	0.74	0.72
4	Employer's Contributions	18.63	5.81
5	Benefits Paid	(11.10)	(6.54)
6	Benefits to be receivable from fund	(0.84)	(2.66)
7	Acquisition under Business combination (refer Note 56)	-	0.97
8	<b>Fair value of plan assets at the end of the year</b>	<b>117.90</b>	<b>103.07</b>

(₹ in crores)

		31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
		Gratuity Funded	Gratuity Funded
(iii)	Net Benefit (Asset) / Liability		
1	Defined benefit obligation	130.92	122.57
2	Fair value of plan assets	117.90	103.07
3	Net Benefit (Asset) / Liability (refer Note 27)	13.02	19.50
(iv)	Expenses recognised in the Statement of Profit and Loss		
1	Current Service Cost	11.50	9.87
2	Interest cost on benefit obligation (net)	0.68	(0.32)
3	Total Expenses recognized in the Statement of Profit and Loss	12.18	9.55
(v)	Remeasurement Effects Recognised in Other Comprehensive Income for the year		
1	Actuarial (Gains) / Loss arising from changes in		
	- demographic assumption	-	(0.02)
	- financial assumption	(2.62)	(2.81)
	- experience adjustment	1.42	15.66
2	Return on plan asset	(0.74)	(0.72)
3	Recognised in Other Comprehensive Income	(1.94)	12.11
(vi)	Actual return on plan assets	8.69	4.85
(vii)	Sensitivity Analysis		
	Defined Benefit Obligation		
	Discount Rate		
a	Discount Rate - 100 basis points	140.32	133.42
b	Discount Rate + 100 basis points	122.52	116.58
	Salary Increase Rate		
a	Rate - 100 basis points	122.40	116.49
b	Rate + 100 basis points	140.29	133.38
	Note on Sensitivity Analysis		
1	Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.		
2	The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.		
3	There is no change in the method from the previous period and the points / percentage by which the assumptions are stressed are same to that in the previous year.		
(viii)	Expected Future Cashflows		
	Year 1	16.66	16.09
	Year 2	21.39	19.06
	Year 3	12.45	10.44
	Year 4	10.97	10.67
	Year 5	11.23	9.74
	Year 6 to 10	56.20	53.72
(ix)	Average Expected Future Working Life (yrs)	11.05	11.22



**46 Employee Stock Option Scheme****a) Details of Employee Share Options**

In the Annual General Meeting of the Company held on 24<sup>th</sup> July 2012, the shareholders approved the issue of 50,76,486 equity shares under the Scheme titled "Employee Stock Option Scheme 2012" (ESOS 2012). The Board approved Employees Stock Option Scheme covering 3,00,000 Stock options, in terms of the regulations of the Securities and Exchange Board of India.

The ESOS 2012 allows the issue of options to Eligible employees of the Company. Each option comprises one underlying equity share. The exercise price of each option shall be ₹ 1/- per equity share. The options vest in the manner as specified in ESOS 2012. Options may be exercised within 5 years from the date of vesting.

ESOP 2016 covering grant of 45,00,000 options (including 2,50,000 Options to be granted to Eligible Employees / Directors of the subsidiary Companies) was approved by the shareholders through Postal Ballot on 2<sup>nd</sup> April 2016. Each option comprises one underlying equity share. The exercise price shall be ₹ 1/- per option or such other higher price as may be fixed by the Board or Committee. Options to be granted under the Plan shall vest not earlier than one year but not later than a maximum of six years from the date of grant of such options. In the case of Eligible Employee who has not completed 3 years of employment as on date of the grant of Options then the Options which are due for vesting before completion of 3 years as above, shall vest as on the completion of 3 years of employment in the Company by the Employee concerned or as may be approved by the Nomination and Remuneration Committee. Vested Options will have to be exercised within 3 years from the date of respective vesting.

The following share based payment arrangements were in existence during the current & prior years:

Option Series	Number	Grant date	Vesting date	Exercise price (₹)	Fair value at grant date (₹)
1 Granted on 8 <sup>th</sup> November 2017-ESOP 2016	28,750	08.11.2017	08.11.2018	1.00	734.15
	28,750	08.11.2017	08.11.2019	1.00	734.15
2 Granted on 11 <sup>th</sup> April 2018-ESOP 2016	4,150	11.04.2018	11.04.2019	1.00	976.94
	4,150	11.04.2018	11.04.2020	1.00	976.94
3 Granted on 30 <sup>th</sup> October 2018-ESOP 2016	1,33,200	30.10.2018	30.10.2019	1.00	931.19
	1,33,200	30.10.2018	30.10.2020	1.00	931.19
	1,500	30.10.2018	30.10.2019	1.00	924.50
	1,500	30.10.2018	30.10.2020	1.00	924.50
	2,000	30.10.2018	30.10.2021	1.00	924.50
4 Granted on 23 <sup>rd</sup> January 2019-ESOP 2016	3,000	23.01.2019	23.01.2022	1.00	1,112.48
	3,000	23.01.2019	23.01.2023	1.00	1,112.48
	4,000	23.01.2019	23.01.2024	1.00	1,112.48
	1,500	23.01.2019	29.01.2021	1.00	1,127.85
	1,500	23.01.2019	29.01.2022	1.00	1,127.85
	1,500	23.01.2019	01.02.2021	1.00	1,127.85
	1,500	23.01.2019	01.02.2022	1.00	1,127.85
5 Granted on 13 <sup>th</sup> May 2019-ESOP 2016	2,500	13.05.2019	13.05.2020	1.00	1,124.69
6 Granted on 29 <sup>th</sup> January 2020-ESOP 2016	4,000	29.01.2020	31.01.2021	1.00	1,449.90
	500	29.01.2020	31.01.2021	1.00	1,444.56
	500	29.01.2020	31.01.2022	1.00	1,444.56
	2,500	29.01.2020	18.11.2022	1.00	1,433.92
	2,500	29.01.2020	18.11.2023	1.00	1,433.92
7 Granted on 5 <sup>th</sup> August 2020-ESOP 2016	5,000	05.08.2020	05.08.2022	1.00	1,318.08
	5,000	05.08.2020	05.08.2023	1.00	1,318.08
	1,400	05.08.2020	05.08.2021	1.00	1,319.96
	1,050	05.08.2020	05.08.2022	1.00	1,319.96
	1,050	05.08.2020	05.08.2023	1.00	1,319.96
8 Granted on 4 <sup>th</sup> November 2020-ESOP 2016	15,245	04.11.2020	04.11.2021	1.00	1,536.91
	15,245	04.11.2020	04.11.2022	1.00	1,536.91
	1,17,500	04.11.2020	04.11.2021	1.00	1,536.91
	1,17,500	04.11.2020	04.11.2022	1.00	1,536.91

Option Series	Number	Grant date	Vesting date	Exercise price (₹)	Fair value at grant date (₹)
9 Granted on 9 <sup>th</sup> October 2021-ESOP 2016	25,000	09.10.2021	13.10.2022	1.00	2,422.93
	25,000	09.10.2021	13.10.2023	1.00	2,422.93
10 Granted on 9 <sup>th</sup> November 2021-ESOP 2016	2,775	09.11.2021	09.11.2023	1.00	2,345.77
	2,775	09.11.2021	09.11.2024	1.00	2,345.77
	3,700	09.11.2021	09.11.2025	1.00	2,345.77
	14,100	09.11.2021	09.11.2024	2,390.75	944.34
	14,100	09.11.2021	09.11.2025	2,390.75	944.34
	18,800	09.11.2021	09.11.2026	2,390.75	944.34
11 Granted on 24 <sup>th</sup> January 2022-ESOP 2016	1,000	24.01.2022	24.01.2024	1.00	2,667.05
	1,000	24.01.2022	24.01.2025	1.00	2,667.05
12 Granted on 11 <sup>th</sup> March 2022-ESOP 2016	800	11.03.2022	11.03.2023	1.00	2,325.81
	800	11.03.2022	11.03.2024	1.00	2,325.81
	900	11.03.2022	11.03.2025	1.00	2,325.81
13 Granted on 18 <sup>th</sup> May 2022-ESOP 2016	165	18.05.2022	18.05.2024	1.00	2,142.47
	165	18.05.2022	18.05.2025	1.00	2,142.47
14 Granted on 24 <sup>th</sup> Jan 2023-ESOP 2016	5,000	24.01.2023	01.06.2025	1.00	2,368.65
	5,000	24.01.2023	01.06.2026	1.00	2,391.47
	7,500	24.01.2023	01.06.2027	2,205.00	1,131.02

**b) Fair value of share options granted**

The fair value of the stock options has been estimated using Black-Scholes / Binomial model which takes into account as of grant date the exercise price and expected life of the option, the current market price of underlying stock and its expected volatility, expected dividends on stock and the risk free interest rate for the expected term of the option.

Inputs into the model	Granted on 8 <sup>th</sup> November 2017-ESOP 2016	Granted on 11 <sup>th</sup> April 2018-ESOP 2016	Granted on 30 <sup>th</sup> October 2018-ESOP 2016	Granted on 23 <sup>rd</sup> January 2019-ESOP 2016		
Share price (on the date previous to grant date)	758.55	1,000.15	961.55	1,152.80	1,152.80	1,152.80
Exercise price	1.00	1.00	1.00	1.00	1.00	1.00
Date of vesting (1)	08.11.2018	11.04.2019	30.10.2019	23.01.2022	29.01.2021	01.02.2021
Dividend yield (%)	0.85	0.62	2.54	0.84	0.84	0.84
Option life (no. of years)	2.50	2.50	2.50	6.00	5.02	5.02
Risk free interest rate (%)	6.69	7.09	8.01	7.56	7.49	7.49
Expected volatility (%)	22.12	21.65	23.20	24.34	23.87	23.86
Date of vesting (2)	08.11.2019	11.04.2020	30.10.2020	23.01.2023	29.01.2022	01.02.2022
Dividend yield (%)	0.91	0.66	3.62	0.84	0.84	0.84
Option life (no. of years)	3.50	3.50	3.50	7.00	6.02	6.03
Risk free interest rate (%)	6.64	7.28	8.02	7.58	7.56	7.56
Expected volatility (%)	24.01	23.59	23.24	24.37	24.32	24.30
Date of vesting (3)	-	-	30.10.2021	23.01.2024	-	-
Dividend yield (%)	-	-	4.82	0.84	-	-
Option life (no. of years)	-	-	4.50	8.00	-	-
Risk free interest rate (%)	-	-	8.15	7.65	-	-
Expected volatility (%)	-	-	24.34	24.40	-	-

Inputs into the model	Granted on 13 <sup>th</sup> May 2019 -ESOP 2016	Granted on 29 <sup>th</sup> January 2020-ESOP 2016			Granted on 05 <sup>th</sup> August 2020 - ESOP 2016	
Share price (on the date previous to grant date)	1,154.45	1,461.60	1,461.60	1,461.60	1,342.80	1,342.80
Exercise price	1.00	1.00	1.00	1.00	1.00	1.00
<b>Date of vesting (1)</b>	<b>13.05.2020</b>	<b>31.01.2021</b>	<b>18.11.2022</b>	<b>31.01.2021</b>	<b>05.08.2022</b>	<b>05.08.2021</b>
Dividend yield (%)	0.84	0.74	0.74	0.74	0.72	0.72
Option life (no. of years)	2.50	4.01	5.80	4.01	5.00	4.00
Risk free interest rate (%)	7.03	6.15	6.39	6.15	5.13	4.89
Expected volatility (%)	23.06	23.69	24.49	23.69	25.39	22.94
<b>Date of vesting (2)</b>	-	-	<b>18.11.2023</b>	<b>31.01.2022</b>	<b>05.08.2023</b>	<b>05.08.2022</b>
Dividend yield (%)	-	-	0.74	0.74	0.72	0.72
Option life (no. of years)	-	-	6.80	5.01	6.00	5.00
Risk free interest rate (%)	-	-	6.43	6.39	5.62	5.13
Expected volatility (%)	-	-	24.56	23.76	25.95	25.39
<b>Date of vesting (3)</b>	-	-	-	-	-	<b>05.08.2023</b>
Dividend yield (%)	-	-	-	-	-	0.72
Option life (no. of years)	-	-	-	-	-	6.00
Risk free interest rate (%)	-	-	-	-	-	5.62
Expected volatility (%)	-	-	-	-	-	25.95

Inputs into the model	Granted on 04 <sup>th</sup> November 2020-ESOP 2016	Granted on 09 <sup>th</sup> October 2021-ESOP 2016	Granted on 09 <sup>th</sup> November 2021-ESOP 2016		Granted on 24 <sup>th</sup> January 2022-ESOP 2016	Granted on 11 <sup>th</sup> March 2022-ESOP 2016
Share price (on the date previous to grant date)	1,565.60	2,441.60	2,382.30	2,382.30	2,700.60	2,349.90
Exercise price	1.00	1.00	2,390.75	1.00	1.00	1.00
<b>Date of vesting (1)</b>	<b>04.11.2021</b>	<b>13.10.2022</b>	<b>09.11.2024</b>	<b>09.11.2023</b>	<b>24.01.2024</b>	<b>11.03.2023</b>
Dividend yield (%)	0.72	0.49	0.49	0.49	0.49	0.49
Option life (no. of years)	4.01	4.00	6.00	5.00	5.00	4.00
Risk free interest rate (%)	4.89	5.41	6.02	5.80	6.07	5.96
Expected volatility (%)	23.17	23.70	23.19	23.19	23.20	24.60
<b>Date of vesting (2)</b>	<b>04.11.2022</b>	<b>13.10.2023</b>	<b>09.11.2025</b>	<b>09.11.2024</b>	<b>24.01.2025</b>	<b>11.03.2024</b>
Dividend yield (%)	0.72	0.49	0.49	0.49	0.49	0.49
Option life (no. of years)	5.01	5.00	7.00	6.00	6.00	5.00
Risk free interest rate (%)	5.13	5.82	6.23	6.02	6.31	6.17
Expected volatility (%)	25.73	23.23	23.95	23.95	23.42	23.80
<b>Date of vesting (3)</b>	-	-	<b>09.11.2026</b>	<b>09.11.2025</b>	-	<b>11.03.2025</b>
Dividend yield (%)	-	-	0.49	0.49	-	0.49
Option life (no. of years)	-	-	8.00	7.00	-	6.00
Risk free interest rate (%)	-	-	6.25	6.23	-	6.47
Expected volatility (%)	-	-	23.90	23.90	-	23.62

Inputs into the model	Granted on	Granted on 24 <sup>th</sup> January 2023	
	18 <sup>th</sup> May 2022-ESOP 2016	- ESOP 2016	
Share price (on the date previous to grant date)	2,169.55	2,409.60	2,409.60
Exercise price	1.00	1.00	2,205.00
<b>Date of vesting (1)</b>	<b>18.05.2024</b>	<b>01.06.2025</b>	<b>01.06.2027</b>
Dividend yield (%)	0.49	0.56	0.56
Option life (no. of years)	5.00	5.36	7.36
Risk free interest rate (%)	7.15	7.22	7.38
Expected volatility (%)	24.20	24.06	23.42
<b>Date of vesting (2)</b>	<b>18.05.2025</b>	<b>01.06.2026</b>	<b>-</b>
Dividend yield (%)	0.49	0.56	-
Option life (no. of years)	6.00	6.36	-
Risk free interest rate (%)	7.19	7.32	-
Expected volatility (%)	23.85	23.76	-

## c) Movements in Share Options during the year

	During the year ended 31 <sup>st</sup> March 2023		During the year ended 31 <sup>st</sup> March 2022	
	Options (No's)	Weighted average exercise price per option	Options (No's)	Weighted average exercise price per option
Option outstanding at the beginning of the year				
- ESOP 2016	3,84,740	₹ 1	4,19,540	₹ 1
Granted during the year				
- ESOP 2016	17,830	₹ 928.09	1,10,750	₹ 1,015.16
Vested during the year - ESOP 2016	1,61,125	₹ 1	1,35,130	₹ 1
Exercised during the year - ESOP 2016	25,825	₹ 1	1,35,035	₹ 1
Lapsed during the year*				
- ESOP 2016	24,085	₹ 1	10,515	₹ 1
Options outstanding at the end of the year				
- ESOP 2016	3,52,660	₹ 1	3,84,740	₹ 1
Options available for grant				
- ESOS 2012	34,200	₹ 1	34,200	₹ 1
- ESOP 2016	37,41,230	₹ 1	37,34,975	₹ 1
The weighted average share price at the date of exercise for stock options exercised during the year		2,342.26		2,461.08
Range of exercise price for options outstanding at the end of the year		₹ 1 - ₹ 2,390.75		₹ 1 - ₹ 2,390.75

\* Lapsed due to termination of employment with the Company

**47 Financial Instruments****(A) Capital Management**

The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimum utilisation of the equity balance. The capital structure of the Company consists of only equity of the Company. The Company is not subject to any externally imposed capital requirements.

**(B) Categories of financial instruments**

(₹ in crores)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Financial Assets</b>		
Measured at Fair Value Through Profit or Loss (FVTPL)		
Investments in Mutual funds, Preference Shares, Debentures and Bonds	509.49	226.23
Derivative assets towards Foreign Exchange Forward Contracts	-	0.44
Measured at amortised cost		
Trade Receivables	1,305.12	1,211.93
Cash and Cash Equivalents	153.30	147.70
Other Bank balances	2.75	2.87
Loans	30.16	22.86
Other Financial Assets	42.65	30.41
<b>Total Financial Assets</b>	<b>2,043.47</b>	<b>1,642.44</b>
<b>Financial Liabilities</b>		
Measured at Fair Value Through Profit or Loss (FVTPL)		
Derivative liabilities towards Foreign Exchange Forward Contracts	0.60	0.60
Measured at amortised cost		
Borrowings	-	105.00
Trade Payables	938.96	945.84
Lease Liabilities	186.62	93.42
Other Financial Liabilities	848.23	678.96
<b>Total Financial Liabilities</b>	<b>1,974.41</b>	<b>1,823.82</b>

**(C) Financial risk management objectives**

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising foreign exchange forward contracts. Compliance with policies and exposure limits is a part of Internal Financial Controls. The Company does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes. The Corporate Treasury function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

**(D) Market risk**

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates (see note E below). The Company enters into foreign exchange forward contracts to manage its exposure to foreign currency risk of net imports.

## (E) Foreign currency risk management

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Foreign Currency Exposure (in FC)		Foreign Currency Exposure (₹ in crores)	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Amounts recoverable / (advance) in foreign currency on account of the following:				
EUR	11,71,830.37	8,97,400.36	10.49	7.58
USD	1,78,15,026.57	1,99,38,293.82	146.26	150.95
GBP	1,68,840.00	20,122.25	1.72	0.20
Amounts (payable) / advance in foreign currency on account of the following:				
AED	2,64,462.44	2,88,560.60	0.59	0.59
AUD	1,820.00	29,820.00	0.01	0.17
CHF	(9,347.80)	(13,780.80)	(0.08)	(0.11)
EUR	1,46,475.06	(3,51,950.45)	1.31	(2.97)
GBP	1,79,029.40	(17,06,366.56)	1.82	(16.94)
JPY	(60,00,000.00)	(1,14,28,300.00)	(0.37)	(0.71)
SGD	(3,04,090.88)	-	(1.88)	-
USD	(3,60,14,675.31)	(4,71,39,676.15)	(295.68)	(356.89)
ZAR	64,255.58	64,255.58	0.03	0.03

## (i) Foreign currency sensitivity analysis

The Company is mainly exposed to the USD, EUR and GBP. The following table demonstrates the sensitivity to a 2% increase or decrease in the USD, EUR and GBP against INR with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 2% represents management assessment of reasonably possible changes in foreign exchange rates.

(₹ in crores)

	USD impact	
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Impact on profit or loss for the year (a)	(2.99)	(4.12)
	EUR impact	
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Impact on profit or loss for the year (b)	0.24	0.09
	GBP impact	
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Impact on profit or loss for the year (c)	0.07	(0.34)

- (a) This is mainly attributable to the exposure of outstanding USD receivables and payables at the end of the reporting period.  
(b) This is mainly attributable to the exposure of outstanding EUR receivables and payables at the end of the reporting period.  
(c) This is mainly attributable to the exposure of outstanding GBP receivables and payables at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

## (ii) Foreign exchange forward contracts

It is the policy of the Company to enter into foreign exchange forward contracts to cover foreign currency payments (net of receipts) in USD and EUR. The Company enters into contracts with terms upto 90 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that we follow conventional wisdom by use of Forward contracts in respect of Trade transactions.

Regulatory Requirements: The Company does alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time.

Mode of taking Cover: Based on the outstanding details of import payable and export receivable (in weekly baskets) the net trade import exposure is arrived at (i.e. Imports – Exports = Net trade exposures). The net trade import exposure arrived at is netted off with the outstanding forward cover as on date and with the surplus foreign currency balance available in EEFC A/Cs.

Forward cover is obtained from bank for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

The following table details the foreign exchange forward contracts outstanding at the end of the reporting period

Outstanding contracts	Average exchange rates (₹)		Foreign Currency	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
USD - Buy	82.65	76.07	2,32,38,224.00	3,23,26,444.10

(₹ in crores)

Outstanding contracts	Nominal Amounts		Fair value assets / (liabilities)	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
USD - Buy	191.99	246.06	(0.60)	(0.16)

The line-items in the financial statements that include the above hedging instruments are "Other Financial Assets" of ₹ NIL crores (₹ 0.44 crores as at 31<sup>st</sup> March 2022) and "Other Financial Liabilities" of ₹ 0.60 crores (₹ 0.60 crores as at 31<sup>st</sup> March 2022) (refer Note: 13 and 25 respectively).

The aggregate amount of loss under foreign exchange forward contracts recognised in the Statement of Profit and Loss is ₹ 0.44 crores (gain of ₹ 0.14 crores as at 31<sup>st</sup> March 2022).

## (F) Credit risk management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables (refer Note 9), investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

The Company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

## (G) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in Cash and Cash Equivalents and has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

## (i) Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative and derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company will be liable to pay.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

(₹ in crores)

	Less than 1 year	1-5 years	More than 5 years	Total	Carrying Amount
<b>As at 31<sup>st</sup> March 2023</b>					
<b>Variable interest rate instruments</b>					
- Borrowings	-	-	-	-	-
<b>Non-interest bearing</b>					
- Trade Payables	938.96	-	-	938.96	<b>938.96</b>
- Other Financial Liabilities	638.46	14.45	-	652.91	<b>652.91</b>
	1,577.42	14.45	-	1,591.87	<b>1,591.87</b>
- Lease Liabilities (undiscounted)	56.99	153.84	17.61	228.44	<b>186.62</b>
<b>Fixed interest rate instruments</b>					
- Trade/ Security Deposit received	195.32	-	-	195.32	<b>195.32</b>
<b>Derivative liabilities towards foreign exchange forward contracts</b>	0.60	-	-	0.60	<b>0.60</b>
Financial guarantee contracts	205.17	-	-	205.17	-
<b>As at 31<sup>st</sup> March 2022</b>					
<b>Variable interest rate instruments</b>					
- Borrowings	105.00	-	-	105.00	105.00
<b>Non-interest bearing</b>					
- Trade Payables	945.84	-	-	945.84	945.84
- Other Financial Liabilities	503.63	19.94	-	523.57	523.57
	1,449.47	19.94	-	1,469.41	1,469.41
- Lease Liabilities (undiscounted)	32.94	71.56	8.39	112.89	93.42
<b>Fixed interest rate instruments</b>					
- Trade/ Security Deposit received	155.39	-	-	155.39	155.39
<b>Derivative liabilities towards foreign exchange forward contracts</b>	0.60	-	-	0.60	0.60
Financial guarantee contracts	102.34	-	-	102.34	-

**(H) Fair value measurements**

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

**(i) Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis**

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period.

The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial Assets / Financial Liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022		
1 Investment in Mutual Fund, Preference Shares, Debentures and Bonds	<b>Various funds - aggregate fair value of ₹ 488.44 crores</b>	Various funds - aggregate fair value of ₹ 214.59 crores	Level 1	Quoted bid prices in active market
2 Derivative assets and liabilities towards foreign currency forward contracts, Alternate Investment Funds	<b>Assets - ₹ NIL crores Liabilities - ₹ 0.60 crores Investment funds - aggregate fair value of ₹ 21.05 crores</b>	Assets - ₹ 0.44 crores Liabilities - ₹ 0.60 crores Investment funds - aggregate fair value of ₹ 11.64 crores	Level 2	Mark to market values acquired from banks / financial institution, with whom the Company has contracts.

**(ii) Financial instruments measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.



(₹ in crores)

48 Taxes						
1 Deferred Tax						
				As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022	
Deferred Tax Assets				(40.15)	(34.60)	
Deferred Tax Liabilities				416.66	423.13	
<b>TOTAL</b>				<b>376.51</b>	<b>388.53</b>	
a 2022- 2023						
Deferred Tax (Assets) / Liabilities in relation to:						
		Opening Balance	Acquisition under Business Combination (refer Note 56)	Recognised in Profit or loss	Recognised in Other Comprehensive Income	Closing balance
	Property, Plant and Equipment & Intangible Assets	418.94	-	(2.25)	-	416.69
	FVTPL Financial Assets	4.19	-	(3.41)	-	0.78
	Allowance for doubtful debts	(12.55)	-	(1.21)	-	(13.76)
	Provision for Employee Benefits	(17.67)	-	(2.83)	0.49	(20.01)
	Share issue and buy-back costs	(1.11)	-	1.11	-	-
	Others	(3.27)	-	(3.92)	-	(7.19)
	<b>TOTAL</b>	<b>388.53</b>	<b>-</b>	<b>(12.51)</b>	<b>0.49</b>	<b>376.51</b>
b 2021- 2022						
Deferred Tax (Assets) / Liabilities in relation to:						
	Property, Plant and Equipment & Intangible Assets	96.31	318.57	4.06	-	418.94
	FVTPL Financial Assets	6.75	-	(2.56)	-	4.19
	Allowance for doubtful debts	(8.75)	(4.14)	0.34	-	(12.55)
	Provision for Employee Benefits	(14.22)	(0.51)	0.11	(3.05)	(17.67)
	Share issue and buy-back costs	(1.78)	-	0.67	-	(1.11)
	Others	(2.45)	-	(0.82)	-	(3.27)
	<b>TOTAL</b>	<b>75.86</b>	<b>313.92</b>	<b>1.80</b>	<b>(3.05)</b>	<b>388.53</b>
2 Income Taxes						
a Income Tax recognised in Statement of Profit and Loss						
				For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022	
Current Tax						
	In respect of the current year			423.05	397.53	
	<b>TOTAL</b>			<b>423.05</b>	<b>397.53</b>	
Deferred Tax						
	In respect of the current year			(12.51)	1.80	
	<b>TOTAL</b>			<b>(12.51)</b>	<b>1.80</b>	
<b>Income Tax expense recognised in the Statement of Profit and Loss</b>				<b>410.54</b>	<b>399.33</b>	

(₹ in crores)

b The Income Tax expense for the year can be reconciled to the accounting profit as follows:		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Profit Before Tax	1,667.72	1,590.74
Income Tax Rate (%)*	25.17	25.17
Income Tax expense	419.73	400.36
Effect of income that is exempt from taxation	-	(1.92)
Effect of expenses that are not deductible in determining taxable profit	8.29	6.59
Effect of concessions (80M & Deduction for Capital Expenditure u/s 35(iv))	(5.26)	(2.27)
Effect of lower rate of tax	(0.65)	(0.70)
Others	(11.57)	(2.73)
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>410.54</b>	<b>399.33</b>

\*The Tax rate used for the above reconciliation is the corporate tax rate of **25.17%** (25.17% for the year ended 31<sup>st</sup> March 2022) payable by corporate entities in India on taxable profits under Indian Tax Law.

c Income Tax recognised in Other Comprehensive Income		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Tax arising on income and expenses recognised in Other Comprehensive Income:		
Re-measurement of Defined Benefit Obligation	(0.49)	3.05
<b>Income Tax recognised in Other Comprehensive Income</b>	<b>(0.49)</b>	<b>3.05</b>

#### 49 Research & Development Expenditure

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Capital expenditure included in Property, Plant and Equipment	3.43	5.26
Revenue expenditure charged to Statement of Profit and Loss	78.93	79.01
<b>TOTAL</b>	<b>82.36</b>	<b>84.27</b>

#### 50 Disclosures required under Section 22 of Micro, Small and Medium Enterprise Development Act, 2006

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	52.82	68.15
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	0.08

The above information regarding dues to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information collected by the Company. This has been relied upon by the auditors.

(₹ in crores)

<b>51 Lease</b>		
<b>Impact of Ind AS 116 on the Statement of Profit and Loss:</b>		
	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Interest on lease liabilities (refer Note 36)	10.94	7.12
Depreciation of Right-of-use assets (refer Note 37)	42.03	32.37
Deferred tax (credit)	(3.30)	(2.04)
<b>Impact on statement of Profit and Loss</b>	<b>49.67</b>	<b>37.45</b>
Expenses related to short term lease incurred during the year (refer Note 38)	25.74	16.77

**52 Corporate Social Responsibility Expenses**

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
a. amount required to be spent by the company during the year	30.49	28.92
b. amount of expenditure incurred	30.95	25.25
c. shortfall/(excess) at the end of the year (a-b)	(0.46)	3.67*
d. total of previous years shortfall/ (gain)	1.85*	(1.82)*
e. reason for shortfall	Not Applicable	Pertains to ongoing projects
f. details of related party transactions	Not Applicable	Not Applicable
g. where a provision is made with respect to a liability incurred by entering into a contractual obligation	Not Applicable	Not Applicable

\* The unspent amount of ₹ Nil crores (₹ 1.85 crores in the previous year) will be transferred to unspent CSR account within 30 days from the end of the financial year, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules. The unspent CSR amount of previous year (₹ 1.85 crores) is incurred for CSR activities in current year.

## Nature of CSR activities

- (1) To promote, carry out, support activities relating to: Education and Training including in Science and Technology, Humanities etc; Healthcare; Welfare of Children, Women, Senior Citizens, and Differently Abled Persons; Employment enhancing Vocational skills; Sanitation; Water management; Agriculture; Horticulture; Milk and Animal Health; promotion of Farmer Producer Organisation; Swachtha Initiative; promotion of Culture; Art & Craft; Conservation of Natural Resources; Promotion and development of traditional Arts & Handicrafts, Khadi and Handloom; Employment Generation and Government Scheme System; Environment Sustainability; Science & Technology; Rural Development; Animal Welfare; welfare and development measures towards reducing inequalities faced by Socially and Economically Backward groups; and such activities may include establishing, supporting and / or granting aid to institutions engaged in any of the activities referred to above.
- (2) To conduct and support studies & research; publish and support literature, publications & promotion material; conduct and support discussions, lectures, workshops & seminars in any of the areas covered above.
- (3) To promote, carry out, support any activities covered in Schedule VII to the Companies Act, 2013, as amended from time to time.

**53 Other Information**

- a) Pidilite Ventures Private Limited (formerly known as Madhumala Ventures Pvt Ltd), a wholly owned subsidiary of the Company:
- (i) invested an amount of ₹ 3.65 crores in current year in the Abeyaantrix Technology Private Limited. The company operates a software-enabled platform for construction contractors to manage documents, and record financial transactions, known by the name of Onsite.
  - (ii) invested an amount of ₹ 23.89 crores in current year in the Buildnext Construction Solutions Private Limited. The company is engaged in providing end to end home construction services.
  - (iii) invested an amount of ₹ 15.37 crores in previous year in the Aapkapainter Solutions Pvt Ltd (Aapkapainter). The company is engaged in providing painting and waterproofing solutions to retail consumer.
  - (iv) invested an amount of ₹ 1.50 crores in previous year in the Pepperfry Private Limited (formerly known as M/s. Trendsutra Platform Services) by subscription to Non Cumulative Compulsory Convertible Debentures/ Compulsory Convertible Non-Cumulative Preference Shares. Pepperfry is an online furniture chain in India.
  - (v) invested an amount of ₹ 18.45 crores in previous year in the Homevista Décor & Furnishings Pvt Ltd (HomeLane) by subscription to Equity and Compulsory Convertible Cumulative Preference Shares. HomeLane is a fast growing home interiors company backed by strong tech-stack and presence in 7 cities with 16 experience centers in India.
  - (vi) invested an amount of ₹ 1.56 crores in previous year in the Constrobot Robotics Pvt Ltd by subscription to Equity Shares. The company is engaged in the business of research and development, designing, manufacturing, trading and dealing in robotic equipments etc.
  - (vii) invested an amount of ₹ 3.75 crores in previous year in the Kaarwan Eduventures Private Limited by subscription to Cumulative Compulsory Convertible Preference Shares. The company is engaged in the business of Architecture, Interior and General Designing etc.
  - (viii) invested an amount of ₹ 9.00 crores in current year (₹ 2.00 crores in previous year) in the Finemake Technologies Private Limited by subscription to Preference Shares. The company is engaged in business of providing interior designing services.
  - (ix) invested an amount of ₹ 0.49 crores in current year (₹ 10,000 in previous year) in the Climacrew Private Limited by subscription to Equity Shares. The company is engaged in business of supply of seaweed and seaweed products.
- b) During current year, the Company has invested an amount of ₹ 8.18 crores in "Pidilite International Pte Ltd" and ₹ 17.03 crores in Pidilite Middle East Ltd by subscription to Equity Shares.
- c) During current year, the Company has invested an amount of ₹ 12.22 crores in "Pidilite Litokol Pvt Ltd" and ₹ 13.04 crores in Pidilite Grupo Puma Manufacturing Ltd by subscription to Equity Shares.
- d) During previous year, ICA Pidilite Private Limited, subsidiary of the Company made buy back of shares from all shareholder. The company has recognised profit on buyback on shares from subsidiary amounting to ₹ 1.11 crores (refer Note 32)
- e) During previous year, the Company has invested an amount of ₹ 1.21 crores in "Pidilite C-Techos Walling Limited" (PCWL) by subscription to Equity Shares.
- f) During previous year, on completion of winding up procedures, Pidilite Grupo Puma Private Limited (w.e.f. 27<sup>th</sup> October, 2021) and Pidilite C-Techos Private Limited (w.e.f. 1<sup>st</sup> February 2022) were struck off by Registrar of Companies.
- g) During the current year, the Company had paid Dividend of ₹ 10.00 per equity share of ₹ 1 each for the financial year 2021-22.

**54 Additional Regulatory Information Required By Schedule III To The Companies Act, 2013:**

- a) Details of struck off companies with whom the Company has transaction during the year or outstanding balance as on Balance Sheet date:

Name of Struck off Company	Nature of transactions with struck-off Company	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Prarabdh Commercial India Private Limited	Receivable	0.62	-
Surface Care Technologist Private Limited#	Receivable	0.31	0.31
Affinity Cine Media Private Limited#	Payable	0.00*	-
Winsel Marketing Private Limited#	Payable	0.00*	-
Nespal Air Water Heater Private Limited#	Payable	0.05	-
Unickon Fincap Private Limited	Dividend	0.00*	-
Crystal Infowave Solutions Private Limit	Dividend	0.00*	-

\* denotes amount less than ₹ 50,000.

# there were no new transactions with these companies during the year

- b) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- c) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- d) The Company has complied with the requirement with respect to number of layers as prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- e) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- f) The Company has not traded or invested in crypto currency or virtual currency during the year.
- g) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- h) The Company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

55 Key Financial Ratios					
Ratios	Numerator	Denominator	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022	% change
Current Ratio	Current Assets	Current Liabilities	1.86	1.71	8.6%
Debt-Equity Ratio	Borrowings	Total Equity	-	0.02	(100.0%) *
Debt Service Coverage Ratio	EBITDA @	Interest on borrowings	240.62	139.34	72.7% *
Return on Equity Ratio	Profit After Tax (PAT)	Average Total Equity	18.69%	20.02%	(6.6%)
Inventory turnover ratio	COGS \$	Average Inventory	4.09	4.06	0.8%
Trade Receivables turnover ratio	Sale of Products	Average Trade Receivable	8.38	8.00	4.7%
Trade payables turnover ratio	COGS \$	Average Trade Payables	6.52	5.64	15.6%
Net capital turnover ratio	Sale of Products	Working Capital (Current Assets - Current Liabilities)	6.24	6.70	(6.8%)
Net profit ratio	Profit Before Tax (PBT)	Revenue from Operations	15.82%	17.97%	(12.0%)
Return on Capital employed	Profit Before Interest and Tax (PBIT)	Average Capital Employed ~	23.69%	25.83%	(8.3%)
Return on investment:					
Return on Mutual Fund	Income during the year	Time weighted average of investments ***	6.66%	4.42%	50.7% #
Return on Fixed Deposit			3.73%	3.05%	22.3%
* on account of repayment of loan in current year					
# higher yield in current year					
@ EBITDA = Profit Before Tax before exceptional items (PBT) + Finance cost + Depreciation - Other income					
\$ COGS = Cost of Materials Consumed + Purchases of Stock-in-Trade + Changes in inventories of Finished Goods					
~ Capital Employed = Total Equity + Borrowings + Deferred Tax Liability					
*** Investment excludes long term investments in subsidiaries					

56 Business Combination			
1 Companies merged			
Financial Year	Name of subsidiary	Principal activity	Appointed Date
During 2022-23	Cipy Polyurethanes Pvt Ltd	Manufacture and sale of floor coatings	1 <sup>st</sup> April 2022
During 2022-23	Pidilite Adhesives Pvt Ltd	Manufactures and sells Adhesives, Sealants and other products under well-known brands such as Araldite, Araldite Karpenter and Araseal	1 <sup>st</sup> April 2022

During previous year, the Company had filed two merger applications with National Company Law Tribunal (NCLT) with respect to merger of its wholly owned subsidiaries namely Pidilite Adhesives Pvt. Ltd (PAPL) and Cipy Polyurethanes Pvt Ltd (CIPY). Consequent to the filing of NCLT orders approving the mergers with Registrar of Companies, mergers have become effective from Appointed date being 1<sup>st</sup> April 2022. This is a common control transaction accordingly, the previous year including notes and disclosures have been restated for the accounting impact of merger, as if the merger had occurred from the beginning of previous year.

(₹ in crores)

2 Identifiable assets and liabilities arising on appointment date:		
	As at 31 <sup>st</sup> March 21	
	Cipy Polyurethanes Pvt Ltd	Pidilite Adhesives Pvt Ltd
Property, Plant and Equipment	18.78	4.00
Capital Work-in-Progress	5.60	-
Right of Use Assets	0.33	2.12
<b>Intangible Assets</b>		
Goodwill	57.62	1,040.89
Other Intangible Assets	19.90	1,367.35
Loans - Non-Current	0.04	-
Other Financial Assets - Non-Current	0.66	-
Income Tax Assets (net)	-	3.37
Other Non-Current Assets	0.28	-
Inventories	22.78	29.22
Trade Receivables	36.64	46.75
Cash and Cash Equivalents	5.25	151.21
Current Investments	4.00	-
Bank balances	3.24	-
Loans - Current	0.15	-
Other Financial Assets - Current	1.36	-
Other Current Assets	4.54	21.85
<b>Total Assets Acquired (A)</b>	<b>181.17</b>	<b>2,666.76</b>
Provisions - Non Current	1.17	0.56
Provisions - Current	0.39	0.03
Trade Payables	24.13	78.42
Lease Liability - Current	-	2.09
Other Financial Liabilities - Current	12.74	17.54
Deferred Tax Liability	(3.23)	317.15
Other Current Liabilities	2.15	6.01
Current Tax Liabilities (net)	-	0.59
<b>Total Liabilities taken over (B)</b>	<b>37.35</b>	<b>422.39</b>
<b>Net Assets (C) = (A)-(B)</b>	<b>143.82</b>	<b>2,244.37</b>
<b>Net Equity</b>	<b>(43.96)</b>	<b>47.91</b>
Amounts pertaining to CIPY & PAPL appearing in the Financial Statements		
Investments	187.78	2,196.46

**57 Approval of financial statement**

The financial statements are approved for issue by the Audit Committee and by the Board of Directors at their respective meetings held on 8<sup>th</sup> May 2023.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**BHARAT PURI**  
Managing Director  
DIN:02173566

**M B PAREKH**  
Executive Chairman  
DIN:00180955

**MANISHA SHETTY**  
Company Secretary

**SANDEEP BATRA**  
Director Finance & Chief Financial Officer  
DIN:00871843

Place: Mumbai  
Date : 8<sup>th</sup> May 2023