



17th June, 2020

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Stock Code – 500331

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Stock Code - PIDILITIND

Dear Sir,

**Sub: Outcome of Board Meeting
Audited Financial Results (Standalone and Consolidated) for the year ended 31st March, 2020**

We wish to inform that the Board of Directors of the Company, at its meeting held today has inter-alia, approved the Audited Financial Results (Standalone and Consolidated) for the year ended 31st March, 2020.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we enclose the following:

- 1) Statements showing the Audited Financial and Segment wise Results (Standalone and Consolidated) for the quarter and year ended 31st March, 2020, alongwith Statement of Assets and Liabilities and Cash flow statement as at year ended 31st March, 2020 (Standalone and Consolidated);
- 2) Auditor's Report on the Audited Financial Results-Standalone and Consolidated

This is to inform that the Statutory Auditors, M/s Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), have issued an Audit Report with unmodified opinion on the Annual Audited Financial Results of the Company (Standalone and Consolidated) for the Financial year ended 31st March, 2020 in terms of Regulation 33 (3) (d) of the Listing Regulations.

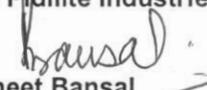
In view of the situation created due to COVID-19, the Board of Directors have considered it appropriate that the interim dividend of 700% paid in March 2020 be considered as the final dividend for Financial Year 2019-2020.

The meeting of the Board of Directors of the Company commenced at 2.30 p.m. and concluded at 7.10 p.m.

Kindly acknowledge the receipt.

Thanking You,

Yours faithfully,
For **Pidilite Industries Limited**


Puneet Bansal
Company Secretary

Encl: As above

Pidilite Industries Limited

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Email address : investor.relations@pidilite.co.in Website : www.pidilite.com CIN : L24100MH1969PLC014336

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2020

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Year ended	
		31.03.2020 Unaudited	31.12.2019 Unaudited	31.03.2019 Unaudited	31.03.2020 Audited	31.03.2019 Audited
1	Total Income					
	a) Revenue from Operations	1318.55	1663.44	1379.01	6,332.59	6,093.88
	b) Other Income	16.54	39.11	52.54	151.86	191.51
	Total Income	1335.09	1702.55	1431.55	6,484.45	6,285.39
2	Expenses					
	a) Cost of materials consumed	532.96	671.41	633.95	2,520.70	2,763.65
	b) Purchases of stock-in-trade	99.70	97.52	101.06	387.71	374.58
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(51.39)	(3.10)	(63.01)	27.98	(73.81)
	d) Employee benefits expense	164.33	187.33	170.81	736.89	663.54
	e) Finance costs	3.70	3.38	1.85	13.40	7.14
	f) Depreciation, amortisation and impairment expense	35.67	31.76	29.82	125.79	99.83
	g) Other expenses	287.79	280.87	274.30	1,175.75	1,074.01
	Total Expenses	1072.76	1269.17	1148.78	4,988.22	4,908.94
3	Profit before exceptional items and tax (1-2)	262.33	433.38	282.77	1,496.23	1,376.45
4	Exceptional items	37.04	-	-	59.28	-
5	Profit before tax (3-4)	225.29	433.38	282.77	1,436.95	1,376.45
6	Tax Expense					
	Current tax	80.70	100.11	34.56	368.65	385.56
	Deferred tax	(15.00)	2.88	5.01	(33.32)	11.45
7	Profit for the period (5-6)	159.59	330.39	243.20	1,101.62	979.44
8	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss	(4.97)	(1.20)	2.84	(14.88)	(4.37)
	Income tax relating to items that will not be reclassified to profit or loss	1.20	0.29	(1.12)	3.68	1.39
9	Total Comprehensive Income for the period (7+8)	155.82	329.48	244.92	1,090.42	976.46
10	Paid-up Equity Share Capital (Face value of share : Re. 1/-)	50.81	50.80	50.80	50.81	50.80
11	Other Equity				4,414.01	4,135.92
12	Earnings per equity share in Rs.					
	a) Basic	@ 3.14	@ 6.50	@ 4.79	21.69	19.28
	b) Diluted	@ 3.14	@ 6.50	@ 4.78	21.68	19.27

@ For the period only and not annualised.

See accompanying Notes to Financial Results

STANDALONE SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED 31.03.2020

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Segment Revenue					
	a) Consumer & Bazaar	993.93	1326.31	1043.58	4999.82	4817.85
	b) Business to Business	333.23	344.25	346.18	1377.87	1309.52
	c) Others	15.12	21.57	21.26	76.45	89.86
	Total	1342.28	1692.13	1411.02	6454.14	6217.23
	Less : Inter Segment Revenue	23.73	28.69	32.01	121.55	123.35
	Revenue from Operations	1318.55	1663.44	1379.01	6332.59	6093.88
2	Segment Results					
	a) Consumer & Bazaar	283.20	441.89	284.34	1531.40	1416.91
	b) Business to Business	74.60	57.66	51.61	257.42	186.31
	c) Others	(1.08)	0.25	(1.56)	(4.55)	(7.99)
	Total	356.72	499.80	334.39	1784.27	1595.23
	Less : i) Finance Costs	3.70	3.38	1.85	13.40	7.14
	ii) Other Unallocable Expenditure net of Unallocable Income	90.69	63.04	49.77	274.64	211.64
	Total Profit Before Exceptional Item and Tax	262.33	433.38	282.77	1496.23	1376.45
	Exceptional Items	37.04	-	-	59.28	-
	Total Profit Before Tax	225.29	433.38	282.77	1436.95	1376.45
3	Segment Assets					
	a) Consumer & Bazaar	2256.02	2129.85	1851.65	2256.02	1851.65
	b) Business to Business	786.05	735.03	683.62	786.05	683.62
	c) Others	76.36	81.62	79.24	76.36	79.24
	d) Unallocated	2700.63	3118.53	2735.50	2700.63	2735.50
	Total Segment Assets	5819.06	6065.03	5350.01	5819.06	5350.01
4	Segment Liabilities					
	a) Consumer & Bazaar	905.78	872.82	705.15	905.78	705.15
	b) Business to Business	289.00	273.40	252.84	289.00	252.84
	c) Others	4.77	5.46	10.99	4.77	10.99
	d) Unallocated	154.69	177.34	194.31	154.69	194.31
	Total Segment Liabilities	1354.24	1329.02	1163.29	1354.24	1163.29

The Company operates in two business segments namely Consumer & Bazaar (C&B) and Business to Business (B2B). C&B 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 speciality acetates, raw materials etc.

During the year, the Company has re-organised its internal reporting on operating segments. Hence, in accordance with 'Ind AS 108 – Operating Segments', the segment information for C&B and IP segments in respect of all previous periods/years reported have been regrouped, respectively to C&B and B2B segments. Operating Segment disclosures are consistent with the information provided to and reviewed by the Managing Director (Chief Operating Decision Maker).

Unallocated Segment Assets as at 31st March 2020 include the following:-

- Assets held for sale Rs. Nil (31st December 2019 Rs. 38.28 Crores, 31st March 2019 Rs. Nil) and Capital Work in Progress Rs. Nil (31st December 2019 Rs. 34.91 Crores, 31st March 2019 Rs. 95.43 Crores) pertaining to Synthetic Elastomer Project.
- Investments in units of mutual funds, debenture, bonds, preference shares, term deposits with banks, etc Rs. 1527.23 Crores (31st December 2019 Rs. 1944.92 Crores, 31st March 2019 Rs. 1571.00 Crores).

STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2020

Rs Crores

Sr No	Particulars	As at	As at
		31.03.2020	31.03.2019
		Audited	Audited
A	ASSETS		
1	Non Current Assets		
	(a) Property, Plant and Equipment	861.24	667.62
	(b) Right of Use Assets	109.15	-
	(c) Capital Work-In-Progress	247.64	229.08
	(d) Goodwill	86.11	86.11
	(e) Other Intangible Assets	192.99	196.93
	(f) Financial Assets		
	(i) Investments	1,108.34	1,038.49
	(ii) Loans	4.04	2.94
	(iii) Other Financial Assets	13.12	18.51
	(g) Income Tax Assets (net)	105.80	98.53
	(h) Other Non-Current Assets	64.57	82.45
	Total Non Current Assets	2,793.00	2,420.66
2	Current Assets		
	(a) Inventories	730.49	734.30
	(b) Financial Assets		
	(i) Investments	715.18	1,151.39
	(ii) Trade Receivables	806.63	774.98
	(iii) Cash and Cash equivalents	564.17	60.24
	(iv) Bank balances other than (iii) above	4.67	56.94
	(v) Loans	25.38	15.38
	(vi) Other Financial Assets	8.23	9.25
	(c) Other Current Assets	171.31	126.87
	Total Current Assets	3,026.06	2,929.35
	TOTAL ASSETS	5,819.06	5,350.01
B	EQUITY AND LIABILITIES		
	EQUITY		
	(a) Equity Share Capital	50.81	50.80
	(b) Other Equity	4,414.01	4,135.92
	Total Equity	4,464.82	4,186.72
	LIABILITIES		
1	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Lease Liabilities	51.30	-
	(ii) Other Financial Liabilities	7.26	46.01
	(b) Provisions	40.89	34.55
	(c) Deferred Tax Liabilities (net)	75.97	112.97
	Total Non-Current Liabilities	175.42	193.53
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Trade Payables		
	- Due to Micro and Small Enterprises	9.30	20.96
	- Due to others	485.51	428.19
	(ii) Lease Liabilities	22.04	-
	(iii) Other Financial Liabilities	552.42	440.85
	(b) Other Current Liabilities	90.03	57.42
	(c) Provisions	11.78	14.60
	(d) Current Tax Liabilities (net)	7.74	7.74
	Total Current Liabilities	1,178.82	969.76
	Total Liabilities	1,354.24	1,163.29
	TOTAL EQUITY AND LIABILITIES	5,819.06	5,350.01

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2020

Rs Crores

Particulars	For the year ended	
	31.03.2020 Audited	31.03.2019 Audited
A] Cash Flows from Operating Activities		
Profit before tax	1,436.95	1,376.45
Adjustments for:		
Finance costs recognised in Statement of Profit and Loss	13.40	7.14
Interest income recognised in Statement of Profit and Loss	(5.93)	(16.31)
Dividend income recognised in Statement of Profit and Loss	(13.38)	(26.92)
(Profit) / Loss on disposal of Property, Plant and Equipment	(2.67)	2.18
Profit on Sale of Intangible Asset	-	(33.41)
Net gain arising on financial assets designated at FVTPL	(110.39)	(87.64)
Allowance for Doubtful Debts	-	4.18
Allowance for Doubtful Debts Witten Back	(5.80)	-
Exceptional Item - Impairment in value of Assets and Investments	59.28	-
Depreciation, Amortisation and Impairment Expense	125.79	99.83
Unrealised foreign exchange (gain) / loss (net)	(0.15)	6.26
Provision for Employee Benefits	(11.36)	5.23
Expense recognised in respect of Equity-Settled Share-Based Payments	14.31	10.45
Operating profits before Working Capital changes	1,500.05	1,347.44
Movements in Working Capital:		
(Increase)/Decrease in Operating Assets		
Trade Receivables	(17.94)	(92.71)
Inventories	3.81	(103.36)
Non-Current Loans	(1.10)	0.38
Current Loans	(10.00)	(2.16)
Other Non-Current Financial Assets	5.39	(6.82)
Other Current Financial Assets	1.02	(0.66)
Other Non-Current Non Financial Assets	2.83	(2.70)
Other Current Non Financial Assets	(25.70)	20.90
Increase/(Decrease) in Operating Liabilities		
Trade Payables	37.89	18.55
Other Current Financial Liabilities	112.78	43.90
Other Non-Current Financial Liabilities	(38.75)	8.37
Other Current Non Financial Liabilities	32.60	7.96
Cash generated from Operations	1,602.88	1,239.09
Taxes paid (net of refunds)	(375.92)	(385.94)
Net Cash generated from Operating Activities [A]	1,226.96	853.15
B] Cash Flows from Investing Activities		
Payments for purchase of Property, Plant and Equipment, Other Intangible Assets & Capital Work-In-Progress	(413.61)	(201.40)
Proceeds from disposal of Property, Plant and Equipment & Other Intangible Assets	20.98	42.19
Net Cash outflow on acquisition / Investment in Subsidiaries	(127.44)	(61.04)
Payments to purchase Investments	(1,305.53)	(2,333.38)
Proceeds on sale of Investments	1,907.30	2,078.81
Payment towards Share Application Money	(18.74)	-
Decrease / (Increase) in Bank Deposits	53.67	(51.19)
(Increase) / Decrease in Other Bank Balances	(1.40)	5.89
Interest received	5.93	5.05
Dividend received	13.38	26.92
Net cash generated / (used) in Investing Activities [B]	134.54	(488.15)
C] Cash Flows from Financing Activities		
Proceeds from issue of Equity shares of the Company	0.01	0.01
Payment of Lease Liabilities	(25.05)	-
Dividends paid on Equity Shares (including tax thereon)	(825.36)	(363.47)
Interest paid	(7.32)	(7.14)
Net cash used in Financing Activities [C]	(857.72)	(370.60)
Net increase / (decrease) in Cash and Cash Equivalents [A+B+C]	503.78	(5.60)
Cash and Cash Equivalents at the beginning of the year	60.24	66.12
Bank unrealised gain	0.33	0.05
Cash and Cash Equivalents at the beginning of the year	60.57	66.17
Cash and Cash Equivalents at the end of the year	564.17	60.24
Bank unrealised gain	0.18	0.33
Cash and Cash Equivalents at the end of the year	564.35	60.57
Net increase / (decrease) in Cash and Cash Equivalents	503.78	(5.60)

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 Flow.

Notes to the Standalone Financial Results:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 17th June 2020.
2. The Company has opted to publish Standalone as well as Consolidated Financial Results.
3. The financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
4. Effective 1st April 2019, the Company adopted IND AS 116 'Leases' and applied the same to the lease contracts existing on 1st April 2019 using the modified retrospective approach, recognizing right-of-use asset and adjusted lease liability. Accordingly, comparatives for the year ended 31st March 2019 and other periods disclosed have not been retrospectively adjusted. The effect of the adoption is not significant to the profit for the period.
5. Exceptional items represent –i) impairment loss on fair value of "Assets held for Sale" (as explained below) of Rs.32.95 Crores for the quarter ended 31st March 2020 and Rs. 55.19 Crores for the year ended 31st March 2020 and ii) diminution / impairment in value of investment in a subsidiary of Rs. 4.09 Crores for the quarter and year ended 31st March 2020.

During current year, the Company decided to sell plant and machinery pertaining to Synthetic Elastomer project located at Dahej included in capital work in progress and accordingly was reclassified as "Assets held for sale" at fair market value of Rs. 38.28 Crores and an impairment loss amounting to Rs. 22.24 Crores was provided in September 2019. The Company has undertaken its best efforts to find buyers for these assets. Accordingly, as at 31st March 2020, the Company has identified certain plant & machinery amounting to Rs. 5.33 Crores for its internal use and in absence of buyer, an additional impairment loss amounting to Rs. 32.95 Crores has been provided based on estimated realizable scrap value in accordance with Ind AS 113 "FairValue Measurement".
6. In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. The operation of the Company were disrupted since mid of March 20. As on date, The Company has already restarted the operations albeit in a phased manner after obtaining necessary permissions as required. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company has evaluated the impact of Covid 19 on the operations of the Company, order booking and revenue, cash flow, assets and liabilities and factored in the impact of it upto the date of approval of these financial results on the carrying value of its assets and liabilities. Even though, it is very difficult to predict the duration of the disruption and severity of its impact, on the basis of evaluation of overall economic environment, outstanding order book, liquidity position, debt free status, recoverability of receivables, the Company expects to recover the carrying amount of these assets and currently does not anticipate any further impairment of it. In assessing the recoverability, the Company has considered internal and external information upto the date of approval of these Ind AS financial results and has concluded that there are no material impact on the operations and the financial position of the Company. Given the uncertainties, the impact of COVID-19 maybe different from that estimated as at the date of approval of these standalone financial results, and the Company will continue to closely monitor the developments.
7. During the quarter ended 30th September 2019, the Company had elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 which was subsequently converted into an act. Accordingly, the Company had re-measured its Deferred Tax Liabilities as at 31st March 2019 and the full impact of this was recognised in statement of Profit and Loss in September 2019. The Company has recognised Provision for Income Tax and Deferred Tax for the quarter and the year ended 31st March 2020, based on the rate prescribed in the said section.
8. The current tax for the previous year ended 31st March 2019, is after considering Rs. 52.87 Crores being excess provision written back in respect of earlier years.
9. The Company has allotted 1,12,650 equity shares on 19th March 2020 and 3,300 equity shares on 10th June 2020 of face value of Re. 1/- each under Employee Stock Option Plan - 2016 to the employees of the Company and its subsidiaries to whom the options were granted.
10. The figures for the quarter ended 31st March 2020 and 31st March 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
11. Previous periods' figures are regrouped to make them comparable with those of current period.

Mumbai
Dated : 17th June 2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



BHARAT PURI
Managing Director
DIN: 02173566

**INDEPENDENT AUDITOR’S REPORT ON AUDIT OF ANNUAL STANDALONE
FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
PIDILITE INDUSTRIES LIMITED**

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended 31st March, 2020 and (b) reviewed the Standalone Financial Results for the quarter ended 31st March, 2020 (refer ‘Other Matters’ section below), which were subject to limited review by us, both included in the accompanying “Statement of Standalone Financial Results for the Quarter and Year Ended 31.03.2020” of **PIDILITE INDUSTRIES LIMITED** (“the Company”), (“the Statement”), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”).

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended 31st March, 2020:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

**(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended
31st March, 2020**

With respect to the Standalone Financial Results for the quarter ended 31st March, 2020, based on our review conducted as stated in paragraph (b) of Auditor’s Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended 31st March, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Basis for Opinion on the Audited Standalone Financial Results for the year ended 31st March, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended 31st March, 2020 under the provisions of the Act and the Rules 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.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended 31st March, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended 31st March, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are 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 Board of Directors are also responsible for overseeing the financial reporting process of the Company.



Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended 31st March, 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended 31st March, 2020 as a whole is 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 this Standalone Financial Results.

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 Annual Standalone Financial Results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.



Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results 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 Annual Standalone Financial Results.

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.

(b) Review of the Standalone Financial Results for the quarter ended 31st March, 2020

We conducted our review of the Standalone Financial Results for the quarter ended 31st March, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

- Due to the COVID-19 related lockdown, we were not able to physically observe the Management's year-end physical verification of inventory, as was planned for certain locations. Consequently, we have performed alternate procedures to audit the existence and condition of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items", which includes inspection of supporting documentation relating to purchases, production, stock transfer, sales, results of cyclical count performed by the Management through the year and such other third party evidences where applicable, and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Standalone Financial results. Our report is not modified in respect of this matter.
- As stated in Note 10 of the Statement, the figures for the corresponding quarter ended 31st March, 2019 are the balancing figures between the annual audited figures for the year then ended and the published year to date figures up to the third quarter of the previous financial year. We have not issued a separate limited review report on the results and figures for the quarter ended 31st March, 2019. Our report on the Statement is not modified in respect of this matter.



**Deloitte
Haskins & Sells LLP**

- The Statement includes the results for the Quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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



N. K. Jain
Partner
(Membership No. 045474)
(UDIN: 20045474AAAABD6227)

Place: Mumbai
Date: 17th June, 2020

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2020

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Year ended	
		31.03.2020 Unaudited	31.12.2019 Unaudited	31.03.2019 Unaudited	31.03.2020 Audited	31.03.2019 Audited
1	Total Income					
	a) Revenue from Operations	1544.68	1926.59	1639.28	7294.47	7077.96
	b) Other Income	13.96	39.83	56.21	149.43	146.64
	Total Income	1558.64	1966.42	1695.49	7443.90	7224.60
2	Expenses					
	a) Cost of materials consumed	650.66	822.01	794.88	2997.71	3265.51
	b) Purchases of stock-in-trade	101.76	70.85	76.93	383.57	396.28
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(62.92)	(2.54)	(56.97)	21.22	(75.21)
	d) Employee benefits expense	213.07	236.05	217.12	927.22	836.66
	e) Finance costs	9.79	8.19	6.57	33.60	26.07
	f) Depreciation, amortisation and impairment expense	50.10	41.86	38.96	169.92	132.74
	g) Other expenses	341.23	337.05	328.54	1388.73	1286.51
	Total Expenses	1303.69	1513.47	1406.03	5921.97	5868.56
3	Profit before Exceptional Items, Share of profit of Associate and Joint venture and Tax (1-2)	254.95	452.95	289.46	1521.93	1356.04
4	Share of profit of associate (net of tax)	0.10	1.58	1.47	3.03	3.60
5	Share of profit of joint venture (net of tax)	-	-	-	-	-
6	Profit before Exceptional Items and Tax (3+4+5)	255.05	454.53	290.93	1524.96	1359.64
7	Exceptional items	32.95	-	10.95	55.19	18.02
8	Profit before tax (6-7)	222.10	454.53	279.98	1469.77	1341.62
9	Tax Expense					
	Current tax	83.20	105.69	40.74	383.99	406.58
	Deferred tax	(17.61)	2.73	2.37	(36.27)	6.65
10	Profit for the period (8-9)	156.51	346.11	236.87	1122.05	928.39
	Attributable to:					
	Shareholders of the Company	157.53	341.78	235.14	1116.42	924.91
	Non Controlling Interest	(1.02)	4.33	1.73	5.63	3.48
11	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss	(3.92)	(1.47)	0.88	(14.63)	(6.29)
	Income tax relating to items that will not be reclassified to profit or loss	0.98	0.33	(0.68)	3.58	1.83
	Items that will be reclassified to profit or loss	6.57	3.00	(4.40)	14.59	7.23
	Total Other Comprehensive Income	3.63	1.86	(4.20)	3.54	2.77
	Attributable to:					
	Shareholders of the Company	3.59	1.87	(3.82)	3.42	2.82
	Non Controlling Interest	0.04	(0.01)	(0.38)	0.12	(0.05)
12	Total Comprehensive Income for the period (10+11)	160.14	347.97	232.67	1125.59	931.16
	Attributable to:					
	Shareholders of the Company	161.12	343.65	231.32	1,119.84	927.73
	Non Controlling Interest	(0.98)	4.32	1.35	5.75	3.43
13	Paid-up Equity Share Capital (Face value of share : Re. 1/-)	50.81	50.80	50.80	50.81	50.80
14	Other Equity				4404.80	4097.29
15	Earnings per equity share in Rs.					
	a) Basic	@ 3.10	@ 6.73	@ 4.63	21.98	18.21
	b) Diluted	@ 3.10	@ 6.72	@ 4.63	21.97	18.20

@ For the period only and not annualised.

See accompanying Notes to Financial Results

CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED 31.03.2020

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Segment Revenue					
	a) Consumer & Bazaar	1124.37	1478.28	1197.52	5573.85	5419.18
	b) Business to Business	441.09	462.64	454.92	1796.81	1730.22
	c) Others	15.12	21.57	21.26	76.45	89.86
	Total	1580.58	1962.49	1673.70	7447.11	7239.26
	Less : Inter Segment Revenue	35.90	35.90	34.42	152.64	161.30
	Revenue from Operations	1544.68	1926.59	1639.28	7294.47	7077.96
2	Segment Results					
	a) Consumer & Bazaar	278.70	448.78	287.42	1547.27	1386.65
	b) Business to Business	73.24	68.82	56.45	271.00	216.02
	c) Others	(1.08)	0.25	(1.56)	(4.55)	(7.99)
	Total	350.86	517.85	342.31	1813.72	1594.68
	Less : i) Finance Costs	9.79	8.19	6.57	33.60	26.07
	ii) Other Unallocable Expenditure net of Unallocable Income	86.12	56.71	46.28	258.19	212.57
	Add: Share of profit of associate/joint venture	0.10	1.58	1.47	3.03	3.60
	Total Profit Before Exceptional Item and Tax	255.05	454.53	290.93	1524.96	1359.64
	Exceptional Items	32.95	-	10.95	55.19	18.02
	Profit before tax	222.10	454.53	279.98	1469.77	1341.62
3	Segment Assets					
	a) Consumer & Bazaar	3070.32	2938.36	2608.25	3070.32	2608.25
	b) Business to Business	1382.59	1306.66	1173.22	1382.59	1173.22
	c) Others	76.36	81.62	79.24	76.36	79.24
	d) Unallocated	2006.43	2381.22	2053.80	2006.43	2053.80
	Total Segment Assets	6535.70	6707.86	5914.51	6535.70	5914.51
4	Segment Liabilities					
	a) Consumer & Bazaar	962.11	896.20	746.08	962.11	746.08
	b) Business to Business	696.40	651.96	573.92	696.40	573.92
	c) Others	4.77	5.46	10.99	4.77	10.99
	d) Unallocated	201.16	218.08	228.28	201.16	228.28
	Total Segment Liabilities	1864.44	1771.70	1559.27	1864.44	1559.27

The Company operates in two business segments namely Consumer & Bazaar (C&B) and Business to Business (B2B). C&B 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 speciality acetates, raw materials etc.

During the year, the Company has re-organised its internal reporting on operating segments. Hence, in accordance with 'Ind AS 108 – Operating Segments', the segment information for C&B and IP segments in respect of all previous periods/years reported have been regrouped, respectively to C&B and B2B segments. Operating Segment disclosures are consistent with the information provided to and reviewed by the Managing Director (Chief Operating Decision Maker).

Unallocated Segment Assets as at 31st March 2020 include the following:-

- Assets held for sale Rs. Nil (31st December 2019 Rs. 38.28 Crores, 31st March 2019 Rs. Nil) and Capital Work in Progress Rs. Nil (31st December 2019 Rs. 34.91 Crores, 31st March 2019 Rs. 95.43 Crores) pertaining to Synthetic Elastomer Project.
- Investments in units of mutual funds, debenture, bonds, preference shares, term deposits with banks, etc Rs. 1527.23 Crores (31st December 2019 Rs. 1944.92 Crores, 31st March 2019 Rs. 1571.00 Crores).

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2020

Rs Crores

Sr No	Particulars	As at 31.03.2020 Audited	As at 31.03.2019 Audited
A	ASSETS		
1	Non Current Assets		
(a)	Property, Plant and Equipment	1,141.95	913.32
(b)	Right of Use Assets	147.00	-
(c)	Capital Work-In-Progress	259.33	242.13
(d)	Goodwill	184.03	184.99
(e)	Other Intangible Assets	333.73	349.30
(f)	Investments accounted for using equity method	25.30	24.43
(g)	Financial Assets		
(i)	Investments	441.16	371.87
(ii)	Loans	4.09	3.06
(iii)	Other Financial Assets	42.85	41.74
(h)	Income Tax Assets (net)	109.53	102.06
(i)	Deferred Tax Assets (net)	13.00	10.72
(j)	Other Non-current Assets	72.78	88.89
	Total Non Current Assets	2,774.75	2,332.51
2	Current Assets		
(a)	Inventories	929.47	934.45
(b)	Financial Assets		
(i)	Investments	719.73	1,151.40
(ii)	Trade Receivables	1,088.50	1,056.01
(iii)	Cash and cash equivalents	692.23	128.12
(iv)	Bank balances other than (iii) above	11.02	62.31
(v)	Loans	17.38	12.12
(vi)	Other Financial Assets	103.18	71.61
(c)	Current Tax Assets (net)	1.93	2.62
(d)	Other Current Assets	197.51	163.36
	Total Current Assets	3,760.95	3,582.00
	TOTAL ASSETS	6,535.70	5,914.51
B	EQUITY AND LIABILITIES		
	EQUITY		
(a)	Equity Share Capital	50.81	50.80
(b)	Other Equity	4,404.80	4,097.29
	Equity attributable to owners of the Company	4,455.61	4,148.09
	Non-Controlling Interests	215.65	207.15
	Total Equity	4,671.26	4,355.24
	LIABILITIES		
1	Non-Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	25.13	8.51
(ii)	Lease Liabilities	83.08	-
(iii)	Other Financial Liabilities	7.26	85.98
(b)	Provisions	51.95	43.93
(c)	Deferred Tax Liabilities (net)	82.29	120.14
	Total Non-Current Liabilities	249.71	258.56
2	Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	143.99	102.54
(ii)	Trade Payables		
	- Total Outstanding Dues of Micro Enterprise and Small Enterprises	23.13	31.55
	- Total Outstanding Dues of Creditors other than Micro Enterprise and Small Enterprises	597.88	549.09
(iii)	Lease Liabilities	28.39	-
(iii)	Other Financial Liabilities	668.74	497.22
(b)	Other Current Liabilities	122.34	89.55
(c)	Provisions	21.59	19.79
(d)	Current Tax Liabilities (net)	8.67	10.97
	Total Current Liabilities	1,614.73	1,300.71
	Total Liabilities	1,864.44	1,559.27
	TOTAL EQUITY AND LIABILITIES	6,535.70	5,914.51

CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31.03.2020

Rs Crores

	For the Year ended	
	31.03.2020 Audited	31.03.2019 Audited
A] Cash Flows from Operating Activities		
Profit before tax	1,469.77	1,341.62
Adjustments for:		
Share of profit from Associate	(3.03)	(3.60)
Finance costs recognised in Statement of Profit and Loss	33.60	26.07
Interest income recognised in Statement of Profit and Loss	(12.46)	(20.60)
Dividend income recognised in Statement of Profit and Loss	(11.59)	(10.02)
Dividend from Associate	2.16	2.43
Exceptional Item - Impairment in value of Assets and Investments	55.19	18.02
(Profit) / Loss on disposal of Property, Plant and Equipment	(2.67)	1.71
Net gain arising on financial assets designated at FVTPL	(109.79)	(88.09)
Allowance for Doubtful Debts	8.45	9.78
Depreciation, Amortisation and Impairment Expense	169.92	132.74
Unrealised Foreign Exchange loss (Net)	6.90	6.26
Provision for Employee Benefits	(10.12)	5.91
Provision / Write back of Warranties and Others	5.31	0.28
Expense recognised in respect of Equity-Settled Share-Based Payments	14.44	10.64
Operating profits before Working Capital changes	1,616.08	1,433.15
Movements in Working Capital:		
(Increase)/Decrease in Operating Assets		
Trade Receivables	(37.58)	(127.02)
Inventories	0.02	(135.56)
Non-Current Loans	(1.03)	2.85
Current Loans	(5.26)	(0.27)
Other Non-Current Financial Assets	(1.34)	(3.94)
Other Current Financial Assets	(32.57)	(6.05)
Other Non-Current Non Financial Assets	2.65	(3.02)
Other Current Non Financial Assets	(34.15)	12.13
Increase/(Decrease) in Operating Liabilities		
Trade Payables	41.70	30.70
Other Current Financial Liabilities	166.92	50.07
Other Non-Current Financial Liabilities	(75.61)	(9.45)
Other Current Non Financial Liabilities	32.79	10.46
Cash generated from Operations	1,672.62	1,254.05
Taxes paid (net of refunds)	(393.07)	(409.27)
Net Cash generated from Operating Activities [A]	1,279.55	844.78
B] Cash Flows from Investing Activities		
Payments for purchase of Property, Plant and Equipment, Other Intangible Assets & Capital Work-In-Progress	(467.13)	(262.52)
Proceeds from disposal of Property, Plant and Equipment & Other Intangible Assets	23.20	8.77
Payments to purchase Investments	(1,438.73)	(2,310.50)
Proceeds on sale of Investments	1,910.03	2,078.81
Decrease / (Increase) in Bank Deposits	53.03	(53.14)
(Increase) / Decrease in Other Bank Balances	(1.51)	6.08
Interest received	12.46	9.34
Dividend received	11.59	10.02
Net cash generated / (used) in Investing Activities [B]	102.94	(513.14)
C] Cash Flows from Financing Activities		
Proceeds from issue of Equity Instruments of the Company	0.01	0.01
Payment of Lease Liabilities	(34.02)	-
Net increase / (decrease) in Current Borrowings	10.77	(10.22)
Net increase in Non-Current Borrowings	22.03	1.07
Proceeds from Share Capital issued to Minority	2.75	28.71
Dividend paid on Equity Shares (including tax thereon)	(825.36)	(363.45)
Interest paid	(25.39)	(16.68)
Net cash used in Financing Activities [C]	(849.21)	(360.56)
Net increase / (decrease) in Cash and Cash Equivalents [A+B+C]	533.28	(28.92)
Cash and Cash Equivalents at the beginning of the year	72.94	102.14
Bank unrealised gain	0.33	0.05
Cash and Cash Equivalents at the beginning of the year	73.27	102.19
Cash and Cash Equivalents at the end of the year	606.37	72.94
Bank unrealised gain	0.18	0.33
Cash and Cash Equivalents at the end of the year	606.55	73.27
Net increase / (decrease) in Cash and Cash Equivalents	533.28	(28.92)

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 Flow.

	As at 31.03.2020	As at 31.03.2019
Cash and Cash Equivalents comprises of		
Cash and cash equivalents	692.23	128.12
Less:		
- Bank overdrafts	85.86	50.76
- Cash credit	-	4.42
	606.37	72.94

Notes to the Consolidated Financial Results:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 17th June 2020.
2. The Company has opted to publish Standalone as well as Consolidated Financial Results. The above results comprise the results of Pidilite Industries Ltd. (Holding Company), 35 subsidiary companies (including two partnership firms), one Associate Company and one Joint Venture.
3. The financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
4. Effective 1st April 2019, the Group adopted IND AS 116 'Leases' and applied the same to the lease contracts existing on 1st April 2019 using the modified retrospective approach, recognizing right-of-use asset and adjusted lease liability. Accordingly, comparatives for the year ended 31st March 2019 and other periods disclosed have not been retrospectively adjusted. The effect of the adoption is not significant to the profit for the period.
5. Exceptional items represent –i) impairment loss on fair value of "Assets held for Sale" (as explained below) of Rs.32.95 Crores for the quarter ended 31st March 2020 and Rs. 55.19 Crores for the year ended 31st March 2020 (quarter and year ended 31st March 2019 Rs.Nil) and ii) diminution / impairment in value of investment of Rs. Nil for the quarter and year ended 31st March 2020 (quarter ended 31st March 2019 Rs. 10.95 Crores and year ended 31st March 2019 Rs.18.02 Crores).

During current year, the Company decided to sell plant and machinery pertaining to Synthetic Elastomer project located at Dahej included in capital work in progress and accordingly was reclassified as "Assets held for sale" at fair market value of Rs. 38.28 Crores and an impairment loss amounting to Rs. 22.24 Crores was provided in September 2019. The Company has undertaken its best efforts to find buyers for these assets. Accordingly, as at 31st March 2020, the Company has identified certain plant & machinery amounting to Rs. 5.33 Crores for its internal use and in absence of buyer, an additional impairment loss amounting to Rs. 32.95 Crores has been provided based on estimated realizable scrap value in accordance with Ind AS 113 "Fair Value Measurement".
6. In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. The operation of the Company were disrupted since mid of March 20. As on date, The parent company has already restarted the operations albeit in a phased manner after obtaining necessary permissions as required. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company has evaluated the impact of Covid 19 on the operations of the Company, order booking and revenue, cash flow, assets and liabilities and factored in the impact of it upto the date of approval of these financial results on the carrying value of its assets and liabilities. Even though, it is very difficult to predict the duration of the disruption and severity of its impact, on the basis of evaluation of overall economic environment, outstanding order book, liquidity position, debt free status, recoverability of receivables, the Company expects to recover the carrying amount of these assets and currently does not anticipate any further impairment of it. In assessing the recoverability, the Company has considered internal and external information upto the date of approval of these Ind AS financial results and has concluded that there are no material impact on the operations and the financial position of the Company. Given the uncertainties, the impact of COVID-19 maybe different from that estimated as at the date of approval of these consolidated financial results, and the Company will continue to closely monitor the developments.
7. During the quarter ended 30th September 2019, the Company had elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 which was subsequently converted into an act. Accordingly, the Company had re-measured its Deferred Tax Liabilities as at 31st March 2019 and the full impact of this was recognised in statement of Profit and Loss in September 2019. The Company has recognised Provision for Income Tax and Deferred Tax for the quarter and the year ended 31st March 2020, based on the rate prescribed in the said section.
8. The current tax for the previous year ended 31st March 2019, is after considering Rs. 52.87 Crores being excess provision written back in respect of earlier years.
9. The Company has allotted 1,12,650 equity shares on 19th March 2020 and 3,300 equity shares on 10th June 2020 of face value of Re. 1/- each under Employee Stock Option Plan - 2016 to the employees of the Company and its subsidiaries to whom the options were granted.
10. The figures for the quarter ended 31st March 2020 and 31st March 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
11. Previous periods' figures are regrouped to make them comparable with those of current period.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



BHARAT PURI
Managing Director
DIN: 02173566

Mumbai
Dated : 17th June 2020

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
PIDILITE INDUSTRIES LIMITED**

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended 31st March, 2020 and (b) reviewed the Consolidated Financial Results for the quarter ended 31st March, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended 31.03.2020" of **PIDILITE INDUSTRIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its joint venture and associate for the quarter and year ended 31st March, 2020, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of other auditors on separate financial statements / financial information of subsidiaries, an associate and a joint venture referred to in Other Matters section below, the Consolidated Financial Results for the year ended 31st March, 2020:

- (i) includes the results of the Parent and the following entities:
Subsidiaries: Fevicol Company Limited, Bhimad Commercial Company Private Limited, Madhumala Ventures Private Limited (formerly Madhumala Traders Private Limited), Pagel Concrete Technologies Private Limited, Nitin Enterprises, Building Envelope Systems India Limited, Hybrid Coatings, Pidilite International Pte. Ltd., Pidilite Middle East Limited, Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda., Pidilite USA, Inc, Pidilite MEA Chemicals L.L.C, PT Pidilite Indonesia, Pidilite Speciality Chemicals Bangladesh Private Ltd., Pidilite Innovation Centre Pte. Ltd., Pidilite Industries Egypt (S.A.E.), Pidilite Bamco Ltd, Pidilite Chemical PLC, PIL Trading (Egypt) Company, Pidilite Industries Trading (Shanghai) Co., Ltd., Bamco Supply and Services Limited, Nina Percept Private Limited (Formerly Nina Waterproofing Systems Private Limited), Pidilite Lanka (Private) Limited, ICA Pidilite Private Limited, Nebula East Africa Private Limited, Nina Lanka Construction Technologies Private Limited, Cipy Polyurethanes Private Limited, Pidilite Ventures LLC, Pidilite East Africa Limited, Pidilite Grupo Puma Private Limited, Pidilite C-Techos Private Limited, Pidilite Litokol Private Limited, Pidilite Grupo Puma Manufacturing Limited, Nina Percept (Bangladesh) Private Limited, Pidilite C-Techos Walling Limited
Joint Venture: Plus Call Technical Services LLC.
Associate: Vinyl Chemicals (India) Limited.



- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended 31st March, 2020.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended 31st March, 2020

With respect to the Consolidated Financial Results for the quarter ended 31st March, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended 31st March, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended 31st March, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group, its associate and joint venture 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 Consolidated Financial Results for the year ended 31st March, 2020 under the provisions of the Act and the Rules 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended 31st March, 2020, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended 31st March, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associate and joint venture in accordance with the recognition and measurement principles laid

down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended 31st March, 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended 31st March, 2020 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 this Consolidated Financial Results.

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 Annual Consolidated Financial Results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
 - Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
 - Conclude on the appropriateness of the Board of Directors' 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 ability of the Group and its associate and joint venture 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 Consolidated Financial Results 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 Group and its associate and joint venture to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
 - Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results/ Financial Information of the entities within the Group and its associate and joint venture to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results 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 Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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.

(b) Review of the Consolidated Financial Results for the quarter ended 31st March, 2020

We conducted our review of the Consolidated Financial Results for the quarter ended 31st March, 2020 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SA specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- Due to the COVID-19 related lockdown, we were not able to physically observe the Management's year-end physical verification of inventory, as was planned for certain locations of the Parent Company in India. Consequently, we have performed alternate procedures to audit the existence and condition of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items", which included inspection of supporting documentation relating to purchases, production, stock transfer, sales, results of cyclical count performed by the Management through the year and such other third party evidences where applicable, and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Consolidated Financial results. Our report is not modified in respect of this matter.
- As stated in Note 10 of the Statement, the figures for the corresponding quarter ended 31st March, 2019 are the balancing figures between the annual audited figures for the year then ended and the published year to date figures up to the third quarter of the previous financial year. We have not issued a separate limited review report on the results and figures for the quarter ended 31st March, 2019. Our report on the Statement is not modified in respect of this matter.
- The Statement includes the results for the Quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- We did not audit the financial statements / financial information of 32 subsidiaries included in the consolidated financial results, whose financial statements / financial information reflect total assets of Rs.1,552.94 crores as at 31st March, 2020 and total revenues of Rs.221.32 crores and Rs.945.53 crores for the quarter and year ended 31st March, 2020,

respectively, total net loss after tax of Rs.2.95 crores and total net profit after tax Rs.20.05 crores for the quarter and year ended 31st March, 2020, respectively and total comprehensive loss of Rs.0.67 crores and total comprehensive income Rs.11.91 crores for the quarter and year ended 31st March, 2020, respectively and net cash inflows (net) of Rs.60.34 crores for the year ended 31st March, 2020, as considered in the Statement. The consolidated financial results also includes the Group's share of profit after tax of Rs.0.10 crores and Rs.3.03 crores for the quarter and year ended 31st March, 2020 respectively and Total comprehensive income of Rs.0.09 crores and Rs.3.02 crores for the quarter and year ended 31st March, 2020 respectively, as considered in the Statement, in respect of an associate whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- The consolidated financial results includes the unaudited financial information of 2 subsidiaries, whose financial information reflect total assets of Rs. NIL as at 31st March, 2020 and total revenues of Rs. NIL and Rs. NIL for the quarter and year ended 31st March, 2020, respectively, total net profit after tax of Rs. NIL and Rs. NIL for the quarter and year ended 31st March, 2020, respectively and total comprehensive income of Rs. NIL and Rs. NIL for the quarter and year ended 31st March, 2020, respectively and net cash flows (net) of Rs. NIL for the year ended 31st March, 2020, as considered in the Statement. The consolidated financial results also includes the Group's share of loss after tax of Rs. NIL and Rs. NIL for the quarter and year ended 31st March, 2020, respectively and total comprehensive loss of Rs. NIL and Rs. NIL for the quarter and year ended 31st March, 2020, respectively, as considered in the Statement, in respect of a joint venture, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Management.

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



N. K. Jain
Partner

(Membership No. 045474)
(UDIN: 20045474AAAABE1299)

Place: Mumbai
Date: 17th June, 2020