

September 6, 2021

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 Sirs,

Sub: Intimation of Scheme of Amalgamation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors of the Company in its meeting held on September 6, 2021 have considered and approved the Scheme of Amalgamation of Pidilite Adhesives Private Limited (PAPL), wholly owned subsidiary with Pidilite Industries Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"). The Scheme is subject to necessary statutory and regulatory approval.

PAPL is not a material subsidiary of the Company.

The disclosures required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed as **Annexure A** to this intimation.

Thanking you.

Yours faithfully,
For **Pidilite Industries Limited**



Puneet Bansal
Company Secretary

Encl: as above

CIN : L24100MH1969PLC014336

Annexure A

Disclosure of information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

Amalgamation of Pidilite Adhesives Private Limited with Pidilite Industries Limited

1. Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.

1.1 Details of Amalgamated Company

“**Pidilite Industries Limited**” (hereinafter referred to as “Amalgamated Company”) having CIN - L24100MH1969PLC014336, is a company incorporated under the Companies Act 1956 and has its Registered Office situated at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai – 400 021.

1.2 Details of Amalgamating Company

“**Pidilite Adhesives Private Limited**” (hereinafter referred to as “Amalgamating Company”) having CIN - U24299MH2019PTC331068, is a company incorporated under the Companies Act, 2013 and has its Registered Office situated at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai – 400 021.

It may be noted that Pidilite Adhesives Private Limited is not a material subsidiary of Pidilite Industries Limited.

1.3 Details of net worth and revenue of the Transferee Company and the Transferor Companies

(Rs. In Crores)

Name of the Companies	Net Worth	Total Revenue
	As at March 31, 2021	As at March 31, 2021
Pidilite Industries Limited	5,561.22	6,289.82
Pidilite Adhesives Private Limited	274.28	294.91

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2. Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”

The Amalgamating Company is a wholly-owned subsidiary of the Amalgamated Company. The proposed merger does not fall within the purview of related party transactions in view of General Circular No. 30/2014 dated July 17, 2014 issued by the Ministry of Corporate Affairs and since the same is subject to the sanction of the National Company Law Tribunal. Further, pursuant to Regulation 23(5)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the related party transaction provisions are not applicable to the Proposed Scheme of Amalgamation.

3. Area of business of the entity(ies)

- a. Amalgamated Company is primarily engaged in the business of adhesives. It is also engaged in the business of sealants, waterproofing solutions, construction chemicals, arts and crafts, industrial resins, polymers, etc.
- b. Amalgamating Company is a wholly-owned subsidiary of Amalgamated Company and is primarily, engaged in the business of adhesives.

4. Rationale for amalgamation/ merger

- a. In November, 2020 Pidilite had bought 100% shares of the Amalgamating Company from its shareholders and consequently, the Amalgamating Company became the wholly-owned subsidiary of Amalgamated Company. In order to consolidate the business in one place and effectively manage the Amalgamating Company and Amalgamated Company as a single entity, which will provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs, it is intended that the Amalgamating Company be amalgamated with the Amalgamated Company.
- b. The amalgamation of the company would *inter alia* have the following benefits:
 - The merger will result in achieving greater integration and greater financial strength and flexibility and to maximize overall shareholders’ value.

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- The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements.
- The merger will result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value.
- The merger will assist in exploring sales synergies with increased distribution of products of the Amalgamating company through distribution network of Amalgamated company.
- The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc.
- The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Amalgamating Company and the Amalgamated Company.
- The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved.
- The merger will result in simplification of group structure.

5. In case of cash consideration – amount or otherwise share exchange ratio

Amalgamating Company is the wholly-owned subsidiary of Amalgamated Company. Since Amalgamated Company cannot issue shares to itself, upon the scheme becoming effective, no shares of the Amalgamated Company shall be allotted to the shareholder of the Amalgamating Company (i.e., Amalgamated Company) in lieu or exchange of its holding in the Amalgamating Company and the entire issued, subscribed and paid-up capital of the Amalgamating Company shall stand cancelled without any further act or deed.

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6. Brief details of change in shareholding pattern (if any) of listed entity

There will not be any change in the shareholding pattern of the Amalgamated Company pursuant to the Scheme of Amalgamation as the Amalgamating Company is a wholly-owned subsidiary of the Amalgamated Company.

CIN : L24100MH1969PLC014336

Regd. Office
Regent Chambers, 7th Floor
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208 Nariman Point

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