



GIVING BACK





Throughout our Company's existence, we have received support and guidance from Innumerable stakeholders, which include Employees, Distributors, Dealers, Users, Influencers, Associates, Partners, etc. Therefore, we are always conscious that what we are today is because of tremendous contributions made by all these stakeholders.

Apart from this, the society has provided us with an environment whereby our business has flourished, and we have been able to serve millions of users & customers located throughout the country as well as abroad.

We, therefore, owe a lot to the society and we have to fulfil our obligation by continuously giving back to the society to the best of our ability.

M B Parekh
Chairman

Changing Lives, One Act at a Time

Giving back to society creates a transformative cycle of positive change. It gives us a deep sense of purpose. It strengthens our bonds with our fellow human beings.

Through supporting farmers in adopting sustainable practices, we help them conserve resources and enhance their yields. Our Self-Help Groups (SHGs) uplift women from challenging agricultural work, empowering them with skills and financial independence. Initiatives in education and skill building set the stage for a brighter future for children and young adults. Moreover, we are bridging the healthcare gap by providing upgraded facilities to previously underserved villages.

Giving back is not about making a donation. It is about making a difference.





Turning over a new leaf

How the women of Bapa Sitaram Watershed
SHG Built a Business with Aloe Vera



Mrs. Kavad Baghuben Nathabhai
Bildi Village

Bildi village's hot fields make earning money hard, and dreaming even harder. But we women were determined to offer our children a future that didn't depend on daily wages like ours.

Aloe Vera had been growing wild in our village for years. Pidilite recognised its potential as an income generator through value addition. They identified forest areas where it grew naturally and in abundance, and supported our Self Help Group (SHG). They not only helped us in setting up a production unit but also provided marketing assistance, logistical support, and valuable guidance.

We kickstarted our venture with 8 women and a small crusher. As the orders increased, land was purchased and a new unit built. Today, over 40 women produce 1000+ litres of aloe vera juice per day and it's still not enough to fulfil the growing demand.

Aloe Vera has helped us run the house, educate our kids, and repay our debts. Now our children can have a brighter future.

110

NEW SELF
HELP GROUPS
DEVELOPED

7,800+

TOTAL STRENGTH
OF WOMEN IMPACTED
ACROSS ALL SHGS

₹ 1,32,96,000

ALOE VERA JUICE TURNOVER

₹ 25,86,000

SANITIZER TURNOVER

Natural Farming initiative at Mota Khuntavada

How Dangar Khimabhai Patabhai
introduced Integrated Farming
on his 25 Bighas of Land

84

ONE-ACRE WADIS
FOR VEGETABLE
AND FRUIT CROPS

1 Lakh/Annum

AVERAGE INCREASE
IN FARMER'S INCOME
THROUGH ONE-ACRE
WADIS

3,500+

TOTAL NUMBER OF
FARMERS WHO HAVE
ADOPTED NATURAL
FARMING

18,000+

FARMERS TRAINED IN
SCIENTIFIC PRACTICES

I am grateful to Mother Earth and strongly believe in responsible farming practices. Every grain of sand, leaf and plant in my 25 bighas of land is mine to cherish. Why would I pollute or poison this precious ground? So, I chose the "Integrated Farming" approach - a practice that rewards our farm with multiple sources of income.

Integrated farming requires an increased income, and Gram Nirman Samaj (GNS) and the Pidilite team supported me with financial and farming aid. This increased my annual earnings considerably. Going organic has transformed my land. My farm is now recognised for its Orchard Project, Kitchen Garden Plot, Shade Net House, Vermi-composting Unit, Honey Bee Hive and Gobar Gas Project.

However, my greatest reward is watching fellow farmers embracing sustainable practises. Today, GNS and Pidilite are training 18000+ farmers in scientific practices that enhance cotton, groundnut and onion crops.

Dangar Khimabhai Patabhai
Mota Khuntavada village



Dare to Dream

Pidilite's support and scholarship gave Mer Parshottam the confidence to dream



Mer Parshottam
Kalsar

My father died when I was very young, taking with him a vital part of my sense of safety and security. Our financial struggles were never ending, so much so that I didn't think I would be able to complete even a basic education.

Life changed when Pidilite offered me a scholarship through the Shri N. N. Mehta Memorial Education trust. My scholarship offered four crucial years of studying, and a chance to make a decent living for myself and my family.

I was able to successfully complete my 12th standard boards at Shri Balvant Parekh Kalyanji Boys School in Kalsar. Pidilite helped me gain back the confidence I needed to pursue my education and my dreams. Thanks to them, one day I will become the man my father would have wanted me to be.

150+

SCHOOLS DIGITIZED

250+

STUDENTS GIVEN SCHOLARSHIPS THIS YEAR

200+

GOVERNMENT SCHOOLS BEAUTIFIED

125+

SUPPORT FOR ANGANWADIS IN MAHUVA USING GIJUBHAI BADHEKA'S PEDAGOGY

Runaway River

Pidilite tames Rangholi River with vital check dams

260+

CHECK DAMS
CONSTRUCTED

720+

FARM PONDS
COMPLETED

1,400+

WELL RECHARGES
IN VILLAGES

200+

MILLION LITRES OF
WATER CONSERVED

YEAR: 2022-23

132 METERS

CHECK DAM (ONE OF THE LONGEST
CHECK DAMS BUILT BY PIDILITE IN
COLLABORATION WITH IRRIGATION
DEPARTMENT (GOVT. OF GUJARAT)

Over 1,500 residents of Zanzmer village depend on the Rangholi River to support our agriculture and horticulture livelihoods. But without check dams, rainwater would flow away, leaving the soil cracked and parched. In 2016 and 2017, we didn't have a drop of water.

Hearing our cries for help, Pidilite advocated for us with the Gujarat Government, resulting in one of the longest check dams to be built by the company.

Groundwater recharge brought our ancient wells and borewells to life, by significantly increasing the water levels. We no longer need to buy water from tankers. The farming season has increased. Our cotton yield has expanded. We were also able to grow jowar on 5-7 bighas of land-in just one year!

With Pidilite's help, the Rangholi River brings colour and crops to our land.

Ashok Humbal

Zanzmer, Umrala, Bhavnagar



The Plumber and Problem Solver

Kirpal Singh Vala shares how plumbing and Pidilite set him on the path to independence



Kirpal Singh Vala
ITI Mahuva, Bhavnagar District

Formal education in our district is available only till 10th standard. I wanted to have a respected profession and support my family, which is why I joined ITI Mahuva in Bhavnagar.

My course involved studying extensive theory and hours of practice with new tools and doing repairs. I had to learn to think on my feet in times of an emergency. Fortunately, I had help from the Pidilite supported Plumber Course. The course covered all aspects of plumbing - from site visits to expert sessions. I gained experience and learned from the best.

Today, I am an independent worker who earns ₹ 25,000+ per month. For all this, and more, I thank Pidilite for helping me become not just a plumber but also a problem solver.

315+

ITIS BENEFITTED FROM TECHNICAL COURSES ACROSS 4 STATES

18

INDUSTRY PARTNERS UNDER PPP SCHEME

18,600+

TRAINEES BENEFITTED FROM COURSES

Three Life-saving Days

How a skilful team of doctors discovered a large ovarian cyst hiding behind my abdominal pain

45,500+

OUTPATIENTS
TREATED

12,500+

EMERGENCY
CASES HANDLED

3,100+

SURGERIES
PERFORMED

Early this year, I had unbearable abdominal pain. The hospital in Bhavnagar, where most patients go, was a hundred kilometres away. Luckily, Hanumant Hospital which is a multi-speciality hospital, was close at hand.

Once I was admitted, Dr. Azim Qureshi was able to discover and diagnose a cyst through an ultrasound and CT scan. He immediately moved my case to Dr. Ritika Ganatra, the hospital's full-time gynaecologist. With the whole team's dedicated efforts, I was successfully operated within 3 days under the "Ayushman Bharat Yojna" program. During this incredibly complex surgery, they removed a 24 x 24 cm ovarian cyst along with another cyst measuring 10 x 12 cm.

Surgery and recovery can feel like a lonely and confusing experience, but with this skilled team, I was thankful to be in the right hands, at the right place.

Mrs. Raniben
Una, Gir Gadhada



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Business
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and
sustainability
report



Information for
shareholders



Consolidated
financial statements



Management
discussion
& analysis



10 years'
financial
performance



Director's
report



Auditor's
report



Standalone
financial
statements



Corporate governance
report & compliance
certificates

Corporate Office

Ramkrishna Mandir Road
Off Mathuradas VasANJI Road
Andheri (E)
Mumbai 400 059

Registered Office

Regent Chambers, 7th Floor
Jamnalal Bajaj Marg
208, Nariman Point
Mumbai 400 021

Registrar & Transfer Agent

TSR Consultants Private Limited
C 101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai – 400 083

Company Secretary

Manisha Shetty

Chief Financial Officer

Sandeep Batra

Internal Auditors

Mahajan & Aibara

Auditors

Deloitte Haskins & Sells LLP

Solicitors & Advocates

Wadia Ghandy & Co

Bankers

Indian Overseas Bank
Union Bank of India
ICICI Bank
HDFC Bank
Citibank N A
Standard Chartered Bank PLC
State Bank of India

Board of Directors

M B Parekh

Executive Chairman

N K Parekh

Non-Executive Director

A B Parekh

Executive Vice Chairman

A N Parekh

Executive Vice Chairman

Bharat Puri

Managing Director

Sudhanshu Vats

Deputy Managing Director
(w.e.f. 18.05.2022)

Joseph Varghese

Director Operations
(w.e.f. 09.11.2022)

Sandeep Batra

Director Finance
(w.e.f. 09.11.2022) &
Chief Financial Officer

B S Mehta

Independent Director

Sanjeev Aga

Independent Director

Uday Khanna

Independent Director

Meera Shankar

Independent Director

Vinod Dasari

Independent Director

Piyush Pandey

Independent Director

Rajeev Vasudeva

Independent Director

Meher Pudumjee

Independent Director
(w.e.f. 18.05.2022)

MARKETING INITIATIVES

We continued our marketing initiatives to strengthen our core brands. With a touch of humour and a focus on current social trends, our brands connected with new-age customers in a fun and quirky way, deepening brand loyalty. Our efforts were recognized as Pidilite proudly received over 20 awards for our outstanding advertising and marketing achievements.

Marketing Campaigns



Fevicol

Jija Saala

This year's campaign, Fevicol Jija Saala, a deliberate shift from the 'Mazboot Jod' themed campaigns, aims to educate consumers on the importance of verifying Fevicol's usage in their furniture as its strength lies in the adhesive that binds it together.



Dr. Fixit
Raincoat

Our campaign for Dr. Fixit Raincoat, featuring Amitabh Bachchan, effectively conveys the product's unique features of combining both paint and waterproofing, along with a warranty.



Araldite

Heavyweight Adhesive

Araldite, the heavyweight adhesive makes its grand entrance after being acquired by Pidilite, in a nationwide TV campaign that unveils its unparalleled strength.

Fevicol

Homefix

The New Fevicol Homefix commercial was piloted in Kerala for Fevicol Homefix, which is a new innovative product for carrying out various repair and bonding jobs at home without the use of nails.



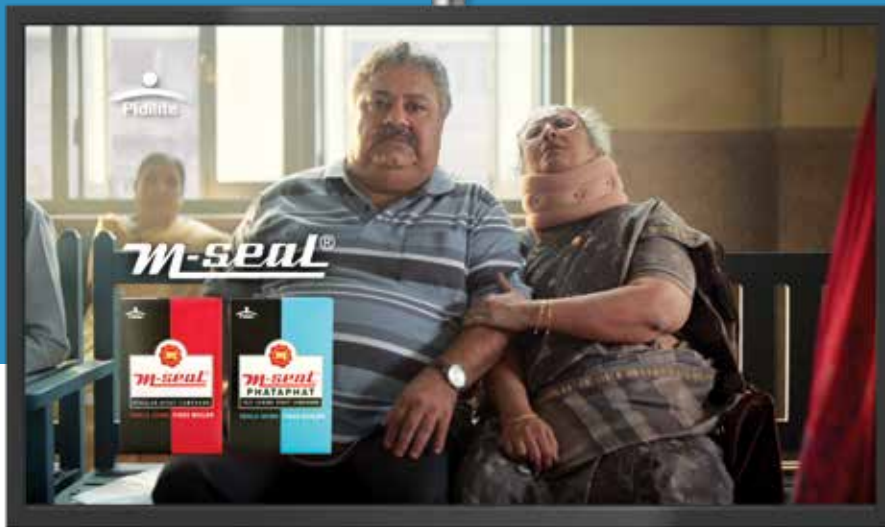
ICA Pidilite

ICA Pidilite's classy new film, 'The Mother's Visit,' promotes their chic range of Italian Wood Finishes. The film aptly captures the insight that sophisticated tastes can easily influence peoples moods, tastes, and preferences.



WD-40

Our quirky brand film for WD-40 showcases the superhero abilities of our versatile multi-purpose spray. Watch as WD-40 defeats rust, unlocks stubborn locks, and silences those pesky squeaky door hinges.

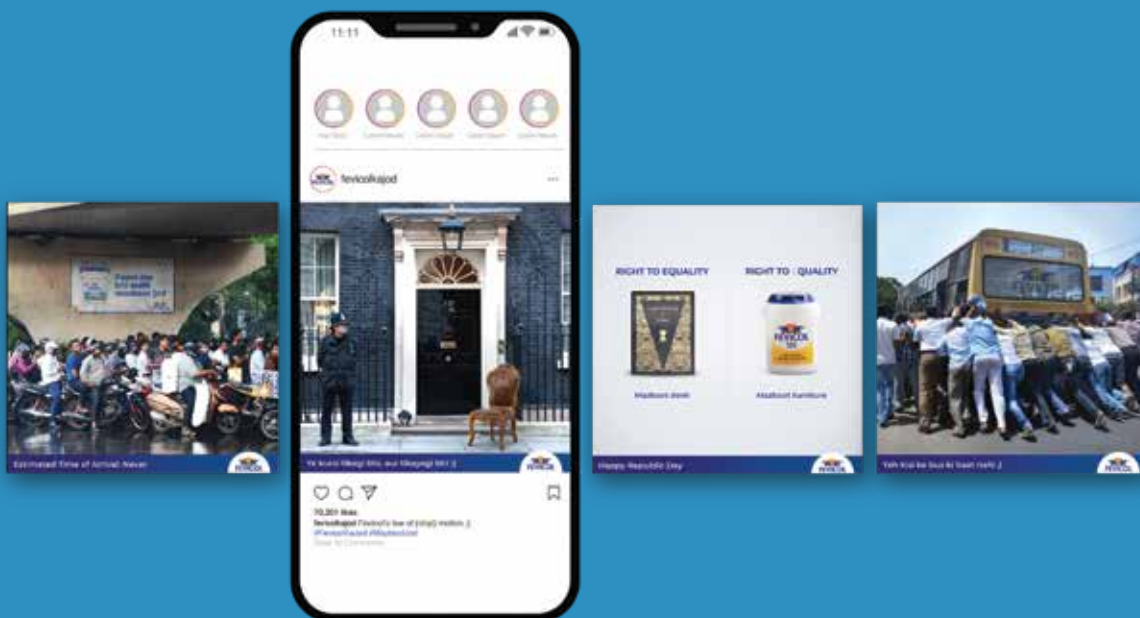


M-seal

The latest captivating M-Seal campaign, featuring the brilliant Manoj Pahwa, is increasing brand awareness. Discover its limitless possibilities as M-Seal mends, fills, and seals, becoming your go-to solution for fixing, repairing, and sealing anything that's broken.

SOCIAL MEDIA HIGHLIGHTS

Pidilite's creatives are causing a stir on social media with humorous takes on trends and hot topics. From cheeky jabs at the ever-changing UK Prime Ministers to clever posts celebrating Republic Day, Fevicol's witty tonality never fails to spark conversations and leave a lasting impression. These captivating creatives not only reinforce the unmatched strength of Fevicol's bonds but also bring joy to countless faces. Presented here are some examples that keep brand loyalty soaring and strengthen the power of Fevicol's "Mazboot Jod"!



Fevikwik has also delighted social media audiences with hilarious takes, like celebrating an Oscar-winning Indian song.

AWARDS AND ACCOLADES

We are thankful for the overwhelming recognition our marketing endeavours received this year. We won over 20 esteemed marketing and media awards, predominantly for creating engaging mobile creatives that won 'Best Use Of Memes And Moments'. We also received some solid corporate recognition as well.

Some of the prominent accolades include:



Gold for "Best CSR Campaign" at the ET Brand Equity Shark Awards 2022, for Fevicol's quirky social distancing communication around the pandemic.



Gold for "Most Engaging Mobile Creative" at the MADDIES 2022," for our timely social media post following Ronaldo's Coca-Cola snub.



Gold for "Best use of Memes & Moments" at the SAMMIES 2022, for turning Ronaldo's Coca-Cola snub into an advertising moment.



The e4m Indian Marketing Awards (IMA) and the Indian Chemical Council conferred the Lifetime Achievement Awards to Bharat Puri, Managing Director of Pidilite Industries Ltd.

Dr. Fixit

Dr. Fixit launched a digital campaign in Bangladesh with prominent cricketer, Mashrafe Mortaza. The campaign created awareness for waterproofing at the time of constructing a new home and increase adoption amongst users and influencers.



M-Seal

M-Seal launched its CPVC solvent and PVC Heavy Body solvent cement in the new technology pack across 1200 outlets in Nepal. Exciting in-store displays, user meets, and product demonstrations resulted in 600 plumbing contractors and plumbers adopting the new packs.



Pulvitec

Pulvitec's brand and portfolio was reorganised under three master brands, in order to simplify and facilitate communication and brand recognition.

- Polyfort- Adhesives, sealant and waterproofing solutions
- Polytubes - Hydraulic solutions
- Super Storm - Smart cleaning solutions

NEW INITIATIVES



Pidillite's Projects services business concluded waterproofing work for the prestigious Central Vista complex of the Parliament of India.

We take immense pride in our significant contribution towards the construction of the fine New Parliament Building. Leveraging the

expertise of our esteemed business divisions, Dr. Fixit, Fevicol, FeviSeal, ICA Pidillite, and OnePidillite, we delivered unparalleled excellence in waterproofing, wood finishes and furniture bonding.

We are proud to be associated with a project of national significance.

Our dedicated teams have poured their expertise, passion, and time into this prestigious initiative.

From meticulous planning to meticulous execution, we have set new industry benchmarks and further cemented the company's commitment to exceptional craftsmanship.



Fabian Heiliger, Managing Director, Jowat Middle East & Sudhanshu Vats, Deputy Managing Director, Pidilite Industries Ltd.

Embracing a new partnership, Pidilite will produce Fevicol Jowat, a range of hot melts in collaboration with Germany's Jowat, in Vapi, India. This venture caters to thriving industries like furniture, packaging, automotive, textiles, that require exceptional specialised adhesives.

Pidilite received the prestigious Indian Green Building Council (IGBC) Greenpro certificate for the Roff and HVAC product range, at the grand Green Building Congress in Hyderabad. This showcases our commitment to sustainable and ecoconscious solutions.



Wallace, an external insulated facade system was launched under Pidilite's B-Green initiative, to introduce superior Energy-efficient Building Envelope Systems.



Pidilite received the GRIHA Council certification for Heating, Ventilation and Air Conditioning (HVAC) products, this year. This means our top-notch range of Pidilite products perfectly align with the GRIHA and SVAGRIHA norms, ensuring a greener and more sustainable future.

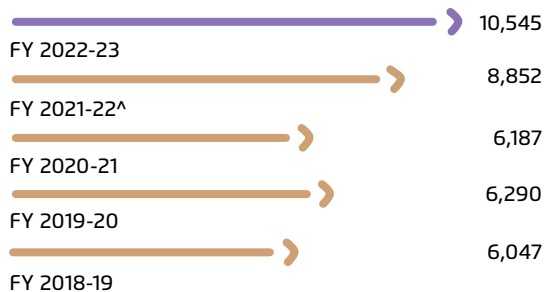
KEY PERFORMANCE INDICATORS

(STANDALONE)

Profit & Loss Metrics

Net Sales (₹ in crores)

10,545 | 19.1% ↑



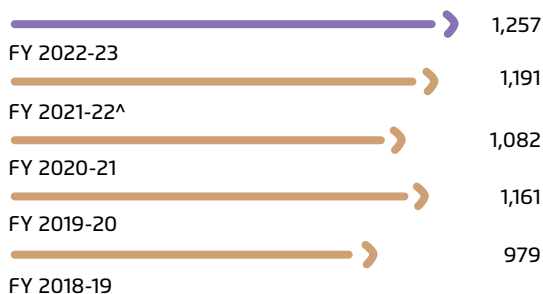
EBITDA* (₹ in crores)

1,855 | 4.7% ↑



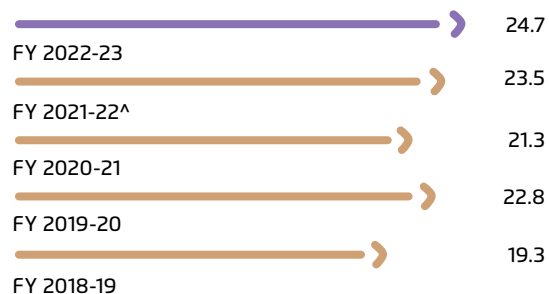
Profit After Tax (₹ in crores) (excluding exceptional items)

1,257 | 5.5% ↑



Earnings Per Share (EPS) (₹) (excluding exceptional items)

24.7 | 5.5% ↑



Book Value Per Share (₹)

139.8 | 12.1% ↑



Dividend Per Share (DPS) (₹)

11.00 | 10.0% ↑



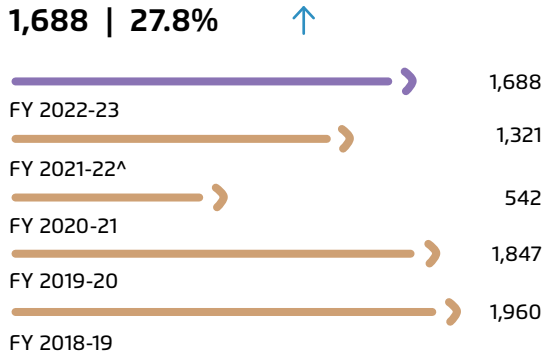
↑ ↓ Y - O - Y Growth/Degrowth

^ Previous year's figures restated on account of merger (refer Note 56 of Standalone Financial Statements)

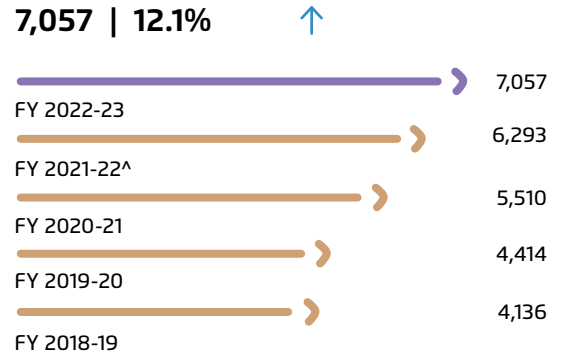
* EBITDA = Profit Before Tax before exceptional items (PBT) + Finance Cost + Depreciation - Other Income

Balance Sheet Metrics

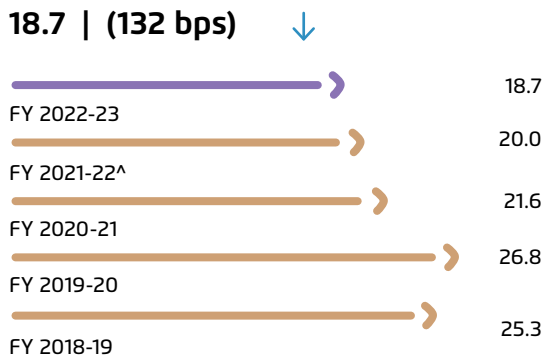
Net Current Assets (₹ in crores)



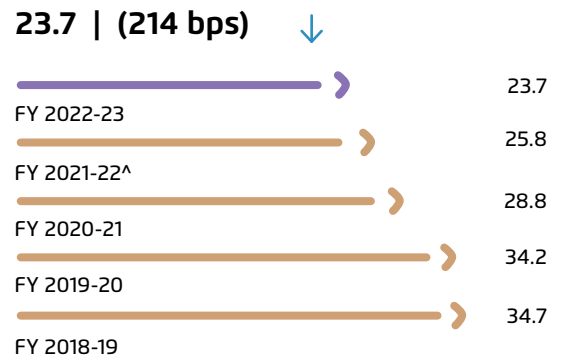
Reserves (₹ in crores)



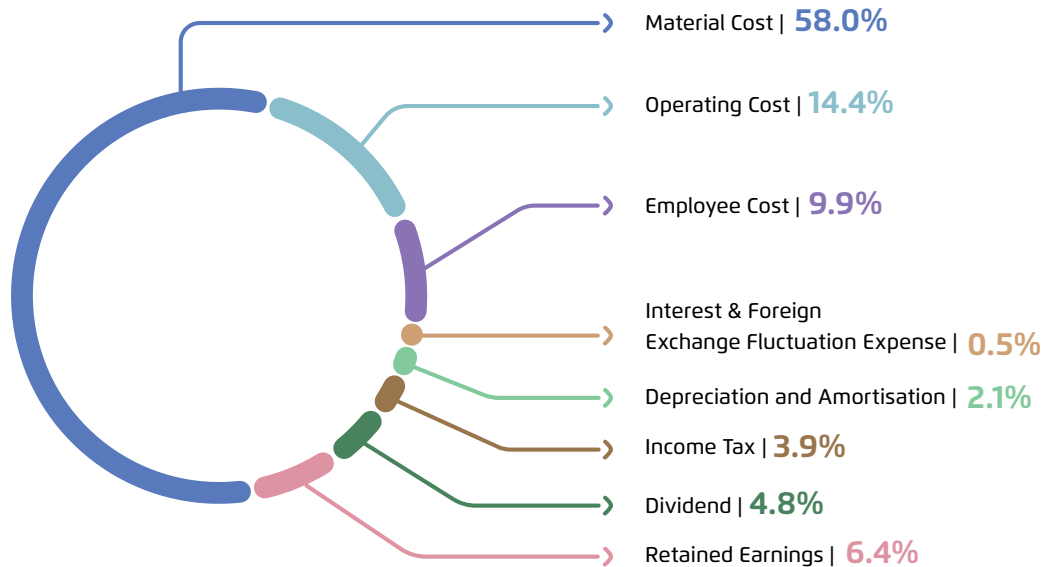
Return on Average Net Worth (%)



Return On Average Capital Employed (%)



Distribution of Revenue 2022-23

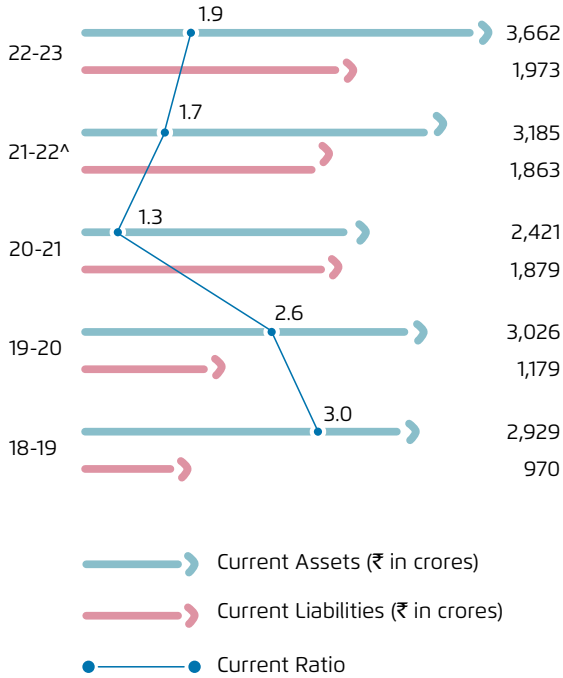


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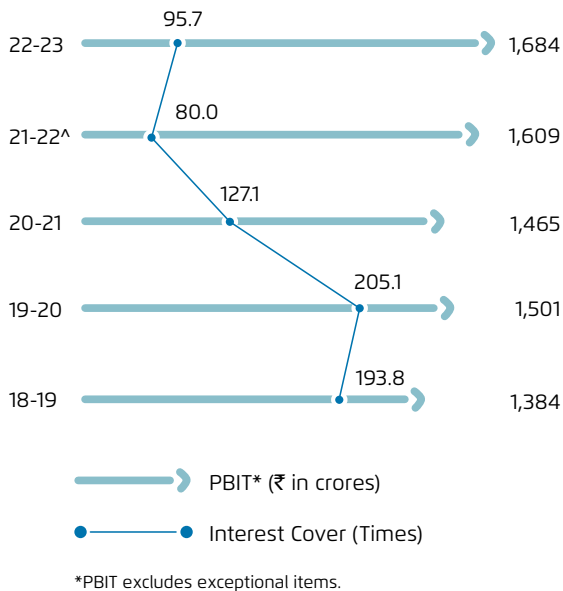
KEY PERFORMANCE INDICATORS

(STANDALONE)

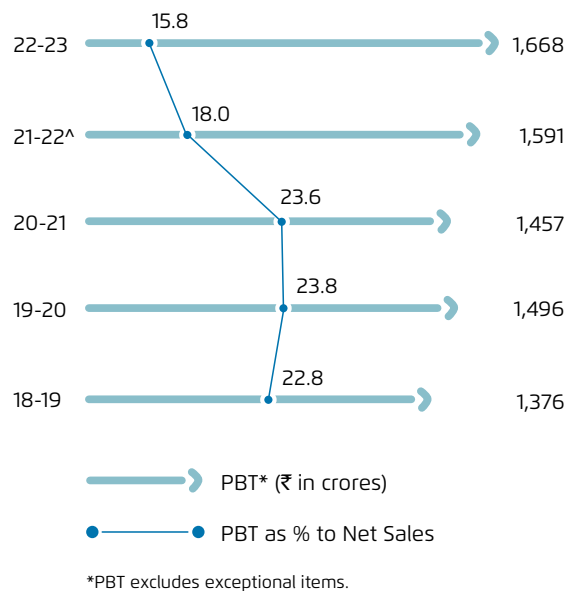
Current Ratio



PBIT & Interest Cover

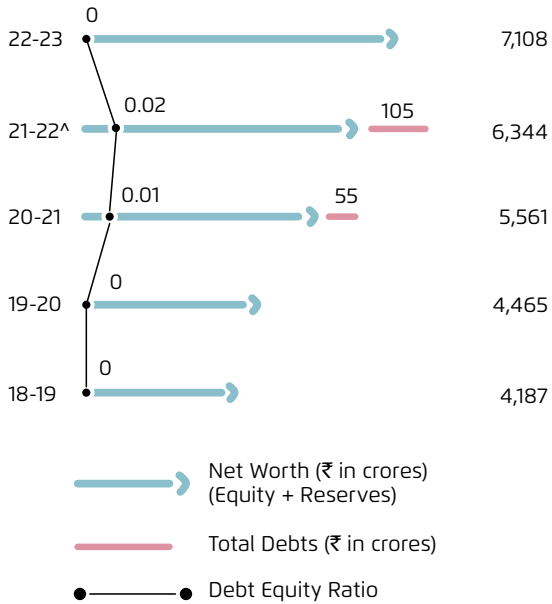


PBT & PBT As % To Net Sales

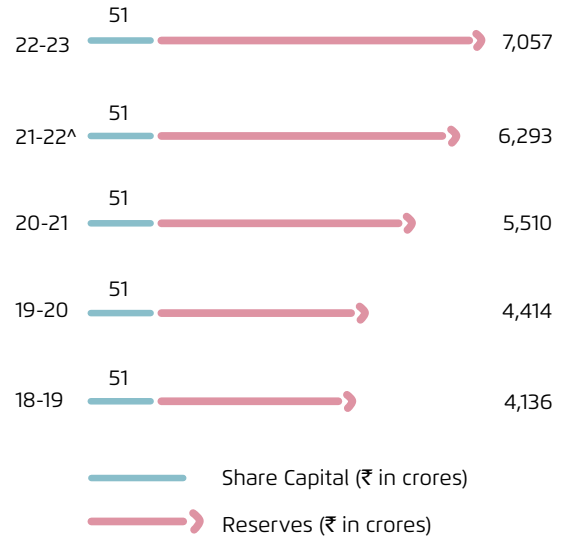


[^] Previous year's figures restated on account of merger (refer Note 56 of Standalone Financial Statements)

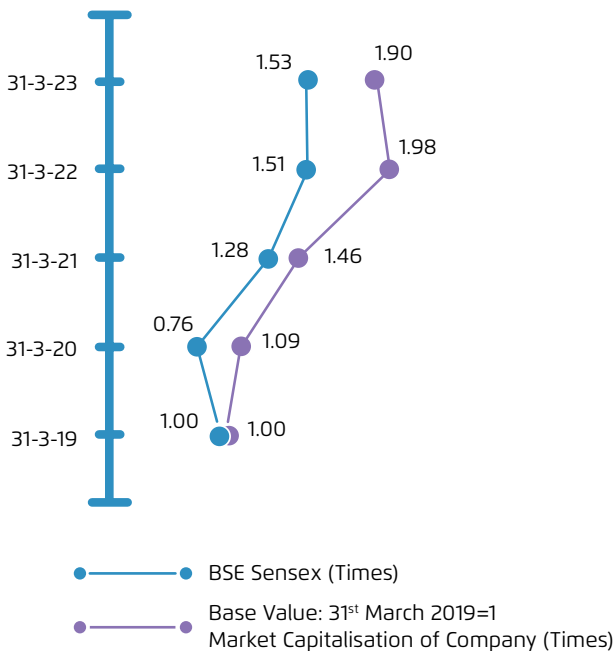
Debt Equity Ratio



Value Addition To Business Through Reserves



Growth In Market Capitalisation Of Company And BSE SENSEX Since 31st March 2019



[^] Previous year's figures restated on account of merger (refer Note 56 of Standalone Financial Statements)

Financial Review

Consolidated Financials

Consolidated Net Sales grew by

18.9%

“EBITDA” (Earnings before Interest, Taxes, Depreciation and Exceptional items) before non-operating income, grew by

7.4%

Profit Before Tax and Exceptional Items (PBT) grew by

6.8%

Profit After Tax (PAT) grew by

6.8%

On a constant currency basis, the overseas subsidiaries reported sales growth of

15.9%

and EBITDA grew by

10.8%

Domestic subsidiaries sales grew by

23.6%

and EBITDA grew by

259.9%

Financial Review

Standalone Financials

Net sales grew by

19.1%

However, due to higher material costs EBITDA (excluding non-operating income) grew by

4.7%

Profit Before Tax and exceptional items (PBT) grew by

4.8%

Profit After Tax (PAT) grew by

5.5%

The previous year figures have been restated to give effect to the merger (with effect from 1st April, 2022) of PAPL and CIPY with the Company. (refer Note 56 of Standalone Financial Statements)

Performance by Industry Segment (Standalone)

The Company operates under two major business segments i.e. Branded Consumer & Bazaar and Business to Business.

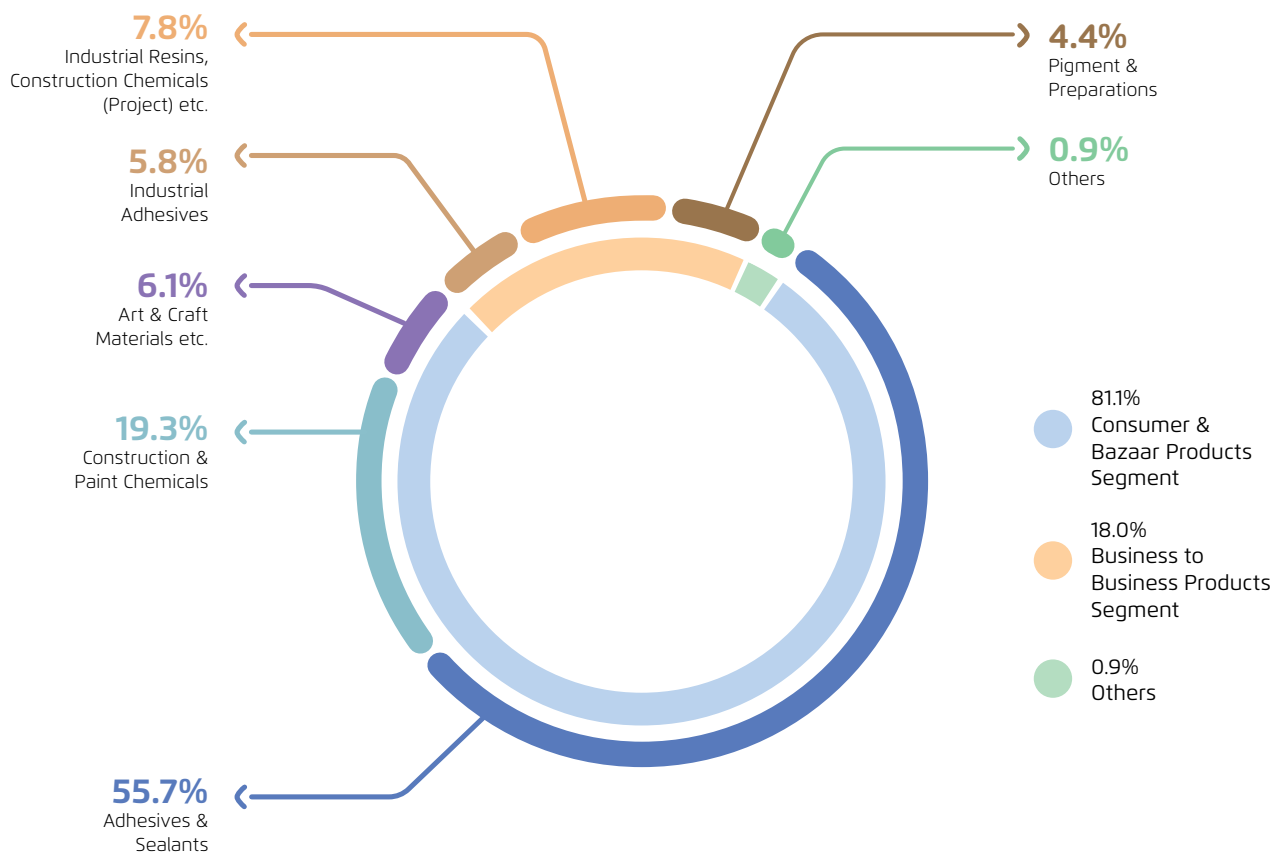
Products, such as Adhesives, Sealants, Art & Craft Materials and Others, Construction and Paint Chemicals are covered under Branded Consumer & Bazaar segment. These products are widely used by carpenters, painters, plumbers, mechanics, households, students, offices etc.

Business to Business segment covers products, such as Industrial Adhesives, Industrial Resins, Construction Chemicals (Projects), Organic Pigments, Pigment Preparations, etc. and caters to various industries like packaging, joineries, textiles, paints, printing inks, paper, leather, etc.

In both business segments, there are a few medium to large companies with national presence and a large number of

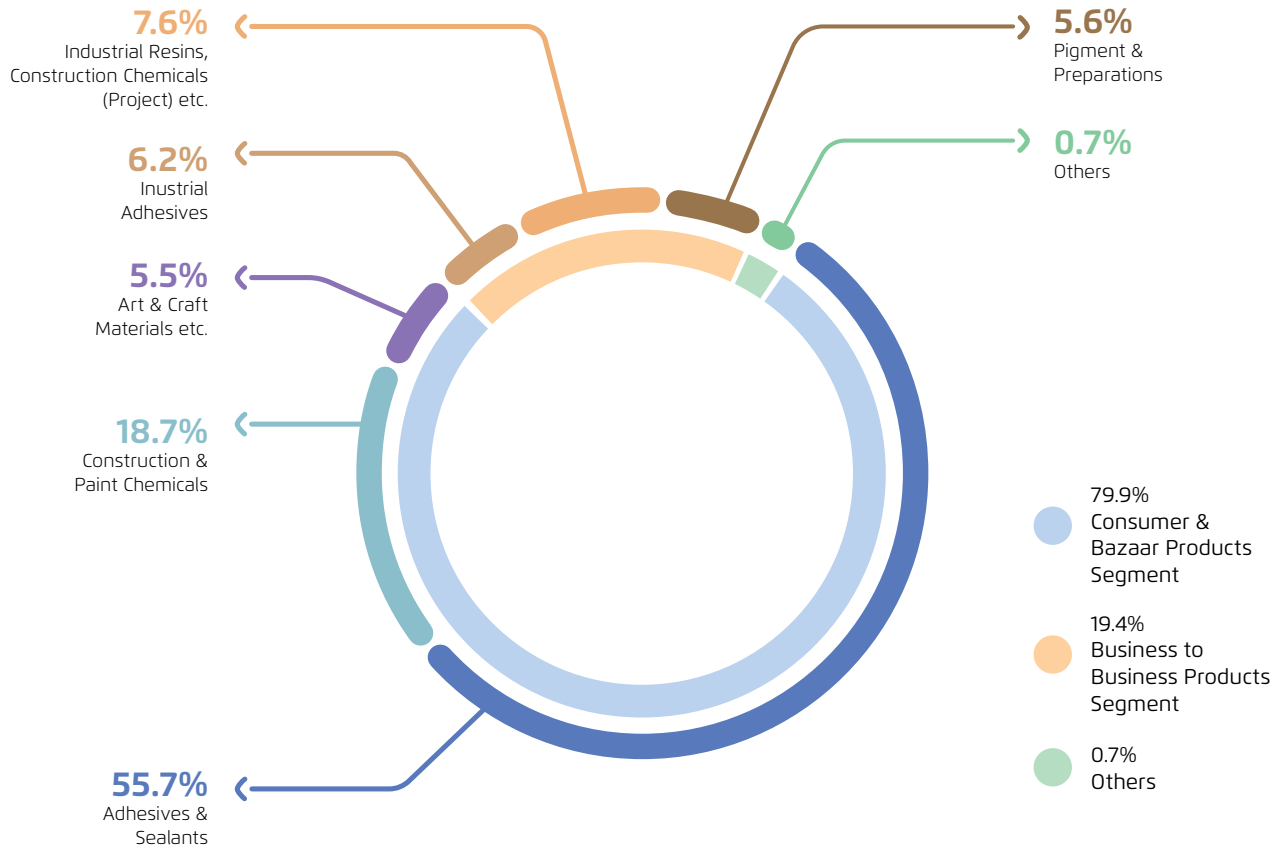
small companies which are active regionally. Multinational companies are also present in many of the product categories in which the Company operates.

Business Segment / Product Category % (FY 2023)



Standalone - % of Total Sales based on FY 2022-23

Business Segment / Product Category % (FY 2022)



Standalone - % of Total Sales based on FY 2021-22

Note

During FY 2021-22, the Company had filed two merger applications with NCLT 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 ROC, mergers have become effective from the appointed date being 1st April, 2022. Accordingly, the FY 2022 numbers have been restated for the accounting impact of the merger, as if the merger had occurred from the beginning of the previous year.

PERFORMANCE BY INDUSTRY SEGMENT

Consumer Bazaar

Branded Consumer & Bazaar segment contributed

81.1%

of the sales of the Company and grew by

22.0%

Adhesives & Sealants category includes adhesives, sealants and tapes. This category contributed

55.7%

of the sales of the Company and grew by

20.2%

Construction and Paint Chemicals contributed

19.3%

of the sales of the Company and grew by

24.0%

Art & Craft Materials etc. contributed

6.1%

of the sales of the Company and grew by

33.3%

Business to Business

Business to Business segment contributed

18.0%

of the sales of the Company and grew by

11.8%

Industrial Adhesives includes adhesives used in packaging, footwear, cigarettes, automotive industry and joinery. This category contributed

5.8%

of sales of the Company and grew by

12.5%

Industrial Resins, Construction Chemicals (Projects) etc. contributed

7.8%

of the sales of the Company and grew by

24.4%

Pigments and Preparations contributed

4.4%

of the sales of the Company and declined by

6.1%

Others

Others mainly includes sale of raw materials.

Current Year Outlook

Last year (FY 2022-23) was the first normal year post COVID and witnessed steep increases in input costs, particularly in the first half and other inflationary pressures. Domestic demand was also impacted due to price increases taken to counter the input cost pressures.

Input prices have corrected since the second half of last year and with improvement in availability of raw materials, the outlook for the current year is for costs to remain at present levels, barring unforeseen circumstances.

Domestic demand conditions are also improving especially in the construction sector. However, the steep increase in interest rates and depressed demand conditions in the developed markets do indicate demand headwinds especially for exports.

The Company is taking actions to drive demand generation initiatives to deliver profitable volume growth.

The existing subsidiaries in India have delivered strong sales and profit growth, despite demand and inflationary pressures. A series of actions and initiatives have been taken to maintain and strengthen the performance in the year. New manufacturing facilities for three subsidiaries are to be commissioned in the current year which will enable them to address the market opportunity.

The Company's major international subsidiaries are in Brazil, Sri Lanka, Thailand, Egypt, Dubai and Bangladesh. The business environment in some of these countries remains subdued due to geo-political tensions, currency challenges and inflation.

However, the management is taking various steps to increase sales and market share in their respective geographies along with improvement in performance of these subsidiaries. The subsidiary in USA has decided to wind down its business in the current year.

Outlook on Opportunities, Threats, Risks and Concerns

The Indian economy provides a large opportunity to the Company to market its differentiated products. The additional spending in Government programmes like rural employment schemes and higher capex spending emphasizes the focus on infrastructure and increasing disposable income in the hands of common people. This will act as a catalyst for the growth of the economy which will eventually create demand for the Company's products. Further, the home improvement area offers opportunities for growth given the

focus on affordable housing, new construction as well as renovation.

Slower growth of the Indian economy and stress in sectors such as construction could impact the performance of the Company. While there are near term concerns around increased interest rates and the consequent impact of this on market growth, the Company is confident of the medium to long-term prospects of the home improvement sector and remains focused on delivering consistent and profitable volume-led growth.

Overseas subsidiaries, by virtue of their relatively smaller size, remain vulnerable to the political and economic uncertainties of their respective countries and the rise in geo-political tensions could dampen the performance of the subsidiaries.

Human Resources

FY 2022-23 saw employees return to office after two years of remote working. It was a transition year marked by evolving hybrid work models where employees enjoyed both the flexibility of working from home as well as physically meeting & collaborating.

Happiness, health, fitness continued to be our champion causes enabled through the HAH Cares (Happy & Healthy) initiative. The physical event after a gap of 2 years saw employees and their families reconnect, refresh and exhibit both their team spirit and competitive spirit in equal measure.

Gurukool, our online learning Experience Platform or LXP continued to build content and increase its footprint throughout the year. Initiated with the intention to provide L&D opportunities to all employees for higher engagement, and increased knowledge it has played a key role in helping us build a value-based culture and a sense of community.

The highlight of the year however was connecting to our roots and growing stronger through two key events, Smriti Milan and The Founder's Day.

Smriti Milan is a forum provided for retired employees of the Company, to come together to reconnect with old colleagues along with their spouse. Reconnecting and meeting old colleagues after three years was a treasured moment for all ex and current employees. It provided them an opportunity to reminisce cherished memories of time spent at the Company and make new ones to share with their family members.

Founder's Day, or the day we remember our Founder Shri B. K. Parekh and celebrate every Pidilite and our ways of working, was conducted physically after two years on 10th March, 2023. Like each time the event had an eclectic mix of fun, messaging, and bonding. The highlight of the event was the launch of the centenary year celebrations of our Founder in 2024.

The year saw us add another feather in our cap, "The Spirit of Pidilite Awards", which is an initiative to continuously reward and recognise our employees whose contribution to Pidilite in various fields has been exemplary. The intent is to establish a "Fair and Transparent" process giving every employee an equal opportunity to participate and helping the organization drive high benchmarks in everything that we do.

With a renewed sense of optimism and focus, the organisation is looking forward to a successful FY 2023-24. The entire organisation will be celebrating and drawing lessons from Shri B. K. Parekh's life as well as working towards creating and surpassing our high benchmarks in all areas.

The total number of employees on the rolls of the Company was 7,310 as on 31st March, 2023.

Miscellaneous

The Company's Net Worth (Equity capital + Reserves) has grown from ₹ 4,187 crores as on 31st March, 2019 to ₹ 7,108 crores as on 31st March, 2023, giving a Compounded Annual Growth Rate (CAGR) of 14.1%

The market capitalisation of the Company on 31st March, 2023 was ₹ 1,19,647 crores and has grown at a CAGR of 29.27% since the IPO in 1993.

Other Matter

Internal Control Systems and their adequacy is elaborated in the Director's Report.

Cautionary Statement

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ.

ECONOMIC VALUE ADDED (EVA)

COMPUTATION OF EVA

EVA = Net Operating Profit After Tax (NOPAT) - Weighted average cost of capital employed.

NOPAT = Net profit after tax + post tax interest cost at actual.

Weighted average cost of capital employed = (Cost of equity x average shareholder funds) + (cost of debt x average debt).

Cost of equity = Risk-free return equivalent to yield on long term Government of India (GOI) securities (taken @ 7.27%) + market risk premium (assumed @ 6.50%) x beta variant for the Company (taken at 0.83), where the beta is a relative measure of risk associated with the Company's shares as against the stock market as a whole.

Cost of debt = Effective interest applicable to the company based on an appropriate mix of short, medium and long term debt, net of taxes.

Item	2018-19	2019-20	2020-21	2021-22 [^]	2022-23
1. Risk Free Return on Long Term GOI Securities	7.3%	7.5%	6.0%	6.9%	7.3%
2. Cost of Equity	13.1%	12.0%	11.7%	12.0%	12.7%
3. Cost of Debt (Post Tax)	0.0%	0.0%	3.4%	3.0%	4.1%
4. Effective Weighted Average Cost of Capital	13.1%	12.0%	11.6%	11.9%	12.6%
Economic Value Added (₹ in crores)					
5. Average Debt	0	0	55	80	53
6. Average Equity (Shareholder Funds)	3,875	4,326	5,013	5,952	6,726
7. Average Capital Employed (Debt + Equity)	3,875	4,326	5,068	6,032	6,779
8. Profit After Tax (as per Statement of Profit and Loss)	979 \$	1,161 # \$	1,082 # \$	1,191 \$	1,257 \$
9. Interest (as per Statement of Profit and Loss, net of Income Tax)	5	10	13	20	21
10. Net Operating Profit After Tax (NOPAT)	984	1,171	1,095	1,211	1,278
11. Weighted Average Cost of Capital (4x7)	509	521	588	715	854
12. Economic Value Added (10-11)	475	650	506	496	424
13. EVA as a % of Average Capital Employed (12 ÷ 7)	12.3%	15.0%	10.0%	8.2%	6.3%

Profit After Tax excludes exceptional items.

\$ Profit is after tax but before Other Comprehensive Income.

[^] Previous year's figures restated on account of merger. (refer Note 56 of Standalone Financial Statements)

10 YEARS'
FINANCIAL
PERFORMANCE |

10 YEARS' FINANCIAL PERFORMANCE

(₹ in crores)

Highlights	IGAAP		IND AS								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 [^]	2022-23	CAGR %
Operating Results											
Sales and Other Income	4,169	4,724	5,134	5,409	5,627	6,285***	6,484	6,290	8,936	10,660	11.0%
Manufacturing & Other Expenses	3,448	3,918	3,942	4,070	4,197	4,796	4,847	4,667	7,110	8,720	10.9%
Operating Profit	721	806	1,192	1,339	1,430	1,490	1,637	1,623	1,826	1,940	11.6%
Interest (Net)	10	10	6	6	6	7	13	17	27	29	12.7%
Depreciation and Amortisation	69	108	88	90	91	100	126	147	194	222	13.9%
Profit from Ordinary Activities	642	688	1,098	1,243	1,333	1,383	1,498	1,459	1,605	1,689	11.4%
Exceptional Items	6	18	27	94	-	-	59	~	-	-	-
Foreign Exchange Difference - Expense/(Income)	5	2	1	4	2	6	2	2	14	21	16.9%
Profit Before Tax	631	668	1,070	1,145	1,331	1,376	1,437	1,457	1,591	1,668	11.4%
Current Tax	160	156	299	363	403	438	369	375	398	423	11.4%
Deferred Tax	2	11	24	8	19	11	(33)	~	2	(13)	-
Profit After Tax for the year	469	501	747	774	909	927	1,102	1,081	1,191	1,257	11.6%
Add: Prior Years' Tax Provision written back	-	-	-	-	46	53	-	-	-	-	-
Profit After Tax	469	501	747 \$	774 \$	955 \$	979 \$	1,102 \$	1,081 \$	1,191	1,257	11.6%
Dividend on Equity Shares	162 *	179 *	404 ****	31 ****	293****	364****	827****	-	432	508	13.6%
Retained Earning	307	322	343	743	662	615	275	1,081	759	749	10.4%
Financial Position											
Capital-Equity	51	51	51	51	51	51	51	51	51	51	(0.1)%
Reserve (Less Revaluation Reserve & Misc. Expenditure)	1,988	2,298	2,599	3,348	3,513	4,136	4,414	5,510	6,293	7,057	15.1%
Net Worth	2,039	2,349	2,650	3,399	3,564	4,187	4,465	5,561	6,344	7,108	14.9%
Borrowings	8	6	1	-	-	-	-	55	105	-	-
Deferred Tax Liability (Net)	51	55	75	84	103	113	76	76	389	377	24.9%
Funds Employed	2,098	2,410	2,726	3,483	3,667	4,300	4,541	5,692	6,838	7,485	15.2%
Fixed Assets **											
Gross Block	1,637	2,005	1,775	1,856	1,975	2,110	2,538	2,862	5,763	6,289	16.1%
Depreciation and Amortisation	594	716	707	790	871	930	1,041	1,158	1,320	1,501	10.8%
Net Block	1,043	1,288	1,068	1,066	1,104	1,180	1,497	1,704	4,443	4,788	18.4%
Investments in											
- Subsidiaries	323 #	349 #	431 #	426 #	612 #	673 #	797 #	3,148 #	857 #	936 #	12.5%
- Others	251	352 ***	672	1,367	1,174	1,517	1,026	334	228	511	8.2%
Net Other Assets	481	421 ***	555	624	777	930	1,220	506	1,310	1,250	11.2%
Total Assets	2,098	2,410	2,726	3,483	3,667	4,300	4,541	5,692	6,838	7,485	15.2%

The Company transitioned into Ind AS from 1st April 2015

* Includes Tax on Dividend

** Including Intangible Assets and Capital Work-In-Progress and excluding Revalued Assets and Depreciation thereon

After deducting provision for diminution and excluding Share Application Money

~ Less than ₹ 50 lacs

*** Previous years' figures regrouped

**** Paid dividend (including tax) as per IND AS

\$ Profit is after tax but before Other Comprehensive Income

^ Previous year's figures restated on account of merger (refer Note 56 of Standalone Financial Statements)

(₹ in crores)

Highlights	IGAAP		IND AS							
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 [^]	2022-23
Funds Flow										
Sources										
Internal Generation	546	638	886	967	1,066	1,091	1,259	1,235	1,395	1,478
Increase in Equity Share Capital	-	-	~	~	~	~	~	~	~	~
Increase in Loans (Net)	8	-	-	-	-	-	-	55	50	-
Decrease in Investment-Others	35	-	-	-	283	-	102	736	121	-
Decrease in Working Capital	-	23 ^{***}	329	-	-	-	-	406	-	-
Total	589	661^{***}	1,215	967	1,349	1,091	1,361	2,432	1,566	1,478
Applications										
Repayment of Loans	60	2	5	1	-	-	-	-	-	105
Capital Expenditure (Net) >	169	353	134	88	125	159	393	322	322	429
Investments in										
- Subsidiaries	62	26	82	90	151	61	146	2,110	349	79
- Others	-	101 ^{***}	590	695	-	255	-	-	-	266
Buyback of Equity Shares	-	-	-	-	500	-	-	-	-	-
Dividend	162 [*]	179 [*]	404 ^{****}	31 ^{****}	293 ^{****}	364 ^{****}	827 ^{****}	-	432	508
Increase in Working Capital	136	-	-	62	280	252	(5)	-	463	91
Total	589	661^{***}	1,215	967	1,349	1,091	1,361	2,432	1,566	1,478
Ratios										
Return on Average Net Worth % (RONW) (PAT divided by Average Net Worth) ##	25.2	23.7	31.0	28.7	27.4	25.3	26.8	21.6	20.0	18.7
Return on Average Capital Employed % (ROCE) (PBIT divided by Average Funds Employed**)##	33.7	31.6	44.0	41.1	37.4	34.7	34.2	28.8	25.8	23.7
Gross Gearing % (Debt as a percentage of Debt plus Equity)	0.4	0.2	-	-	-	-	-	1.0	1.6	-
Current Ratio	1.8	1.7	2.5	3.4	3.0	3.0	2.6	1.3	1.7	1.9
Assets Turnover (times) (Sales divided by Total Assets)	2.0	1.9	1.8	1.5	1.5	1.4	1.4	1.1	1.3	1.4
Debtors Turnover (Sales divided by Debtors)	10.0	9.6	9.5	9.1	8.4	8.3	8.0	6.9	8.0	8.4
Inventory Turnover (Cost of Goods Sold divided by Inventories)	4.5	4.7	4.4	4.3	4.3	4.5	4.0	3.3	4.1	4.1
Operating Profit Margin (%) ##	18.7	18.4	25.3	27.7	26.9	24.6	26.0	26.2	20.6	18.4
Net Profit Margin (%) ##	16.5	15.7	23.3	25.6	25.1	22.8	23.8	23.6	18.0	15.8

The Company transitioned into Ind AS from 1st April 2015

> Includes Cost of Brands, Patents Trademarks and Businesses Acquired

** Excluding Deferred Tax Liability (Net)

PAT, PBT & PBIT are excluding exceptional items

~ Less than ₹ 50 lacs

*** Previous years' figures regrouped

**** Paid dividend (including tax) as per IND AS

* Includes Tax on Dividend

[^] Previous year's figures restated on account of merger (refer Note 56 of Standalone Financial Statements)

To

The Members

Your Directors take pleasure in presenting the Fifty-Fourth Annual Report together with Audited Financial Statements for the year ended 31st March, 2023.

Financial Results (Standalone)

	(₹ in crores)	
	2022-23	2021-22 (Restated)§
Sales	10,545.12	8,852.31
Operating Profit	1,939.10	1,825.94
Finance Costs	(28.53)	(27.24)
Depreciation and Amortisation Expense	(221.97)	(194.38)
Net Foreign Exchange Loss	(20.88)	(13.58)
Profit Before Exceptional Items and Tax	1,667.72	1,590.74
Exceptional Items	-	-
Profit Before Tax	1,667.72	1,590.74
Current Year's Tax	(423.05)	(397.53)
Deferred Tax	12.51	(1.80)
Profit After Tax	1,257.18	1,191.41
Profit Brought Forward	4,877.86	4,123.49
Other Comprehensive Income Included in Retained Earnings (Net of tax)	1.45	(9.06)
Due to Business Combination	-	3.95
Profit Available for Appropriation	6,136.49	5,309.79
Appropriations		
Dividend Paid	(508.30)*	(431.93) #
Closing balance of Retained Earnings	5,628.19	4,877.86

§ During previous year, the Company had filed two merger applications with National Company Law Tribunal (NCLT) with respect to the 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 the Appointed date being 1st April 2022. The above being a common control transaction, the previous year figures have been restated for the accounting impact of the merger, as if the merger had occurred from the beginning of previous year.

* Pertaining to dividend for FY 2021-22

Pertaining to dividend for FY 2020-21

Financial Performance

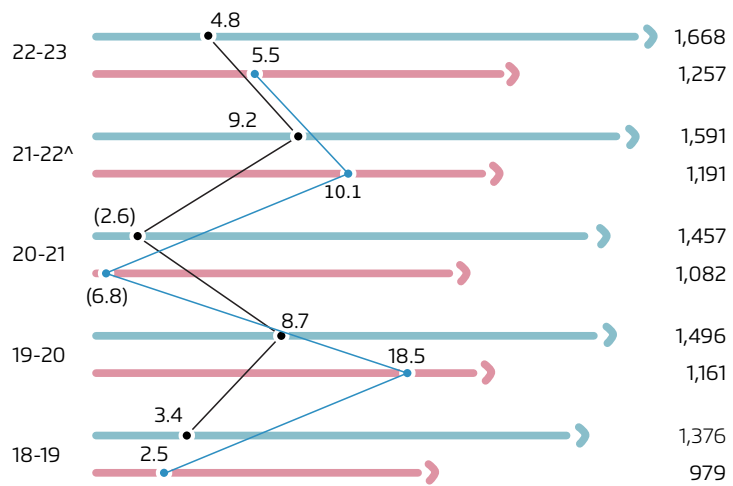
Comments on Financial Performance are included in Management Discussion and Analysis section.

Dividend

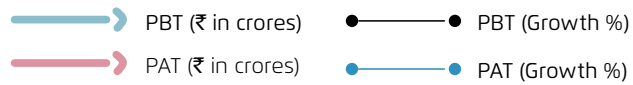
Your Directors recommend a dividend of ₹ 11.00 per equity share of ₹ 1/- each, (previous year ₹ 10.00 per equity share of ₹ 1/- each) amounting to ₹ 559.15 crores (previous year ₹ 508.30 crores) out of the current year's profit, on ₹ 50.83 crores equity capital (previous year ₹ 50.83 crores). Dividend is subject to approval of members at the ensuing Annual General Meeting and shall be subject to deduction of income tax at source. The dividend payout amount has grown at a CAGR of 14.08% during the last 5 years.

The dividend payout is in accordance with the Dividend Distribution Policy, which is available on the website of the Company <https://pidilite.com/investors/corporate-governance>

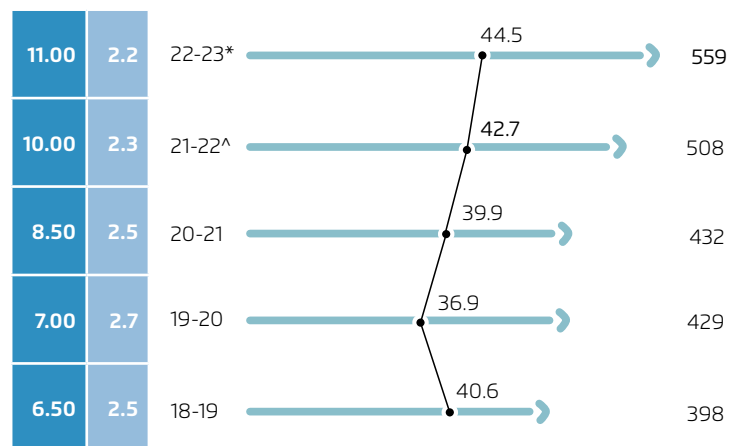
PBT, PAT & Growth (YOY)



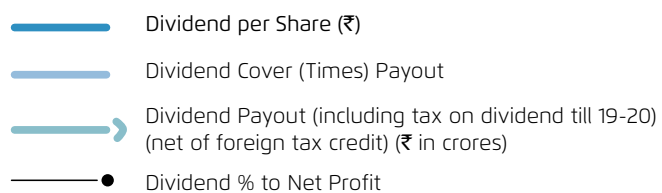
Excludes Exceptional Items



Equity Dividend Payout & % of Standalone Net Profit (Excluding Exceptional Items)



* Proposed dividend for 22-23



^ Previous year's figures restated on account of merger (refer Note 56 of Standalone Financial Statements)

Transfer to Reserves

The Company does not propose to transfer amounts to the general reserve.

Term Finance

The Company has no outstanding term loans (previous year NIL).

Capital Expenditure

The total capital expenditure during the year was ₹ 456.94 crores (previous year ₹ 377.32 crores) primarily spent on fixed assets for various manufacturing units, offices, laboratories, warehouses and on Information Technology.

Deposits

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 during the financial year 2022-23 (previous year NIL).

Subsidiaries

Investment in Subsidiaries

During the year, total investment of ₹ 78.59 crores (previous year ₹ 104.94 crores) was made in subsidiaries. Of this, ₹ 53.38 crores was invested in domestic subsidiaries and ₹ 25.21 crores in overseas subsidiaries.

The investments in domestic subsidiaries were in Pidilite Ventures Pvt Ltd amounting to (₹ 28.12 crores), Pidilite Litokol Pvt Ltd (₹ 12.22 crores) and Pidilite Grupo Puma Manufacturing Ltd (₹ 13.04 crores)

The investments in overseas subsidiaries were in Pidilite Middle East Ltd (₹ 17.03 crores) and Pidilite International Pte Ltd (₹ 8.18 crores).

During the year

- A new Company in name of Solstice Business Solutions Pvt. Ltd (SBSPL) was incorporated on 6th April, 2023, a wholly owned subsidiary of Pidilite Ventures Private Limited, which is a wholly owned subsidiary of the Company. SBSPL, is intended to carry out inter alia the business of providing services, for construction, repair, renovation.
- The Company through its subsidiary Pidilite Ventures Private Limited made investments in early-stage companies, which would augment our capabilities.
- Plus Call Technical Services LLC, a Joint Venture, where Pidilite Middle East Limited, wholly owned subsidiary of the Company holds 40% of the share capital, was dissolved.

Domestic and International Subsidiaries Performance

(₹ in crores)						
Domestic Subsidiaries	Sales 2022-23	Sales 2021-22	% Growth	EBITDA 2022-23	EBITDA 2021-22	% Growth
Consumer & Bazaar	391.19	295.67	32.3%	66.80	42.87	55.8%
Business to Business	315.93	276.63	14.2%	6.33	(22.55)	N.A.

Domestic Subsidiaries in Consumer and Bazar segment continue to deliver industry-leading profit and growth. The Subsidiaries in Business to Business segment showed signs of revival in revenue growth and losses were substantially reduced.

(₹ in crores)						
International Subsidiaries	Sales 2022-23	Sales 2021-22	% Growth	EBITDA 2022-23	EBITDA 2021-22	% Growth
Americas*	257.97	244.89	5.3%	(2.98)	10.33	N.A.
Asia	314.21	261.19	20.3%	50.20	40.73	23.3%
Middle East & Africa	258.44	210.49	22.8%	8.76	(1.19)	N.A.

Overseas subsidiaries figures are at constant currency.

* Pidilite USA Inc has decided to discontinue the operations of its Sargent Art Division, in a phased manner. Revenue from operations and (loss) before tax pertaining for FY 2022-23 is ₹ 128.8 crores and ₹ (5.2) crores respectively.

Amidst uncertain global economic conditions and inflationary pressures, International Subsidiaries reported moderate sales growth along with improvement in EBITDA.

Consolidated Financial Statements

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as 'the Act'), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2022-23, together with the Auditor's Report, form part of this Annual Report. A statement containing the salient features of the Company's subsidiaries and associate companies in the prescribed Form AOC- 1, are set out in Note No. 59 to the Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, its subsidiaries, associate companies and joint venture, as approved by their respective Board of Directors except Pulvitec Do Brazil Industria e Comercio de Colas e Adesivos Ltda which has been approved by the local administrator.

The accounts of the subsidiaries are also uploaded on the website of the Company, <https://pidilite.com/investors/financials/>

Directors and Key Managerial Personnel

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, has recommended to the Members:

(a) re-appointment of Shri M B Parekh as the Whole Time Director designated as the Executive Chairman of the Company for a further period of 5 years with effect from 1st August, 2023.

(b) re-appointment of Shri A B Parekh as the Whole-time Director designated as Executive Vice Chairman of the Company for a further period of 5 years with effect from 1st August, 2023.

Shri Piyush Pandey was re-appointed as an Independent Director of the Company by the Board on the recommendation of Nomination and Remuneration Committee for a second term of five consecutive years upto 10th April, 2028, subject to the approval of the Members through Postal Ballot.

Shri Joseph Varghese was appointed as an Additional Director and also as a Whole Time Director designated as Director-Operations for a period of 5 years by the Board on the recommendation of Nomination and Remuneration Committee, with effect from 9th November, 2022 and Member's approved the said appointment through Postal Ballot on 27th December, 2022.

Shri Sandeep Batra was appointed as an Additional Director and also as a Whole Time Director designated as Executive Director – Finance in addition to his current position as Chief Financial Officer of the Company for a period of 5 years, by the Board on the recommendation of Nomination and Remuneration Committee, with effect from 9th November, 2022 and Member's approved the said appointment through Postal Ballot on 27th December, 2022.

Shri Debabrata Gupta, resigned with effect from 9th November, 2022, as the Whole Time Director designated as Director-Operations. The Board places on record its appreciation for the services rendered by Shri Debabrata Gupta during his tenure as the Whole Time Director.

Shri N K Parekh has stepped down as the Non-Executive Vice-Chairman but continues as Non-Executive Director and Shri A N Parekh has been designated as the Executive Vice-Chairman w.e.f. 8th May, 2023.

In accordance with the Act and the Articles of Association of the Company, Shri A N Parekh and Shri Sudhanshu Vats, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

None of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Policy on Directors' remuneration

The policy on Directors' remuneration is available on the website of the Company, <https://pidilite.com/investors/corporate-governance/>. The remuneration paid to the Directors is as per the terms laid out in the said policy.

Directors' Responsibility Statement

Your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2023 and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Annual Evaluation by the Board of its own performance, its Committees and individual Directors

The Board has put in place a mechanism for evaluation of its own performance and performance of its Committees and individual Directors. The evaluation of the Board, Committees, Directors and Chairman of the Board was conducted based on evaluation parameters, such as Board composition and structure, effectiveness of the Board, participation at meetings, domain knowledge, awareness and observance of governance, etc. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

Familiarisation Programme

The Company has put in place an induction and familiarization programme for all its Directors including the Independent Directors.

The familiarization programme for Independent Directors in terms of provisions of Regulation 46(2)(i)

of the Listing Regulations is uploaded on the website of the Company.

Number of Meetings of Board of Directors

Five meetings of the Board of Directors of the Company were held during the financial year 2022-23. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

Statement of Declaration on Independence given by Independent Directors

All the Independent Directors of the Company have given declarations that:

- a. they meet the criteria of independence as laid down under the Act and the Listing Regulations;
- b. they have complied with the Code of Independent Directors prescribed under Schedule IV of the Act; and
- c. they have registered themselves with the Independent Directors' Database maintained by the Indian Institute of Corporate Affairs.

Corporate Governance

The Company is committed to good corporate governance practices. The Report on Corporate Governance, as stipulated under Listing Regulations, forms an integral part of this Annual Report. The requisite certificate from M/s Parikh & Associates, Practising Company Secretaries, is attached to the Report on Corporate Governance, which forms a part of this Annual Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a section forming part of this Annual Report. For the sake of brevity the items covered in this Report are not repeated in the Management Discussion and Analysis Report.

Committees of the Board

The following are the statutory Committees constituted by the Board and they function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. Further, during the year under review, all recommendations made by the Audit Committee have been accepted by the Board.

Corporate Social Responsibility (CSR) Report and CSR Policy

The CSR Report as per Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereto, is attached as **Annexure 1** to this Report. The details of CSR Initiatives forms part of Social & Community Service Initiatives section of this Annual Report. CSR Policy can be accessed on website of the Company <https://pidilite.com/investors/corporate-governance/>.

Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism and Whistle Blower Policy for its Directors and employees. The said policy has been communicated to the Directors and employees of the Company and is also posted on the website of the Company <https://pidilite.com/investors/corporate-governance/>. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

Policy relating to Prevention of Sexual Harassment

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formulated a Prevention of Sexual Harassment Policy, which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. The Company has formed an Internal Complaints Committee to redress and resolve any complaints arising under the POSH Act. To build awareness in this area, Company has been conducting induction/ training programmes in the organisation on a periodical basis. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

Statutory Auditors

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) will complete their present term on conclusion of the ensuing 54th AGM.

There is no qualification or adverse remark in Auditors' Report. There is no incident of fraud requiring reporting by the Auditors under Section 143(12) of the Act.

The Board of Directors have recommended the appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No 101248W/W-100022) as the Statutory Auditors of the Company, for a term of 5 consecutive years commencing from the conclusion of 54th AGM till the conclusion of 59th AGM of the Company.

M/s. B S R & Co. LLP have confirmed their eligibility and qualification required under the Act for holding the office as Statutory Auditors of the Company.

Cost Auditor

The Company has maintained cost records as specified by Central Government u/s 148(1) of the Act. M/s. V J Talati & Co., Cost Accountants, were appointed as the Cost Auditor for the financial year 2022-23 to conduct the audit of the cost records of the Company and they have been reappointed as the Cost Auditor for the financial year 2023-24. In terms of the provisions of Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, at the ensuing AGM, the Board seeks ratification of the remuneration payable to the Cost Auditor for the financial year 2023-24.

Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Parikh & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2022-23.

The Secretarial Audit Report for the financial year 2022-23 under the Companies Act, 2013 read with Rules made thereunder and Regulation 24A of the Listing Regulations, is set out in **Annexure 2** to this report. There is no qualification or adverse remark in their Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars under Section 134 of the Act, read with the Companies (Accounts) Rules, 2014 are attached as **Annexure 3** to this Report.

Risk Management

In compliance with Regulation 21 of the Listing Regulations, a Risk Management Committee has been constituted by the Board. The Risk Management Committee, also known as The Risk Management Oversight Committee, is entrusted with roles and powers as specified in Part D of Schedule II of Listing Regulations.

The Company has laid out a risk management policy for identification and mitigation of risks. The Company has also constituted a Management Risk Committee which is chaired by the Managing Director and has Senior Leadership of the Company as its members. The Management Risk Committee identifies the key risks for the Company, develops and implements the risk mitigation plan, reviews and monitors the risks and corresponding mitigation plans on a regular basis and prioritises the risks, if required, depending upon the effect on the business/reputation.

The other details in this regard are provided in the Report on Corporate Governance, which forms a part of this Annual Report.

Contracts and Arrangements with Related Parties

All contracts/arrangements/transactions entered into by the Company during the financial year under review with related parties (as defined in the Act and Listing Regulations) were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any contract/arrangement/transaction with related parties, which could be considered as material in accordance with the Policy of the Company on Materiality of Related Party Transactions (RPT Policy) or which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The RPT Policy, as approved by the Board, is available on the Company's website: <https://pidilite.com/investors/corporate-governance/>.

Disclosure of related party transactions with the promoter(s)/promoter(s) group which individually hold 10% or more shareholding of the Company, as per the Indian Accounting Standards, are set out in Note No. 44 of the Standalone Financial Statements of the Company.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantees or investments covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements.

Employees Stock Option Scheme

The Employees Stock Option Scheme (Scheme) is in line with SEBI (Share Based Employee Benefits) Regulations, 2014. The certificate of Secretarial Auditors regarding implementation of the Scheme is available for inspection of Members in electronic mode.

The applicable disclosure, as stipulated under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as on 31st March, 2023 with regard to Scheme, is provided in **Annexure 4** to this Report.

Annual Return

Annual Return of the Company is available on the website of the Company viz. <https://pidilite.com/investors/general-meetings/>

Business Responsibility and Sustainability Report

A Business Responsibility and Sustainability Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front, forms an integral part of this Report.

Internal Control Systems and their Adequacy

The Company has adequate internal financial control procedures commensurate with its size and nature of business.

The Company has appointed Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors approves the annual internal audit plan and periodically reviews the progress of audits as per approved audit plans along with critical internal audit findings presented by internal auditors, status of implementation of audit recommendations, if any, and adequacy of internal controls.

Significant/Material Orders passed by the Regulators

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

Particulars of Employees and Related Disclosures

Disclosures pertaining to remuneration as per Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 5** to this Report.

Details of employee remuneration as required under provisions of Section 197 of the Act and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any modifications, thereof) shall be made available to any shareholder, on request.

General

The Company has neither issued equity shares with differential rights nor any sweat equity shares.

There have been no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this Report.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

Appreciation

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation to the shareholders, dealers, distributors, consumers, banks and other financial institutions for their continued support.

FOR AND ON BEHALF OF THE BOARD

Mumbai
Date : 8th May, 2023

M B Parekh
Executive Chairman

SOCIAL & COMMUNITY SERVICE INITIATIVES

The Company has been engaging in and supporting various social and community service initiatives for the past several years, even before the concept of Corporate Social Responsibility and the statutory requirement thereof came into being.

Some of the key initiatives of the Company, in the sphere of social and community services as stated below, have resulted in significant value creation for the community at large.

AGRICULTURE & HORTICULTURE

The Company has been continuously supporting agriculture and horticulture initiatives through collaborations with experts, institutions and interactions with farmers, including conducting night meetings.

The Company continues to work with 18,000 farmers, whose adoption data for good agricultural practices like intercropping, high density planting, soil management, MIS, etc. has been monitored in a digital portal along with the geo tagging of their locations. This data has enabled us to provide necessary recommendations to farmers to provide prompt solutions in a speedy manner. About 70% farmers actively used these recommendations, which resulted in a 12% decrease in the cost of production.

the development of 60 one-acre wadis with the addition of 24 new wadis during the last financial year, as well as shade nets to replicate vegetable and fruit crops. The average additional income earned by farmers through this intervention has gone up to ₹ 1 Lac per annum.

To address the issue of reduction in the productivity of cotton crop year on year, which impacted the income of farmers adversely, a dedicated initiative to increase productivity was executed. The Company achieved an average increase of 130% in yield of cotton, compared to national average yield.

The fruit and vegetable initiative of the Company has resulted in

18,000

FARMERS IMPACTED

1 Lakh/Annum

INCREASE IN FARMER'S INCOME

130%

INCREASE IN YIELD OF COTTON IN COMPARISON TO NATIONAL AVERAGE

84

ONE ACRE WADIS FOR VEGETABLE AND FRUIT CROPS DEVELOPED

70%

FARMERS ADOPTED GOOD AGRICULTURAL PRACTICES



Cotton productivity demo plot visit by experts

FARMER PRODUCER ORGANISATION (FPO)

The Company has continued supporting the Farmer Producer Organisation (FPO). It has 1,171 farmer members (171 new members) and over 5,300 farmers have availed the services from FPO and purchased good quality inputs at subsidised rates.

The total turnover of the FPO increased significantly from ₹ 8.38 crores in 2021-22 to ₹ 13.95 crores for the year in 2022-23 (i.e. resulting

in 66% increase). The major part of the margins have been transferred to the farmers.

The FPO has continued to support marginal farmers by providing agricultural equipment at nominal rental rates, in collaboration with the Government of Gujarat through its Custom Hiring Centre, to mainly support farmers of Mota Khuntavada and the adjoining villages. Over 400 farmers have

received the benefits.

The FPO has continued the collective procurement of groundnuts and gram at Minimum Support Price (MSP), from farmers' doorsteps. During the financial year 2022-23, a total of 447 Mt groundnuts and 1,494 Mt gram has been procured, so that farmers get better and assured returns. Further procurement is still ongoing.

1,100+

FARMER MEMBERS

400+

FARMERS RECEIVED AGRICULTURAL EQUIPMENT AT NORMAL RENTAL RATES

66%

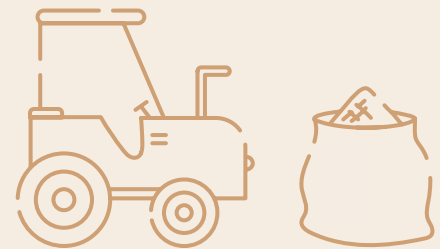
SURGE IN FPO TURNOVER

400+^{MT}

GROUNDNUTS PROCURED

1,400+^{MT}

GRAM PROCURED



Collective procurement of gram by FPO at MSP rates awarded by the Government

CENTRE FOR AGRICULTURE-HORTICULTURE DEVELOPMENT AT GRAM DAXINAMURTI, MANAR

The Centre takes initiatives to educate farmers about the latest recommended cultivation practices (known to both universities and the Government, etc.) to boost sustainable agriculture and horticulture growth along with the value addition of their produce. The education and training of farmers is carried out both at the Centre and also at farmer's field/land. The Centre also provides support to Women's Self Help Groups (SHGs) in the area of value added products.

The Centre has successfully demonstrated agriculture and horticulture of aromatic fruits and medicinal crops. Farmers from 45 adjoining villages have visited the

centre to learn the best practices and expand their understanding of agri knowledge and technology. The Centre has trained 10,800 farmers since its inception and in the last year (2022-23) has trained over 2,900 farmers (at the Centre and in the farmers field/land).

The Centre is also focusing on the replication of low cost technologies established last year i.e. cultivation of mushroom, hydroponics, Thailand kitchen garden, mango grafting and others that will ensure an increase in the income of farmers.

The Centre through its concentrated efforts has developed various value-added products, both fruits and vegetables which target the

increase in income of farmers and SHG women. The products include mango pulp, tomato puree, aromatic candles, oils and others.

The Centre has during the year 2022-23, provided 380 kg spice seeds to 42 potential farmers who were trained at Manar Centre. A total of 65 acres is covered under cultivation of coriander, cumin, fennel and fenugreek at Maidhar, Sihor, Palitana, Surendranagar and Upleta talukas in collaboration with National Research Center on Seed Spices (NRCSS).

13,500+

FARMERS TRAINED OVERALL

65+ Acres

COVERED UNDER CULTIVATION

300+ Kg

SPICE SEEDS PROVIDED TO FARMERS

40+

FARMERS FROM ADJOINING VILLAGES VISITED THE CENTRE



**SEAWEED CONSORTIUM ICCSIR
(INDIAN CENTRE FOR CLIMATE AND SOCIETAL IMPACT RESEARCH)**

The Company has continued its support to ICCSIR, a non-profit organization under Section 8 of Companies Act, 2013. A consortium is formed with the unified interest to build technology for the production, processing and value addition of selected seaweeds, in partnership with Excel Industries Ltd. and Mamata group.

Under the guidance of ICCSIR, 140 farmers have been trained in seaweed cultivation.

Trials for Gracilaria dura and Ulva lactuca seaweed are in process. The tissue culture lab at Mandvi for Kappaphycus seaweed and Potash recovery has also been initiated.



ANIMAL HUSBANDRY


The Company has continued its support to the Milk and Animal Health Initiative in Mahuva Taluka. The farmers are trained in the best animal husbandry practices like Animal Feeding, Breeding, Health and Cattle Management. We observed an average increase in milk yield by 21% per animal.

The Company supported the treatment of Lumpy Skin Disease (a highly contagious and deadly disease in cattle) and vaccinated more than 3,200 cattle to save their lives.

During the year 2022-23, veterinary doctors treated 3,326 animals, and have cumulatively treated 18,954 animals. Moreover, 25 Mt of special cattle feed, developed by the Animal Husbandry team has also been provided to farmers to increase the productivity of their animals.

Artificial Insemination (AI) service has been performed cumulatively, on over 38,200 cattle, and for this year on over 3,000 cattle.

The Company has also continued with the innovative project of sexed semen which ensures the delivery of a female calf. For the year 2022-23, 289 cattle have been given sexed semen doses of which 45% cattle were found pregnant. Cumulatively, 600 cattle have been given sexed semen doses of which 46% cattle were found pregnant. Based on the conception till date, the success rate is 100%, with female calves being delivered by pregnant animals.

18,900+ ANIMALS TREATED	3200+ CATTLE VACCINATED FROM LUMPY SKIN DISEASE	3,300+ VETERINARY TREATMENTS
38,200+ ARTIFICIAL INSEMINATIONS PERFORMED	46% PREGANCY RATE THROUGH ARTIFICIAL INSEMINATION	100% SUCCESS RATE OF DELIVERING FEMALE CALVES
25 MT SPECIAL CATTLE FEED DEVELOPED	21% AVERAGE INCREASE IN MILK YIELD PER ANIMAL	

INITIATIVES FOR WOMEN

During 2022-23, the Company helped form, nurture and develop 110 new Self-Help Groups (SHGs) - Mahila Mandals- in Bhavnagar, Talaja and Amreli districts of, Gujarat. More than 1,100 additional women became members of these SHGs. With this, the total number of SHGs reached 748 with the member count growing to 7,853 women. These SHGs serve as a platform for women to gain financial freedom, a source of credit that acts as a stimulus for income generation, and as a buffer to absorb various household financial crises.

To make all these SHGs self-sustainable, institution creation was necessary. Hence, the Company helped to create 6 cluster federations of 41 village organisations (5 new VO and 5 Cluster Level Federations formed in the last financial year 2022-23).

SHGs Training and Quality Assessment Centre focuses on

expanding the technical, managerial and financial skills of women to operate a business. In the last financial year, the Company has conducted over 190 such trainings to more than 400 SHGs (over 3,900 women), resulting in various mini businesses that help these women earn a dignified livelihood.

Cumulatively, SHGs now run and manage 6 units of khakhra and other units for different products such as sanitizer unit, wooden toys unit, aloe vera unit, pickle unit, masala unit, bakery unit, bio phenyl unit, jute and cloth bags unit, soft toys, bio-pesticide unit, seaweed value added products and banana fibre processing unit.

To support the mini businesses with logistics and sales, a fully functional warehouse is operational in Mahuva. The warehouse takes care of receiving orders, delivery to respective vendors, inventory management and other important activities.

The Company has collaborated in Public Private Partnership (PPP) with the Government of Gujarat, and Shyama Prasad Mukherji Rurban Mission for the development of infrastructure for SHGs. This will enhance the creation of jobs and better livelihoods in Kikariya and Mota Khuntavada village. Machines worth ₹ 52 lac have been purchased, in collaboration with the Government, to automate and mechanise the production process for various products manufactured by SHGs.

In addition to the aforementioned initiatives, a massive event was held on International Women's Day to celebrate the success and achievements of SHG women. More than 1,500 women participated and the Collector and DM of Bhavnagar -Shri D K Parekh (IAS), felicitated 44 SHGs women for their accomplishments.



Shakti Mahila Mandal with their first batch of orders

7,800+

TOTAL STRENGTH OF WOMEN

1,000+

WOMEN MEMBERS THIS YEAR

100+

NEW SELF HELP GROUPS DEVELOPED

150+

TRAINING SESSIONS IN THE LAST FINANCIAL YEAR

1500+

PARTICIPATION ON WOMEN'S DAY EVENT



WATER RESOURCE MANAGEMENT

The Company has continued its support for water management activities (check dams, ponds, etc.) with the Department of Narmada, Water Resources, Water Supply and Kalpsar Department of the Government of Gujarat, in the PPP (Public Private Partnership) model.

In 2022–23, 56 check dams and the, deepening of 13 ponds and 36 farm ponds were completed.

With the assistance of the Company, a total of 269 check dams, and the deepening of 114 ponds and 726 farm ponds have been completed. The Company has also completed

check dam repairs and canal linking work across 300 kms.

The Company has also initiated the development of water structures (62 check dams and 17 ponds) for the coming year, and further water structures are under discussion with the Government for the next year.

During the year 2022-23, 310 hectares of additional farmland were converted into micro irrigation and more than 34 additional wells, spanning over 50 villages, were recharged, for the improvement of the groundwater quality.

Cumulatively, over years, it has translated into 4,439 hectares of micro irrigation on farmland and 1,436 well recharges in 100 villages.

With all such initiatives in 2022-23, the Company has helped to conserve on surface, 226 million litres of water in the state of Gujarat. When this conservation is considered as against the Company's consumption of water in manufacturing operations located in the state, the Company is net positive in water conservation/utilisation.

250+

CHECK DAMS
CONSTRUCTED

4,400+ Hectares

MICRO IRRIGATION
ON FARMLAND

700+

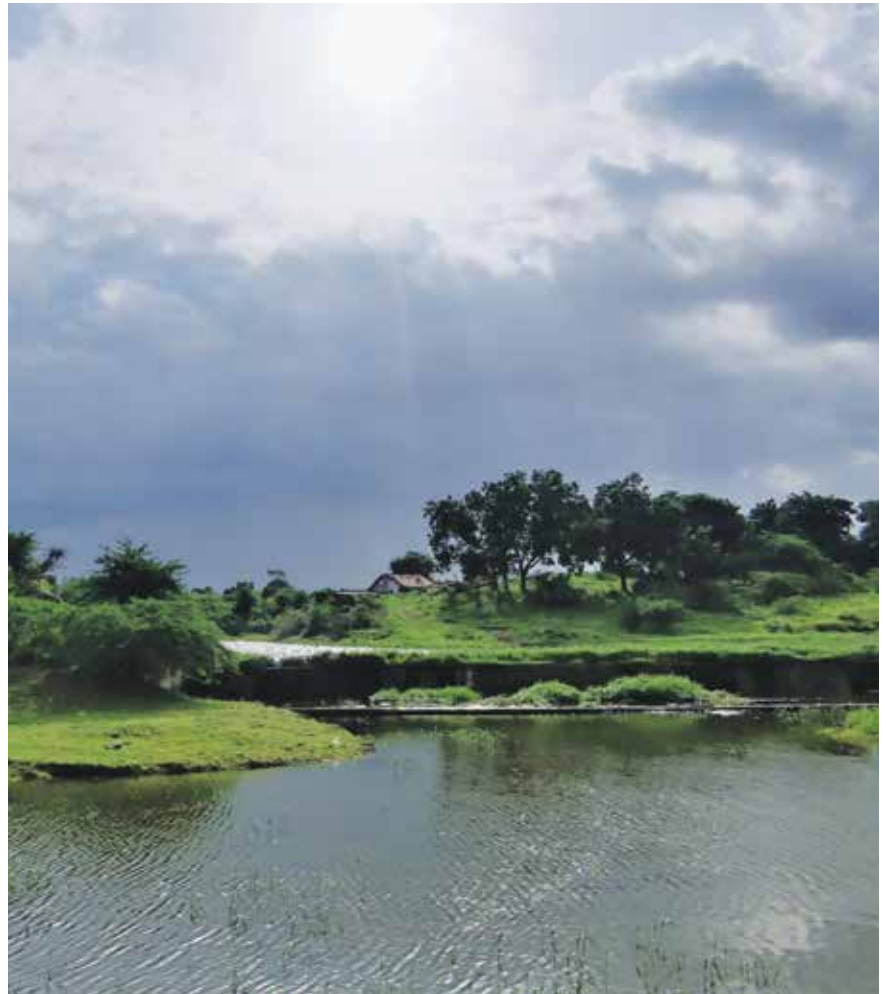
DEEPENING OF FARM
PONDS COMPLETED

1,400+

WELL RECHARGES
IN 100 VILLAGES

200+ Million Litres

OF WATER CONSERVED
IN GUJARAT



Kotamoi Checkdam in Mahuva Taluka

TREE PLANTATION INITIATIVE

The Company has collaborated with the State Forest Department of Gujarat and initiated a massive plantation drive with the help of the community.

In 2022-23, 3 lac trees have been planted through mobilisation of Farmer Clubs, Schools and SHG Women, and cumulatively 8 lac trees have been planted to increase green cover.

8 Lakh
TREES PLANTED



SANITATION

The Company, during the financial year 2022-23, supported the building of 1,114 new toilets (taking the total to over 18,107 till date) in Mahuva taluka. It has continued to work closely with the Government and provides

support to households to achieve the open defecation-free status for the villages of Mahuva Taluka.

18,000+
TOILETS BUILT IN MAHUVA TALUKA SINCE INCEPTION



EDUCATION

The habit of reading among children is declining due to various reasons, especially in rural areas. This also impacts the learning ability at a young age.

The Company has supported the development of 8 libraries, 3 of which are community libraries, 4 school libraries, and one large scale library at Gujarat University Ahmedabad, which caters to approx. 800 students per day.

The Company has further upscaled the initiative that focusses

on learning through Shri Giju Bhai Badheka Methodology in collaboration with Daxinamurti Bhavnagar (preprimary education initiative) by emphasizing more on teaching young children (aged 3–5) following the concept of self-manifestation through rhymes, stories, action songs, outings, games and other interactive methods that are effective in sparking curiosity among children. Initially, 20 Aanganwadis were covered showing an exponential increase in the attendance of children from 25% to 75%.

Seeing a positive response from children during 2022-23, 125 new Aanganwadis have been covered in Mahuva taluka in Phase 1. The Company has continued its collaboration with Navneet for the digitization of 155 Primary and Secondary schools in Mahuva.

The Company has continued the WaGaLe initiative in 143 schools which has been instrumental in helping students learn the basics of reading, writing and counting.

The Company has supported the beautification of 200 Government Schools (51 new schools) in Mahuva and Jesar Talukas.

The Company has also signed an MoU with the District Panchayat of Amreli and Bhavnagar, respectively, for the renovation of over 220 Aanganwadis along with development of 2 Gram Panchayats, library and computer lab buildings under the PPP model.



Visit of Shri M. B. Parekh, Executive Chairman, to the Science Centre developed at Shri B. K. Parekh Boys School in collaboration with Augustya Foundation on 20th January, 2023.

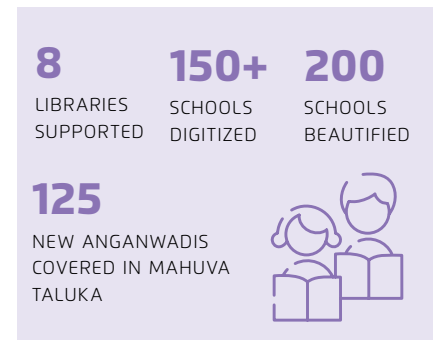
The Company has continued its support to 5 schools of Shri Triveni Kalyan Education Trust (TKET) and Parekh College. Huge infrastructure is being developed i.e. classrooms, science laboratories and other basic and advanced amenities, on the TKET campus for students. In Parekh college a dedicated building is being developed for the recently initiated engineering course. Through Shri N. N. Mehta Memorial Education Trust, the Company has provided scholarships amounting to more than ₹ 41 lac to 258 deserving

students for higher education, in the year 2022-23.

The Company is working with Shri BKP Science City (a modern science museum) in Bhavnagar City to ensure the development of analytical learning in students.

Shri BKP Science City, in collaboration with Augustya Foundation, has upgraded the Science museum and the mobile van. It has also Introduced new verticals like the mini innovation

hub, planetarium, tod-fod-jod corner and others to spark curiosity among children to learn various concepts of Science.



SKILL

The Company has continued its collaboration with the Directorate of Employment and Training (under the Labour and Employment Department), Government of Gujarat, for the ninth year, to strengthen the skill ecosystem in the State. During the current year, a total of 18,609 trainees from 199 ITIs were benefited through carpentry, plumbing, electrician and construction technician courses. Moreover, in Rajasthan, the Company is supporting 4 ITIs in their plumbing and carpentry courses.

The Company has also commenced its operations for skill initiatives in Himachal Pradesh and Maharashtra where it has covered 113 ITIs from 11 districts, 4 Train to Trainers (ToT's) in Himachal Pradesh and Courses in Carpentry and Plumbing in Maharashtra. The Company is also

promoting Art and Craft Trainings in women ITIs of Maharashtra and so far, conducted 4 workshops till date.

Under the PPP (Public-Private Partnership) scheme of the Government, the Company has been the Industry Partner to 18 ITIs in Gujarat, Himachal Pradesh and Maharashtra, where efforts are focused on strengthening trades and training delivery, both in scale and quality.

A MoU has been signed with the NSTI (W)-Vadodara, under the Ministry of Skill Development and Entrepreneurship, Government of India, to provide skill training in Plumbing to women.

The Company has continued its support as an Industry Partner in Gujarat for the World Skill

Competition 2022 in Carpentry, Joinery and Plumbing and Heating trades.

An Advance Skilling Centre is being established on Woodworking and Plumbing at Ahmedabad under the aegis of Kaushalya – The Skill University, Government of Gujarat where Certificate, Diploma, Graduation and Post Graduation courses in Woodworking and Plumbing will be offered to students.

The Company has also been instrumental in organising District, Regional and State level sports events to achieve the objective of holistic development of the students and the ITIs.

18,600+

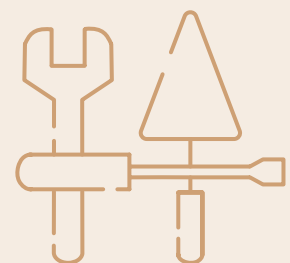
TRAINEES
BENEFITTED
FROM COURSES

100+

ITIS PROVIDED
WITH SKILL
INITIATIVES

18 ITIS

INDUSTRY
PARTNERS UNDER
PPP SCHEME



HEALTHCARE

During the year 2022-23, the Company continued its support to Hanumant Hospital in Mahuva, enabling them to treat 45,582 outpatients, perform over 3,179 surgeries and successfully handle 12,639 emergency cases. Four educational training programs were conducted for the medical fraternity.

The Hospital is enrolled under the Ayushman Bharat scheme of the Government of India. Under this, cashless treatment to 1,365 beneficiaries has been provided during the year 2022-23.

During the year 2022-23, Hanumant Hospital, under the urology cluster, provided cashless dialysis service to 7,420 patients under Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana. Cumulatively 8,577 beneficiaries have availed the benefits of various cashless services.

The Hospital has also conducted free eye and paediatric checkup camps through mobile ophthalmic vans in 46 villages of Mahuva and surrounding areas and has screened 4,250 patients.

The Hospital has also conducted 289 free cataract surgeries with Intraocular lenses (IOL) in collaboration with Vision Foundation, Mumbai.

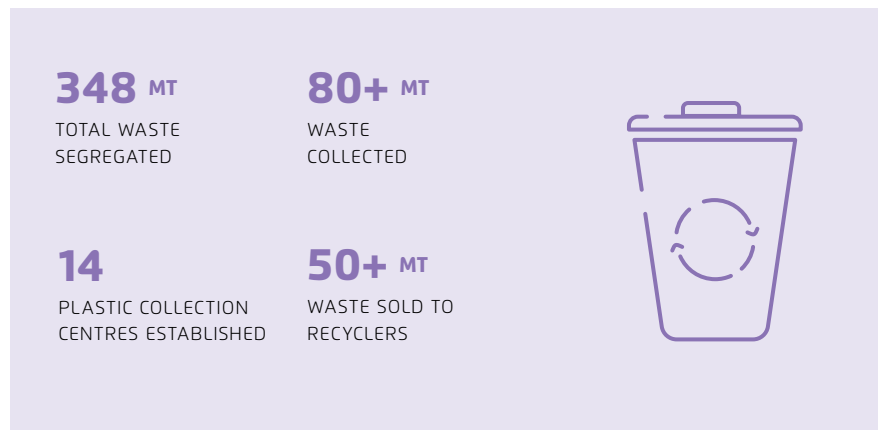
Furthermore, the Hospital is running three schemes namely, Chitrakutdham Arogya Scheme, Jaswant Mehta Arogya Scheme and Arogya Sanjivani Scheme under which they are providing free treatment to 8,886 beneficiaries.



SWACHHTA INITIATIVE

The Company has continued its collaboration with Swachh Bharat Mission (Urban), Government of Gujarat and Mahuva Nagar Palika for the cleanliness drive.

The Company has continued its tri-party collaboration with the Regional Commissionerate of Municipalities of Bhavnagar and Mahuva Nagar Palika to set up a Material Recovery Facility at Mahuva for waste segregation, processing and recycling (which is near completion).



An expert agency has been roped in for segregation at source, removal, collection and recycling of both organic and plastic waste into value added products. The total waste segregated in the last year is 348 MTs, from which compost was prepared and provided to farmers. The value addition of plastic waste

has also been undertaken. To facilitate this process, 14 Plastic Collection Centres (PCCs) have been established in Mahuva City. These centres are responsible for purchasing the scrap materials from the rag pickers. A total of 82.5 tonnes waste has been collected and 53.8 tonnes were sold to recyclers for value addition.

The Company has also extended the drive to the villages of Mahuva taluka in a phased manner. To ensure community involvement, SHG women have been roped in, along with the Panchayats, for the collection of plastic waste.

SOLAR KHADI INITIATIVE

The initiative focuses on addressing the need for modernization, spinning, weaving, dyeing and value addition along with training and testing, to make the khadi weaving process profitable for the community.

The Company has continued its association with Mahuva Khadi Bhandar.

An SHG has been formed that takes care of the entire production

of the Khadi unit for end-to-end operations. The unit has produced over 4,000 metres of khadi cloth, which is ready for sale.

The training of 200 women is under process for operating these solar charkhas and looms. Based on their initial learnings, they have already started the production of quality yarns and Khadi fabric, and have produced about 1,000 metres of high quality fabric.



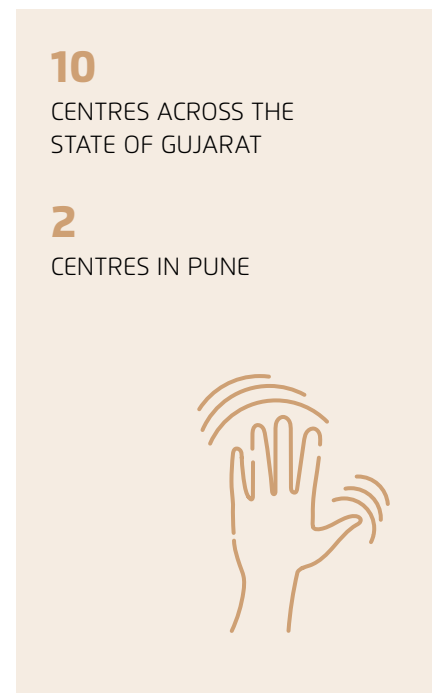
B K PAREKH PARKINSON'S DISEASE AND MOVEMENT DISORDER SOCIETY (BKPPDMDS)

The Company continues to support the rehabilitation of people with Parkinson's disease, and their caregivers with the aim of improving their quality of life.

BKPPDMDS proudly launched its 10th Gujarat PD Support Group Centre in Bhuj in July, 2022. It is now functioning in 10 centres across the state of Gujarat and 2 centres in Pune, Maharashtra. As the Covid-19 pandemic has settled, we have successfully transitioned back to the offline physical platform, while continuing the online platform for

patients who live in the outskirts of the cities or are unable to travel to the physical centres due to health reasons, etc.

Through the hybrid online and offline model of rehabilitation, various services continue to be offered such as Psychoeducation on Parkinson's, physiotherapy, speech therapy, occupational therapy, psychological services, diet and nutrition, creative therapies, yoga and specialised online support program for caregivers.



CANCER PATIENTS AID ASSOCIATION

The Company continued its association with CPAA and assisted more than 300 cancer patients and their families in financial hardship thus giving them a chance of treatment and survival.

The children with cancer were helped with medical aid, diet supplements, transportation, and a job for a family member. Additionally, all their psychological, social and spiritual needs were addressed.

300+

CANCER PATIENTS
TREATED



Exercise session being conducted in the 10th Gujarat Parkinson's Disease Support Group Centre

GENERAL SEMANTICS

The Balvant Parekh Centre for General Semantics and Other Human Sciences has collaborated with The University of Rajasthan to create awareness on the concept of "General Semantics". "Time Binding is an integral part", theme of the

International Conference was held at the University of Rajasthan. A Symposium on humanities was organised at the Centre where Professor Roland Greene of Stanford University delivered the lecture.

The Centre also inaugurated "BKP Special Collection of Books" in December, 2022 where the entire book collection of Late Shri Balvant Kalyanji Parekh has been displayed and made available to read for visitors.

**ANNEXURE TO
THE DIRECTORS'
REPORT**



ANNEXURE 1 TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31ST MARCH, 2023

1. Brief outline on CSR Policy of the Company

(a) Focus areas:

The Company supports various bodies in carrying out activities in the areas of rural development, education, health care, general semantics etc.

(b) CSR Objectives:

To attain its CSR objectives in a professional manner and integrated manner, the main objectives are:

- (1) To promote, carry out, support activities relating to: Agriculture & Horticulture, Animal Husbandry, Education & Sports, Women Self Help Groups, Water Collection and Conservation, Cleanliness initiative, Waste Management & Recycling of Plastic, providing assistance to Senior Citizen Homes, Green Cover, Healthcare, Khadi and Handloom, Skill Development, Science Centre, Sanitation and Natural Calamities and Disaster Management, 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.

The Company has always believed in contributing towards the betterment of the society in which it operates and with this objective, it has been engaging in and supporting various social and community service initiatives for the past several years, even before the concept of corporate social responsibility came into being.

- (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.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri N. K. Parekh	Non-Executive Director	3	3
2	Shri Sanjeev Aga	Independent Director	3	3
3	Shri A. B. Parekh	Executive Vice Chairman	3	3
4	Smt. Meera Shankar	Independent Director	3	3
5	Shri Debabrata Gupta*	Whole Time Director	3	2
6	Shri Joseph Varghese**	Whole Time Director	3	1
7	Smt. Meher Pudumjee**	Independent Director	3	1

* Ceased to be a member of the Committee with effect from 9th November, 2022 due to his resignation as Whole-Time Director of the Company.

** Appointed as Members of the Committee with effect from 9th November, 2022.

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

<https://www.pidilite.com/investors/corporate-governance/>

4. Provide the executive summary alongwith web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company has carried out Impact Assessment for eligible CSR activities through an Independent agency and the said report is available on the Company's website at <https://www.pidilite.com/investors/corporate-governance/>.

Synopsis of Impact Assessment carried out by M/s. IN2X Sustainability Advisors LLP (known as Nusocia) on the Agriculture and Horticulture projects carried out by the Company at Manar Village, Bhavnagar District is given herein below:

I. Center Outreach

The Company has been carrying out its CSR intervention in agriculture and horticulture at the Center for Agriculture-Horticulture Development, Manar based in Talaja, Bhavnagar, Gujarat. The Center is a knowledge-based Center and has made collaborations with 7 governmental and non-governmental institutions to curate trainings for the farmers and Self Help Groups (SHGs).

Since its inception in 2017, the Center has trained more than 8,500 farmers, formed 37 SHGs, impacted beneficiaries from 50 villages and conducted 300 plus training sessions.

II. Impact Achieved

The Center had been able to impact Farmers and SHGs group under 3 key themes i.e. Knowledge, Attitude and Practice as follows:

i. Towards Beneficiary Farmers:

- Knowledge: It was observed that 83% of the farmers found that natural farming techniques were the most useful practice which they have learned. It was beneficial to the farmers as it was cost-effective and helped them minimize the inorganic inputs;
- Attitude: It was observed that 86% of the respondents mentioned that they got to know about the Manar Center at a village level meeting. As per the current geographical outreach, the Mydhar cluster has around 1,000 farmers and the Sihore cluster has 700 farmers who partake in these training activities, of which 96% of the respondents were very satisfied; and
- Practice: It was observed that 35% of the respondents stated that there has been an increase in their income because of utilizing the training. Some of the practices which are being practised are drip and sprinkler irrigation, intercropping farming, border plantations, vermicompost and fodder development, etc.

ii. Towards Beneficiary SHGs Members:

- Knowledge: All the SHGs members were given training on multiple post-harvest activities and capacity building. Of the survey respondent group, 28% were trained under the food processing unit. Currently, the initiative has 390 women members covering 8 villages;
- Attitude: 89% of the respondents became aware of the SHGs initiative at the Center through the cluster officer. 79% SHGs members felt empowered as they were now able to participate in decision making on their household level due to their income generation; and
- Practice: The practical training received at the Center has helped the SHGs members to engage in new and stable income generation activities. 97% of the respondents felt that they have benefitted from the horticulture development due to the Center.

III. Analysis of the work achieved at the Center:

The key points of the evaluation done are as follows:

- Relevance: Contextualized solutions for improving the primary livelihood source of the community in the area;
- Effectiveness: Incorporated oral and visual teaching methods;
- Efficiency: Local individuals for community-facing roles;
- Impact: Creation of inclusive agri-horticulture solutions, creation of multiple streams of income and creation of spending power;
- Coherence: The strategic collaborations with institutions has ensured latest training material and rightful governmental support; and
- Sustainability: Knowledge is a long-term resource that helps develop livelihood and skills for the foreseeable future.

- (a) Average net profit of the Company as per Section 135(5): ₹ 1,524.58 Crores
- (b) Two percent of average net profit of the Company as per Section 135(5): ₹ 30.49 Crores

- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
- (d) Amount required to be set off for the financial year, if any: **Nil**
- (e) Total CSR obligation for the financial year (5b+5c-5d): **₹ 30.49 Crores**
6. (a) Details of CSR amount spent against (both ongoing projects and other than ongoing projects) for the financial year 2022-23: **₹ 32.80 Crores**
- (b) Amount spent in Administrative Overheads: **Nil**
- (c) Amount spent on Impact Assessment, if applicable: **Nil**
- (d) Total amount spent for the Financial Year (6a+6b+6c): **₹ 32.80 Crores** (includes ₹ 1.85 Crores pertaining to unspent CSR of FY 21-22, spent in FY 22-23).
- (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2022-23 (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
32.80 Crores	-	-	-	-	-

(f) Excess amount for set off, if any:

Sr. no.	Particulars	Amount in ₹
(i)	Two percent of average net profit of the Company as per Section 135(5)	30.49 Crores
(ii)	Total amount spent for the financial year	30.95 Crores
(iii)	Excess amount spent for the financial year [(ii) - (i)]	0.46 Crores
(iv)	Surplus arising out of CSR projects/programmes or activities of the previous financial year, if any	-
(v)	Amount available for set-off in succeeding financial year [(iii) - (iv)]	0.46 Crores

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1 (21-22)	1.85	Nil	1.85	-	-	-	-
2	FY-2 (20-21)	-	-	-	-	-	-	-
3	FY-3 (19-20)	-	-	-	-	-	-	-

8. Whether any capital asset have been created or acquired through CSR spent in the financial year: **No**
If yes, enter the number of capital asset created/acquired: **Not Applicable**
Furnish the details relating to such asset(s) created or acquired CSR amount spent in the Financial Year: **Not Applicable**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): **Not Applicable**

Place: Mumbai
Date: 8th May 2023

Bharat Puri
(Managing Director)

Sanjeev Aga
(Chairman of CSR Committee)

ANNEXURE 2 TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Pidilite Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pidilite Industries Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
(Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not applicable to the Company during the audit period);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period); and
- (vi) Other laws specifically applicable to the Company namely:

- (a) The Environment (Protection) Act, 1986
- (b) The Hazardous Waste (Management & Handling) Rules, 1989
- (c) The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

To,

The Members,
Pidilite Industries Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
(Company Secretaries)

Mitesh Dhabliwala
Partner

FCS No: 8331 CP No: 9511
UDIN: F008331E000267612
PR No.: 1129/2021

Place: Mumbai
Date: 8th May 2023

For Parikh & Associates
(Company Secretaries)

Mitesh Dhabliwala
Partner

FCS No: 8331 CP No: 9511
UDIN: F008331E000267612
PR No.: 1129/2021

Place: Mumbai
Date: 8th May 2023

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE 3 TO THE DIRECTORS' REPORT

Statement containing particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

Your Company undertook various measures for conservation of energy and use of alternate sources of energy which resulted in total savings of ₹ 33.23 crores during the year, FY 2022-23. Savings accrued during the last 3 years (2020-23) is ₹ 74.78 crores.

A) CONSERVATION OF ENERGY/ALTERNATE SOURCE OF ENERGY

1. Steps taken or impact on conservation of energy:

The manufacturing units of the Company have continued their efforts to reduce energy consumption. In this year, the Company has implemented various energy conservation measures recommended during previous energy audits and additionally new inhouse initiatives have been undertaken as given below:

New Measures undertaken in 2022-23:

1. Waste heat recovery from operations.
2. Productivity improvements in filling and packing machines resulting in energy saving by operating less number of machines.
3. Use of energy efficient heat pump for hot DM water generation used in manufacturing process.
4. Replacement of air operated pumps (AODD) by electrical centrifugal pumps.
5. Replacement of conventional fans with high energy efficient BLDC fans.
6. Reallocation of windmill power to C58 and C59 units at Mahad.

Earlier proven energy conservation projects replicated across other manufacturing units in 2022-23:

1. Replacement of compressors with energy efficient compressors.
2. Replacement of existing AC with energy efficient AC.
3. Installation of Variable frequency drives.
4. Installation of motion sensors for lighting applications.
5. Day light savings in warehouses by providing transparent roof sheets.

2. Steps taken by the Company for utilizing alternate sources of energy:

Various initiatives and steps taken by your Company are given below:

a. Green Fuel:

Your Company continues to evaluate and increase the usage of green fuel (biomass) which replace fossil fuels for operation of our boilers. During the year, by use of green fuels, your Company has saved ₹ 26.7 crores. The CO₂ emissions per MT of production reduced from 0.081 T/MT to 0.061 T/MT.

b. Wind Energy:

Power generated from wind farm projects at Gujarat and Maharashtra continue to be utilized in the manufacturing units and for corporate office in Mumbai. Power generated from windmills was 53 Lakh KWH while the consumption was limited to 38 Lakh KWH which has resulted in saving of ₹ 3.24 crores in the year.

c. Solar Energy:

Your Company have saved 29 Lakhs units of electricity (KWH) from 16 solar installations of capacity 2,711 KWP, resulting of saving ₹ 2.46 Crores.

3. The Capital Investment on Energy Conservation Equipment's:

Capital Investment in energy conservation equipment was ₹ 5.0 crores during the year.

B) TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption:

- a. R&D maps new market and application trends on regular basis and upgrade our technologies by advancing development work on various types of products in adhesives, sealants, tile & stone fixing solutions, synthetic resins, pigments, pigment dispersions, intermediates, thickeners, dispersants, coatings, waterproofing products and construction chemicals.

- b. R&D scouts for technology experts and research institutes continuously, for developing new technologies capabilities.
- c. R&D continue to strengthen the strategic initiative on safe and sustainable products and product systems.

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

R&D plays a key role in revenue and margin growth by launching new products, product improvement and cost saving initiatives, capacity debottlenecking, solutions for market needs for new applications and improved environmental compliance.

3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

The details of technology imported, the year of import, whether the technology been fully absorbed, if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

The technology for manufacture of Silicone Sealant, received by the Company during the year 2021-22, was fully absorbed during the financial year i.e. 2022-23.

4. Expenditure incurred on Research and Development:

(₹ in crores)

	Year ended 31 st March 2023	Year ended 31 st March 2022
i) Capital	3.43	5.26
ii) Recurring	78.93	79.01
TOTAL	82.36	84.27

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

(₹ in crores)

	Year ended 31 st March 2023	Year ended 31 st March 2022
i) Foreign exchange earned	737	730
ii) Foreign exchanged used	1,944	1,605

For and on behalf of the Board of Directors

Place: Mumbai
Date: 8th May 2023

M B Parekh
Executive Chairman

ANNEXURE 4 TO THE DIRECTORS' REPORT

Disclosure regarding Employee Stock Option of the Company for the year ended 31st March, 2023

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time. Members may refer to the audited financial statement prepared as per Indian Accounting Standard (Ind-AS) for the year 2022-23.
- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time. Diluted EPS for the year ended 31st March, 2023 is 24.72 calculated in accordance with Ind-AS 33 (Earnings per Share).

C. Details related to Employees' Stock option of the Company for the year ended 31st March, 2023:

Sr. No.	Particulars	Employee Stock Option Plan-2016	
(i)	(a)	Date of shareholders' approval	02.04.2016
	(b)	Total number of options approved under ESOS	45,00,000
	(c)	Vesting requirements	Options 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 Compensation Committee.
	(d)	Exercise price or pricing formula	As approved by the Shareholders through Postal Ballot which was declared on 2 nd April, 2016, the exercise price shall be ₹ 1/- per option or such other higher price as may be fixed by the Board or Compensation Committee.
	(e)	Maximum term of options granted	Out of the options granted, the last date of vesting is 31 st May, 2030. The vested options need to be exercised within a maximum period of three years from the date of vesting of such options.
	(f)	Source of shares (primary, secondary or combination)	Primary
	(g)	Variation in terms of options	Not Applicable
(ii)		Method used to account for ESOS	Fair value method*
(iii)	(a)	Difference between the employee compensation cost computed as per intrinsic value method and the employee compensation cost as per the fair value of the options	N.A
	(b)	The impact of this difference on profits and on EPS of the Company	N.A

*NOTE : Under IND AS , Fair value method is used for accounting.

(iv) Option movement during the year - Employee Stock Option Plan 2016 (ESOP – 2016)

Particulars	ESOP – 2016
Number of options outstanding at the beginning of the period	3,84,740
Number of options granted during the year	17,830
Number of options forfeited / lapsed during the year	24,085
Number of options vested during the year	1,61,125
Number of options exercised during the year	25,825
Number of shares arising as a result of exercise of options	25,825
Money realized by exercise of options (INR)	25,825
Loan repaid by the Trust during the year from exercise price received	N.A.
Number of options outstanding as on 31 st March 2023	3,52,660
Number of options exercisable as on 31 st March 2023	2,60,330

(v) Weighted-average exercise prices and weighted-average fair values of options

Particulars	Weighted average exercise price per option (₹)	Weighted average fair value per option (₹)
Options granted on 29.07.2016 – ESOP 2016	1	730.61
Options granted on 08.11.2017– ESOP 2016	1	734.15
Options granted on 11.04.2018 – ESOP 2016	1	976.94
Options granted on 30.10.2018 – ESOP 2016	1	931.19/924.50
Options granted on 23.01.2019 – ESOP 2016	1	1,112.48/1,127.85
Options granted on 13.05.2019 – ESOP 2016	1	1,124.69
Options granted on 23.01.2020 – ESOP 2016	1	1,449.90/1,444.56/1,433.92
Options granted on 05.08.2020 – ESOP 2016	1	1,318.08/1,319.96
Options granted on 04.11.2020 – ESOP 2016	1	1,536.91
Options granted on 09.10.2021 – ESOP 2016	1	2,422.93
Options granted on 09.11.2021 – ESOP 2016	1	2,345.77
Options granted on 09.11.2021 – ESOP 2016	2,390.75	944.34
Options granted on 24.01.2022 – ESOP 2016	1	2,667.05
Options granted on 11.03.2022 – ESOP 2016	1	2,325.81
Options granted on 18.05.2022 – ESOP 2016	1	2,142.47
Options granted on 24.01.2023 – ESOP 2016	1	2,368.65/2,391.47
Options granted on 24.01.2023 – ESOP 2016	2,205.00	1,131.02

(vi) Options granted during the year (excluding lapsed options):

a) Senior managerial personnel:

Sr. No.	Name of Employee	Designation	Number of options granted in 2022-23	
			Exercise Price ₹ 1/-	Exercise Price ₹ 2205
1.	Shri Sandeep Batra	Director-Finance and Chief Financial Officer	10,000	7,500
2.	Shri Joseph Varghese	Director-Operations	330	-

b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year 2022-23 - Nil

c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - Nil

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options, the weighted-average values of share price, the method used and the assumptions made to incorporate the effects of expected early exercise, how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.

The fair value of the option has been determined using the Black Scholes/Binomial Model. The assumptions used in this model for calculating fair value are as below:

Please refer to "Notes to the Financial Statements – Note 46".

ANNEXURE 5 TO THE DIRECTORS' REPORT

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of remuneration paid to each Director to the median remuneration of the employees of the Company and percentage increase in remuneration for the financial year 2022-23 is as follows:

Sr. No.	Name of Director	Designation	Ratio of remuneration of Director to the Median remuneration	% increase
1	Shri M B Parekh	Executive Chairman	57.85	(1.53)
2	Shri N K Parekh	Non Executive Non Independent Director	5.18	(4.77)
3	Shri A B Parekh	Executive Vice Chairman	28.19	26.21
4	Shri A N Parekh	Executive Vice Chairman	97.82	8.87
5	Shri Bharat Puri	Managing Director	235.28	(62.99)
6	Shri Sudhanshu Vats	Deputy Managing Director	119.75	*
7	Shri B S Mehta	Independent Director	4.90	(11.41)
8	Shri Sanjeev Aga	Independent Director	5.03	(10.55)
9	Shri Uday Khanna	Independent Director	4.79	(5.84)
10	Smt. Meera Shankar	Independent Director	4.42	(2.45)
11	Shri Vinod Dasari	Independent Director	4.34	(13.33)
12	Shri Piyush Pandey	Independent Director	4.16	(5.08)
13	Shri Rajeev Vasudeva	Independent Director	4.79	42.79
14	Smt. Meher Pudumjee	Independent Director	0.61	**
15	Shri Debabrata Gupta	Director Operations	20.25	@
16	Shri Sandeep Batra	Director Finance & Chief Financial Officer (CFO)	30.64	#
17	Shri Joseph Varghese	Director Operations	16.13	#

B. Percentage increase in remuneration of Company Secretary and Chief Financial Officer for the financial year 2022-23 is as follows:

Sr. No.	Name	Designation	% increase
1	Smt. Manisha Shetty	Company Secretary	\$
2	Shri Sandeep Batra	Chief Financial Officer	@

Notes:

- The aforesaid details are calculated on the basis of remuneration paid during the financial year 2022-23.
- The remuneration to Non Executive Directors includes sitting fees and commission paid to them during the financial year 2022-23.
- The median remuneration is ₹ 6,73,851/- for the financial year 2022-23.
- * % increase in remuneration is not given as Shri Sudhanshu Vats, Deputy Managing Director was appointed w.e.f. 18th May, 2022.
- ** % increase in remuneration is not given as Smt. Meher Pudumjee, Independent Director was appointed w.e.f. 18th May, 2022.
- @ % increase in remuneration is not given as the payment for financial year 2022-23 was only for the part of the year.
- # % increase in remuneration is not given as Shri Sandeep Batra and Shri Joseph Varghese were appointed as Whole Time Directors w.e.f. 9th November, 2022.
- \$ % increase in remuneration is not given as the payment for financial year 2021-22 was only for the part of the year.
- The remuneration to Directors is within the overall limits approved by the shareholders.

C. Percentage increase in the median remuneration of employee in the financial year 2022-23: 7.60%

D. Number of permanent employees on the rolls of the Company as on 31st March, 2023: 7,310.

E. "Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in remuneration is based on Remuneration Policy of the Company.

Average increase in salary of all employees in 2022-23 compared to 2021-22: 9.50%

F. Affirmation:

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of the Company.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Introduction

Given the heightened significance of global climate change, sustainability has emerged as a key priority. Pidilite Industries Limited ("Company") is committed to comprehensive organizational development, clearly focusing on embedding Environmental, Social and Governance (ESG) considerations throughout its value chain. The environmental performance of the Company was primarily driven by the focus on reduction in consumption of fresh water & energy, reduction in Greenhouse Gas Emissions, increasing the usage of renewable energy and reduction and recycling of waste with focus on plastic packaging. The Corporate Social Responsibility (CSR) initiatives were directed towards the wellbeing of the vulnerable and marginalised communities and focused on issues such as education, women empowerment, skill development, agriculture, water management and sanitation. By incorporating ESG principles into these critical areas, the Company aims to foster a sustainable business model that creates long-term value for its stakeholders.

Over the past few years, the Company has been monitoring its ESG parameters and publishing its Sustainability Report since FY 2018-19. With a strong foundation in place, the transformation is based on the concept of sustainable development at the core of its operations. The leadership sets the tone of the Company's culture and the practices are followed across the organisation. The Company has broadened its perspective and consequently, the strategy is to inculcate more stringent environmental targets along with social and governance aspects with special focus on climate risks.

This report has been developed in accordance with the guidelines set forth by the Securities & Exchange Board of India (SEBI) for Business Responsibility and Sustainability Reporting (BRSR).

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity		
1	Corporate Identity Number (CIN) of the Listed Entity	L24100MH1969PLC014336
2	Name of the Listed Entity	Pidilite Industries Limited
3	Year of incorporation	1969
4	Registered office address	Regent Chambers, 7 th Floor, 208, Nariman Point, Mumbai, Maharashtra, 400 021
5	Corporate address	Ramkrishna Mandir Road, Off Mathuradas VasANJI Road, Andheri (E), Mumbai – 400 059
6	E-mail	investor.relations@pidilite.co.in
7	Telephone	+91 22 6883 7000
8	Website	www.pidilite.com
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	The BSE Limited, The National Stock Exchange of India Limited
11	Paid-up Capital	₹ 50,83,14,240
12	Contact Person	
	Name and contact detail (telephone email address) of the person who may be contacted in case any queries on the BRSR report	Name: Joseph Varghese, Director - Operations Tel: +91 22 6883 7124 Email: joseph.varghese@pidilite.com
13	Reporting Boundary	
	Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements taken together)	Standalone Basis

II. Product/Services					
14	Details of business activities (accounting for 90% of the turnover):	S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
		1	Consumer & Bazaar Products Segment	The Branded Consumer & Bazaar segment encompasses various products, including Adhesives, Sealants, Art & Craft Materials and others, as well as Construction and Paint Chemicals. These products are widely used by carpenters, painters, plumbers, mechanics, households, students, offices etc.	81%
		2	Business to Business Products Segment	The Business to Business segment includes a range of products like Industrial Adhesives, Industrial Resins, Construction Chemicals (Projects), Organic Pigments, Pigment Preparations and more. This segment serves different industries such as packaging, joineries, textiles, paints, printing inks, paper, leather and others.	18%

15	Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):	S. No.	Product/Service	NIC Code	% of Total Turnover contributed
		1	Manufacture of adhesives and sealants including rubber-based glues, industrial adhesives, consumer adhesives.	20295	61.5%
		2	Manufacture of Pigments and preparations, paint chemicals, industrial resins etc.	20297	31.5%

III. Operations						
16	Number of locations where plants and/or operations/ offices of the entity are situated:	Location (State/UT)		Number of plants	Number of offices	Total
		National (Manufacturing Operations in 10 States / UTs)		33	7	40
		International*		0	6	6

* Our international plants are under Subsidiaries / JV's and not captured in this report.

17	Market served by the entity	Locations	Numbers
	a. No. of Locations	National (No. of States/UTs)	Pan India
		International (No. of Countries)	69
	b. What is the contribution of exports as a percentage of the total turnover of the entity?	8.3%	
c. A brief on types of customers	<ul style="list-style-type: none"> The Company operates under two major business segments i.e., Branded Consumer & Bazaar and Business to Business. The Branded Consumer & Bazaar segment encompasses various products, including Adhesives, Sealants, Art & Craft Materials, and others, as well as Construction and Paint Chemicals. These products are widely used by carpenters, painters, plumbers, mechanics, households, students, offices, etc. The Business to Business segment includes a range of products like Industrial Adhesives, Industrial Resins, Construction Chemicals (Projects), Organic Pigments, Pigment Preparations, and more. This segment serves different industries such as packaging, joineries, textiles, paints, printing inks, paper, leather and others. 		

IV. Employees*

18. Details as at the end of Financial Year:

S. No.	Particulars	Total (A)	Male		Female		
			No. (B)	% (B/A)	No. (C)	% (C/A)	
a.	Employees and workers (including differently abled)						
Employees							
1	Permanent Employees (D)	7,134	6,738	94%	396	6%	
2	Other than Permanent Employees (E)	2,230	2,072	93%	158	7%	
3	Total Employees (D+E)	9,364	8,810	94%	554	6%	
Workers							
4	Permanent (F)	176	167	95%	9	5%	
5	Other than Permanent (G)	3,585	3,403	95%	182	5%	
6	Total Workers (F+G)	3,761	3,570	95%	191	5%	
b.	Differently abled employees and workers						
Employees							
7	Permanent Employees (D)	143	140	98%	3	2%	
8	Other than Permanent Employees (E)	10	10	100%	-	0%	
9	Total differently abled employees (D+E)	153	150	98%	3	2%	
Workers							
10	Permanent (F)	3	3	100%	-	0%	
11	Other than Permanent (G)	6	4	67%	2	33%	
12	Total differently abled workers (F+G)	9	7	78%	2	22%	

*Pertains to the Company and as on 31st March, 2023.

19. Participation/Inclusion/Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors*	16	2	12.5
2	Key Management Personnel	1	1	100

* Board of Directors includes KMP's

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)*

Category	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14%	19%	14%	11%	10%	11%	7%	8%	7%
Permanent Workers	7%	11%	9%	9%	22%	10%	5%	20%	5%

* Turnover rate is calculated as: Number of employees exited during the F.Y. / Total Number of Employees on the last working day of the F.Y.

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)					
21	S. No	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures	Indicate whether it is a Holding / Subsidiary / Associate or Joint Venture	% of shares held by Listed Entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Listed Entity? (Yes/No)
Names of holding / subsidiary / associate companies / joint ventures	1.	Fevicol Company Ltd.	Subsidiary	100	No
	2.	Pagel Concrete Technologies Pvt. Ltd.	Subsidiary	80	
	3.	Bhimad Commercial Company Pvt. Ltd.	Subsidiary	100	
	4.	Pidilite Ventures Pvt. Ltd. (Formerly known as Madhumala Ventures Pvt. Ltd.)	Subsidiary	100	
	5.	Building Envelope Systems India Ltd.	Subsidiary	60	
	6.	Pidilite Litokol Pvt. Ltd.	Subsidiary	60	
	7.	Pidilite Grupo Puma Manufacturing Ltd.	Subsidiary	50	
	8.	Pidilite C-Techos Walling Ltd.	Subsidiary	60	
	9.	Tenax Pidilite India Pvt. Ltd.	Subsidiary	70	
	10.	Nina Percept Pvt. Ltd.	Subsidiary	74.58	
	11.	ICA Pidilite Pvt. Ltd.	Subsidiary	50	
	12.	Pidilite International Pte Ltd.	Subsidiary	100	
	13.	Pidilite Middle East Ltd.	Subsidiary	100	
	14.	Pidilite MEA Chemicals LLC	Subsidiary	49	
	15.	Pidilite USA Inc.	Subsidiary	100	
	16.	Pidilite Speciality Chemicals Bangladesh Pvt. Ltd.	Subsidiary	100	
	17.	Pidilite Bamco Ltd.	Subsidiary	100	
	18.	PT Pidilite Indonesia	Subsidiary	100	
	19.	Pidilite Innovation Centre Pte Ltd.	Subsidiary	100	
	20.	Pidilite Industries Egypt SAE	Subsidiary	100	
	21.	Bamco Supply and Services Ltd.	Subsidiary	49	
	22.	Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	Subsidiary	100	
	23.	PIL Trading (Egypt) LLC	Subsidiary	100	
	24.	Pidilite Industries Trading (Shanghai) Co Ltd.	Subsidiary	100	
	25.	Pidilite Chemical PLC	Subsidiary	100	
	26.	Pidilite Lanka (Pvt.) Ltd.	Subsidiary	76	
	27.	Nebula East Africa Pvt. Ltd.	Subsidiary	100	
	28.	Nina Lanka Construction Technologies (Pvt.) Ltd.	Subsidiary	72.70	
	29.	Pidilite Ventures LLC	Subsidiary	100	
	30.	Pidilite East Africa Ltd.	Subsidiary	55	
	31.	Nina Percept (Bangladesh) Pvt. Ltd.	Subsidiary	71.81	
	32.	Vinyl Chemicals (India) Ltd.	Associate	40.64	
	33.	Aapkapainter Solutions Pvt. Ltd.	Associate	47.67	
	34.	Karwaan Eduventures Pvt. Ltd.	Associate	28.88	
	35.	Climacrew Pvt. Ltd.	Associate	33.33	
	36.	Buildnext Construction Solutions Pvt. Ltd.	Associate	24.13	
	37.	Finemake Technologies Pvt. Ltd.	Associate	32.20	

VI. CSR Details		
22	i. Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	ii. Turnover (in ₹)	₹ 10,597 Crores
	iii. Net worth (in ₹)	₹ 7,108 Crores

VII. Transparency and Disclosures Compliances								
23	Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Communities	Yes csr@pidilite.co.in	-	-	-	-	-	-
	Investors (other than shareholders)	Yes https://pidilite.com/contact/	-	-	-	-	-	-
	Shareholders	Yes https://pidilite.com/investors/investor-center/	8	-	-	14	-	-
	Employees and workers	Yes report@integritymatters.in	1	-	-	1	-	-
	Customers	Yes 1. https://pidilite.com/contact/ 2. Customer Care Cell Email address - csc@pidilite.com and Toll Free number – 1800-266-6066	2,612	3	-	1,580	11	-
	Value Chain Partners	Yes https://pidilite.com/contact/	-	-	-	-	-	-

24. Overview of the entity's material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.

S. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate governance and risk management	Opportunity	To enhance corporate governance practices by establishing board-level priorities. The Company's directors oversee management activities to actively contribute to the enhancement of shareholder value.	-	Positive
2	Management of hazardous chemicals	Risk	Proper handling of hazardous chemicals is essential to reduce health and safety risks and lower environmental impacts.	<ul style="list-style-type: none"> • The Company has Environment Health & Safety (EHS) policy which is communicated to all the employees. • The Company conducts regular risk assessments and closely monitors the implementation of action plans derived from these assessments until their completion. • Training and awareness programs are conducted to educate employees about hazards, associated risks, emergency preparedness & response, and safe handling practices of hazardous chemicals. • Procedures are in place for the adoption of inherently safe design based on various applicable standards for all new infrastructures and implementing the same for existing infrastructures in a phased manner. 	Negative
3	Environment	Risk	<ul style="list-style-type: none"> • Climate change due to Green House Gases (GHG) emissions leading to global warming and impact to business operations. • Changes in existing regulations / emerging sourcing of materials, emissions, waste generation, storage and use of material or quality of finished goods. 	<ul style="list-style-type: none"> • The Company has taken several initiatives to reduce the impact of GHG emissions by adopting measures on renewable energy sources, water reduction/conservation and waste reduction. • The Company has established systems and processes to monitor emerging regulations, incidents, and developments, and to assess their applicability for compliance purposes. 	Negative

S. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Plastic Packaging	Risk	<p>The regulatory changes in Plastic Waste Management Rules requires-</p> <ul style="list-style-type: none"> • Reduce virgin plastic consumption by including recycled plastic in plastic packaging. • Recycle & Reuse the plastic packaging that is put into market. 	<p>The Company is taking several initiatives including -</p> <ul style="list-style-type: none"> • To optimize the packaging and reduce virgin plastic usage. • To utilize Post Consumer Recycled (PCR) plastics in packaging to promote circularity. • To reuse rigid plastic packaging. 	Negative
5	Occupational health and safety	Risk	<p>The Company's operation has inherent health and safety hazards. Proper process safety management and controls are required to eliminate / minimise any potential health and safety hazards/ risks.</p>	<ul style="list-style-type: none"> • The Company is committed to the Occupational Health & Safety of all across its value chain with a goal of 'Zero Harm'. • The Company has adopted ISO 45001:2018 for the management of Health & Safety across its operations. • The Company continues to drive improvements in process safety management and people safety. • Additionally, during the reporting period the Company has also rolled out Pidilite Life Saving Rules (PLSR). • Regular reviews of EHS systems and processes are conducted through internal as well as independent external audits. 	Negative
6	Economic performance	Opportunity	<p>Strong economic performance is key to the stakeholders of an organization. The Company's efforts have been to ensure sustainable growth for its value chain and the economy.</p>	-	Positive
7	Community development	Opportunity	<p>The Company is a firm believer in the inclusion of the community in which it operates, thereby providing direct economic and social growth for all its stakeholders.</p>	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	Certain Policies are uploaded on the website of the Company at https://pidilite.com/investors/corporate-governance/								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	The value chain partners are expected to follow the Company policies as applicable to their business.								
4	Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Principle of Corporate Governance, Corporate Governance Voluntary Guidelines, 2009	ISO 14001 : 2015, GRI standards	ISO 45001 : 2018, GRI standards	ISO 14001 : 2015, GRI standards	Universal Declaration on Human Rights of the United Nations,	ISO 14001 : 2015, GRI standards	Universal declaration on Human Rights of the United Nations, GRI Standards	CSR disclosures pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended	ISO 14001 : 2015, GRI standards
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The details of Company's Sustainability strategy, commitments, goals, targets and progress against targets are available in the Sustainability Report, which is available in public domain at https://pidilite.com/sustainability/								
6	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.									

Governance, Leadership and Oversight

7	<p>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements</p>	<p>The Company has a comprehensive Sustainability strategy that seamlessly incorporates material ESG related challenges into its decision-making processes. The environmental focus is on reduction in consumption of fresh water & energy, reduction in Greenhouse Gas (GHG) emissions, increasing the usage of renewable energy and reduction and recycling of waste with focus on plastic packaging. On the social front, the focus is to cultivate a thriving work environment by building a diverse workforce, investing in enhancing the workforce's skills, career development pathways, and ensuring the workforce's overall well-being. The Corporate Social Responsibility (CSR) initiatives are directed towards sustainable development through focused initiatives to improve the quality of life and the wellbeing of local communities.</p> <p>The Company has established long term targets for reducing freshwater consumption, optimizing energy consumption, increasing usage of renewable energy, recycle / reduce / reuse of plastic packaging and reducing waste disposed to landfill. Robust systems are in place to monitor the performance of environmental targets. Various initiatives are regularly carried out across the manufacturing locations to improve environmental performance.</p> <p>The Company continues to elevate occupational safety conditions and overall health and safety culture across the business. Safety performance improvement focuses more on leading indicators like near miss/unsafe act/condition reporting, audits, surveys etc. The Company has deployed several key initiatives to improve overall health and safety performance like safe handling of hazardous chemicals, machine guarding, contractor safety management, etc. During the reporting period, the Company has implemented Pidilite Life Saving Rules (PLSR's) which comprise of 6 rules focusing on travel safety, permit to work system, working at height, Lifting Safety, Machine guarding & Energy isolation and Adherence to the safety control system.</p> <p>The Company has always believed in contributing to the betterment of the society where it operates. With the objective to enhance the quality of life and wellness of the surrounding communities, over the past several years, the Company has been involved in several social and community service initiatives that are related to agriculture, animal husbandry, health, education, women's empowerment, water conservation and more.</p> <p>The Company is committed to comply with all applicable laws and regulations including that of applicable environmental laws and regulations.</p>
8	<p>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p>	<p>Name: Shri Sudhanshu Vats Designation: Deputy Managing Director DIN : 05234702</p>
9	<p>Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</p>	<p>Name: Shri Joseph Varghese Designation: Director – Operations DIN : 09770335</p> <p>The Sustainability Management Council – a cross functional Senior Management team chaired by Deputy Managing Director of the Company is constituted to ensure effective formulation of sustainability policies and implementation of strategy.</p>

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Quarterly	Monthly	Monthly	Quarterly	Quarterly	Monthly	Ongoing	Quarterly	Quarterly
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all the statutory requirements of principles to the extent applicable.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency										P1	P2	P3	P4	P5	P6	P7	P8	P9
									External firms were engaged to review the systems and procedures related to safety and environment.									

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness program on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	5 (as part of Board meetings)	Updates and awareness related to regulatory changes are conducted for the Board of Directors & KMPs. The topics covered includes: 1) Corporate Governance 2) Companies Act 3) SEBI Listing Requirements 4) Environmental & Safety matters 5) Business Process Improvements	100%
Employees other than BODs and KMPs	89	1) Corporate Induction 2) POSH, Company Policies and Procedures 3) CSR Awareness and field visits 4) Well-being and Safety related sessions 5) Session on Code of Conduct to Regulate, Monitor and Report Trading by Designated Person	80%
All Workers	45	1) Training on Company Policies and Processes 2) EHS Induction and annual refresher training 3) Job Specific Training	82%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

a. Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	NA	NA
Settlement	Nil	Nil	Nil	NA	NA
Compounding fee	Nil	Nil	Nil	NA	NA

b. Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	NA	NA
Punishment	Nil	Nil	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Though the Company does not have a dedicated Anti-corruption or Anti-bribery Policy, its operations are governed as per the Code of Conduct of the Company. The document is applicable to all the employees of the Company who must abide by the values of the Company.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Topic	FY 2022-23	FY 2021-22
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of KMPs	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

Type	FY 2022-23	FY 2021-22	Details of improvement in social and environmental aspects
Research & Development (R&D)	6%	3%	<ol style="list-style-type: none"> R&D efforts have been to shift from solvent-based adhesives to sustainable alternatives like water-based systems and eco-friendly adhesives. Develop a roof seal coating that meets "Green building" standards and significantly reduces energy consumption for cooling, lowering overall energy costs. Incorporate sustainable raw materials in manufacturing without compromising cost and performance parameters. Invest in technology to reduce the weight of multilayer packaging (MLP), using innovative materials and techniques to minimize quantity of MLP introduced into markets. Exploring possibilities of plastic reduction through selection and use of alternate materials and by redesigning our packs. Utilize Post Consumer Recycled (PCR) plastics in packaging to promote circularity and decrease reliance on virgin plastic materials.

Capital Expenditure (CAPEX)	1.69%	1.18%	<ol style="list-style-type: none"> 1. Implementing a waste heat recovery system to decrease boiler operating time, resulting in reduced fuel consumption and air emissions. 2. Adopting a wash water recovery system to minimize the usage of fresh water. 3. Transitioning to PNG (Piped Natural Gas) as a fuel source to lower air emission intensity. 4. Utilizing energy-efficient heat pumps to generate hot DM water for the manufacturing process, thereby reducing fuel consumption for boilers. 5. Replacement of air operated pumps (AODD) with electrical centrifugal pumps. 6. Replacement of conventional fans with high energy efficient BLDC fans. 7. Reallocation of windmills between units to utilize maximum wind power available. 8. Replacement of compressors with energy efficient compressors. 9. Replacement of existing AC with energy efficient AC. 10. Installation of Variable frequency drives. 11. Installation of motion sensors for lighting applications. 12. Day light savings in ware houses by providing transparent roof sheets.
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2. a. Does the entity have procedures in place for sustainable sourcing?

The Company currently has supplier Code of Conduct and is in the process of formulating sustainable sourcing policy.

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	<p>The Company uses a variety of plastics as packing material, including multilayer plastics. Ensuring compliance with the Plastic Waste Management (PWM) Rules 2016, the Company follows the Extended Producer Responsibility (EPR) approach to manage plastic packaging waste in its downstream operations. The Company has engaged Central Pollution Control Board (CPCB) approved contractors for collection and channelizing the collected plastics to CPCB authorized recyclers/end of life processors.</p> <p>The plastic wastes generated in manufacturing facilities are channelized to Pollution Control Board (PCB) authorized plastic waste processors.</p>
b. E-Waste	E-waste from Company's establishments are collected and disposed off through PCB authorized vendors.
c. Hazardous Waste	Hazardous waste from manufacturing units and warehouses is disposed off through PCB authorized hazardous waste recyclers/co-processors/landfill facilities.
d. Other Waste	Other wastes are disposed off through approved waste management agencies.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR under Plastic Waste Management (PWM) Rules, 2016 is applicable. The collection done is in line with the EPR plan submitted to Central Pollution Control Board (CPCB). In FY 2022-23, as part of EPR, the Company collected 19,562 MT of Category I, 3,473 MT of Category II and 1,547 MT of Category III of post-consumer plastics. 100% of Category I & II plastics (total 23,035 MT) is recycled through the Pollution Control Board (PCB) authorized recyclers and 100% of Category III plastics (1,547 MT) are sent for end of life processing (co-processing).

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	6,738	6,738	100%	6,738	100%	-	-	6,382	95%	-	-
Female	396	396	100%	396	100%	396	100%	-	-	256	65%
Total	7,134	7,134	100%	7,134	100%	396	6%	6,382	90%	256	4%
Other than Permanent Employees											
Male	2,072	1,953	94%	1,953	94%	-	-	-	-	-	-
Female	158	147	93%	147	93%	158	100%	-	-	-	-
Total	2,230	2,100	94%	2,100	94%	158	7%	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Workers (Unionized Workers)											
Male	167	167	100%	167	100%	-	-	31	19%	-	-
Female	9	9	100%	9	100%	9	100%	-	-	-	-
Total	176	176	100%	176	100%	9	5%	31	18%	-	-
Other than Permanent Workers											
Male	3,403	3,403	100%	3,403	100%	-	-	-	-	-	-
Female	182	182	100%	182	100%	-	-	-	-	-	-
Total	3,585	3,585	100%	3,585	100%	-	-	-	-	-	-

2. Details of retirement benefits, for Current and Previous Financial Year:

Sr. No.	Benefits	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Yes	100%	100%	Yes
3	ESI	3%	100%	Yes	5%	100%	Yes

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company endeavors to become a more inclusive organization wherein there is a planned refurbishment of all its facilities. The Company is committed to creating an inclusive environment for individuals with disabilities. As part of this effort, the Company has implemented wheelchair-accessible ramps and side railings to ensure accessibility and ease of movement for everyone.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

The Company does not discriminate against any of its employees and have a comprehensive Code of Conduct. The associated policies cover issues related to fraud, bribery, corruption, human rights, and discrimination and detail the relevant corrective measures. They follow the principles of equal opportunity and are consistently working towards establishing an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016.

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	93%	-*	-
Female	100%	80%	-	-
Total	100%	93%	-	-

* No worker has applied for parental leave during FY 2022-23.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

Category	Yes/No (If yes, give details of the mechanism in brief)
Permanent Workers	Permanent Employees / workers / other than permanent employees and workers are encouraged to share their concerns with their Reporting Manager or the members of the senior management. Employees can reach out independently to the Human Resource Function if they so choose to. The Company has an open-door approach, wherein any employee irrespective of hierarchy has access to the senior management. In addition, the whistle blower policy allows all our employees to report any kind of suspected or actual misconduct in the organization in an anonymous manner by dialing the toll free no (Ethics hotline 1800-102-6969) or writing e-mail to whistleblower@pidilite.co.in or report@integritymatters.in . Stakeholders other than permanent employees of the Company can also raise their grievances via e-mail to the concerned person/management. Further, the Company has Safety Committees at plants to handle grievances related to health & safety.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees						
Male	6,738	67	1%	6,060	82	1%
Female	396	1	0.3%	368	1	0.3%
Total Permanent Workers						
Male	167	123	74%	152	123	81%
Female	9	8	89%	9	7	78%

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current FY)					FY 2021-22 (Previous FY)				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Total Permanent Employees										
Male	6,738	2,798	42%	5,594	83%	6,060	1022	17%	2,588	43%
Female	396	207	52%	357	90%	368	95	26%	187	51%
Total	7,134	3,005	42%	5,951	83%	6,428	1,117	17%	2,775	43%
Total Permanent Workers										
Male	167	167	100%	46	28%	152	152	100%	41	27%
Female	9	8	89%	3	33%	9	9	100%	2	22%
Total	176	175	99%	49	28%	161	161	100%	43	27%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	% (D/C)
Permanent Employees						
Male	6,738	6,108	91%	6,060	5,266	87%
Female	396	349	88%	368	335	91%
Total	7,134	6,457	91%	6,428	5,601	87%
Permanent Workers						
Male	167	164	98%	152	152	100%
Female	9	9	100%	9	9	100%
Total	176	173	98%	161	161	100%

10. Health and safety management system:

<p>a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) If yes, the coverage of such system?</p>	<p>Yes, the Occupational Health and Safety Management System has been implemented in all manufacturing facilities and Research & Development Laboratory. The health and safety management system follows ISO 45001 : 2018, which is an internationally recognized standard for ensuring occupational health and safety.</p>
<p>b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?</p>	<p>I. Job Safety Analysis (“JSA”) is used for both routine and non-routine activities to carefully analyze and identify potential hazards associated with specific tasks. II. Hazard and Operability Study (“HAZOP”) for identifying hazard related to chemical processes. III. Industrial Hygiene monitoring is used for identifying health hazards during employment. IV. Fire Risk assessment is used for identifying fire related risks. V. Periodic EHS audits by internal trained auditors and external auditing agencies.</p>
<p>c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/No)</p>	<p>Yes, the Company has established effective mechanisms for reporting work-related hazards. If any worker identifies a hazard, they can promptly report it to their supervisor. The hazard observation is then recorded in the EHS portal under categories such as Unsafe Acts, Unsafe Conditions, or Near Miss incidents. The reported unsafe acts or conditions are investigated, and the progress of implementing corrective actions is closely monitored until completion. These reports are centrally reviewed during EHS performance review meetings, with attention given to their frequency and closure. Also, during the Safety committee meeting/Gemba walks, workers share any potential risk they have observed on the shop floor and the same is corrected within the time frame. In addition to this, the Company is also having suggestion box system where workers can provide their feedback/suggestion related to workplace hazards elimination/reduction measures.</p>
<p>d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)</p>	<p>Yes, all the employees and workers are having access to non-occupational medical and health care services.</p>

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
<p>Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</p>	Employees	-	-
	Workers	0.48	0.28
<p>Total recordable work-related injuries</p>	Employees	-	-
	Workers	5	3
<p>No. of fatalities</p>	Employees	-	-
	Workers	1	1
<p>High consequence work-related injury or ill-health (excluding fatalities)</p>	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The health and safety management system are based on ISO 45001:2018, the International Standard for Occupational Health and Safety. The key focus areas remain the safety of our people by investing in technologies and processes that eliminate / minimize the interface of man and machinery. A few of the examples are automation in processes, process safety control, fire protection systems, machine guarding, tamper proof interlocks on packaging machineries etc. The processes on which we are focusing are Permit Management Systems, EHS SOPs & technical specifications implementation, Risk Assessments e.g., HAZOP, JSA, Audits etc.

At the design stage of any process, the focus is on eliminating the hazards or providing engineering controls to control the various hazards during manufacturing. The Company has implemented Project Risk Assessment (PRA) for assessing risks for all new or significant modifications of processes, plants, equipment and buildings. In our new plants automation and process control systems are being embedded as part of the design. Further, the Company has a systematic process for identification of work-related hazards through periodic assessments of workplace activities through various internal and external audits and action planning to mitigate or eliminate the identified hazards.

The Company provides Health & Safety training to all concerned during initial employment and on an annual basis. During the reporting period, the Company has implemented Pidilite Life Saving Rules (PLSR's) which comprise of 6 rules e.g., Travel safety, permit to work system, working at height, Lifting Safety, Machine guarding & Energy isolation and Adherence to safety control system. We have a health protocol in place that includes medical screening and periodic health checks.

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2022-2023			FY 2021-2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	NA	-	-	NA	-
Health & Safety	-	NA				

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	<p style="text-align: center;">100%</p> <p>All plants were assessed by Internal Audit (every year), external audit (once in 2 years) and safety inspection by unit heads.</p>
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks concerns arising from assessments of health & safety practices and working conditions.

Examples of a few of the corrective actions which are taken as outcome of Incident Investigations/ Assessments are:

- i. As a part of periodic assessments of workplace activities, the Company have identified six high risk areas for improvement. The six areas identified were Contractor Safety, Permit to Work, working at height, Machine guarding and energy isolation, Lifting Safety and Packaging machinery. Gap assessments have been done against the standard/ guideline requirements and the identified gaps have been closed.
- ii. A targeted initiative named "360-degree guarding" was carried out to evaluate the adequacy of machinery guarding. Through this campaign, specific action plans were taken to rectify any gaps in the machine guarding.
- iii. Audit was carried out by external agency for Static Electricity risk identification & recommendations are implemented for all identified gaps.
- iv. To enhance overall safety culture within the Company, a comprehensive program called Pidilite Life Saving Rules (PLSR's) was rolled out. This program placed special emphasis on critical areas like Travel Safety, Permit to Work, Working at Height, Energy Isolation and Machine guarding, Lifting Safety and Adherence to safety control system.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity:

The process of stakeholder engagement involves identifying key internal and external stakeholders followed by analyzing the impact of each stakeholder groups on our business and vice versa. Based on the exercise carried out, the Company has prioritized its key stakeholders to understand their expectations and concerns. Through regular interactions with the stakeholders across various channels, the Company has been able to strengthen its relationships and enhance the organizational strategy.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Workforce	No	<ul style="list-style-type: none"> • Trainings • Meetings • Email interaction • Employee satisfaction survey • Employee engagement activities • Open forums • Live chat 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Skill development • Workplace satisfaction • Healthy and safe operations • Employee engagement and involvement • Career progression • Emotional and mental well-being
Customers	No	<ul style="list-style-type: none"> • Telephone • Email • Customer meets • Personal visits • Advertisements • Customer satisfaction reports 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Availability of the product • Pricing of the product • Quality of the product • New product development • Logistics • Efficient service • Grievance redressal and transparency • Information on the safe use of products
Investors and Shareholders	No	<ul style="list-style-type: none"> • Media releases • Annual reports • Investor meets • Analyst meets • Contact through investor service centers • Annual general meeting • Company website 	<ul style="list-style-type: none"> • Ongoing/ Quarterly 	<ul style="list-style-type: none"> • Financial performance • Business growth • Business strategy • Future investments • Transparency • Good governance practices • Social responsibility • Sustainability
Dealers	No	<ul style="list-style-type: none"> • Helpdesk • E-business portal • Personal interaction • E-communication/ telephonic conversations • Dealer visits/meets 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Product availability • Product portfolio • New product development • Market trend
Suppliers	No	<ul style="list-style-type: none"> • Personal interaction • Telephonic conversations • Email communication 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Long-term association • Innovation opportunities

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local communities	No	<ul style="list-style-type: none"> • Visits • Meetings • Medical camps • Need assessment 	• Ongoing	<ul style="list-style-type: none"> • Health • Education • Indirect economic impact • Sanitation
Non-governmental organizations (NGOs)	No	<ul style="list-style-type: none"> • CSR initiatives • Telephonic discussions 	• Ongoing	<ul style="list-style-type: none"> • Support on implementation of program in Company's focus areas • Support for community-based organizations
Regulatory authorities	No	<ul style="list-style-type: none"> • Industry bodies and forums 	• Need based	<ul style="list-style-type: none"> • Regulatory compliance • Community initiatives

PRINCIPLE 5: Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	%(D/C)
Employees						
Permanent	7,134	4,346	61%	6,428	4,781	74%
Other than permanent	-	-	-	-	-	-
Total Employees	7,134	4,346	61%	6,428	4,781	74%
Workers						
Permanent	176	176	100%	161	161	100%
Other than permanent	-	-	-	-	-	-
Total Workers	176	176	100%	161	161	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 (Current FY)					FY 2021-22 (Previous FY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	6,738	-	-	6,738	100%	6,060	-	-	6,060	100%
Female	396	-	-	396	100%	368	-	-	368	100%
Other than permanent										
Male	2,072	-	-	2,072	100%	1,379	-	-	1,379	100%
Female	158	-	-	158	100%	32	-	-	32	100%

Category	FY 2022-23 (Current FY)					FY 2021-22 (Previous FY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	167	-	-	167	100%	152	-	-	152	100%
Female	9	-	-	9	100%	9	-	-	9	100%
Other than permanent										
Male	3,403	-	-	3,403	100%	-	-	-	-	-
Female	182	-	-	182	100%	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lacs)	Number	Median remuneration/ salary/ wages of respective category (₹ in lacs)
Board of Directors (BoD)	15	112.45#	02	33.9*
Key Managerial Personnel	0 [⊖]	-	01	63.7*
Employees other than BoD and KMP	6,730	6.6 [^]	395	14.1 [^]
Workers	167	5.7 [^]	9	5.5 [^]

Represents median remuneration of Directors including those resigned/joined during the year.

* Represent total remuneration of the Independent Directors/KMP.

⊖ Excludes Key Managerial Personnel who are already covered under Board of Directors

[^] Represents median CTC

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No).

Yes. Any human rights issues are addressed to the HR function for resolution.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a framework that focuses on good governance, our commitment to abide by law, ensuring timely payment of employee salaries, and providing equal opportunities for all. The Company has provided various platforms to facilitate employees to express their concerns e.g. Ethics helpline, Sampark, Mypidilite etc. Any grievances are routed to the Human Resource function and in certain cases to the Ethics Committee. Necessary action is taken in line with underlying policies and regulations applicable to the workplace and the closure is intimated to the aggrieved person. Further, at the factory locations, system of open house forum called 'Khulla Manch' is organized periodically for grievance resolution. In addition, the Code of Conduct for Employees and the Whistle Blower Policy allows all our employees to report any kind of suspected or actual misconduct in the organization in an anonymous manner including grievances.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	-	The complaint has been investigated and necessary action taken.	1	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a well-defined Whistle Blower Policy and Grievance Redressal Procedure for employees. Any employee can raise the grievance and the same is resolved within the prescribed timelines. Further, an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is also in place.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% of Company's plants are assessed by internal team.
Forced/involuntary Labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risks/concern arising from the above assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**ESSENTIAL INDICATORS****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) (GJ)	1,91,746	1,82,225
Total fuel consumption (B) (GJ)	4,29,873	4,80,682
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumption (A+B+C) (GJ)	6,21,619	6,22,907
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0000059	0.0000075
Energy intensity (GJ/MT)	1.61	2.03

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable, as the Company does not fall in the category of industries mandated under the PAT scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	44,483	27,266
(ii) Groundwater	1,36,125	1,71,119
(iii) Third party water	5,89,100	6,16,027
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	7,69,708	8,14,412
Total volume of water consumption (in kiloliters)	4,33,625	4,36,173
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000041	0.0000049
Water intensity Ratio (KL/MT) (based on water withdrawal)	1.99	2.49

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, currently we have 22 of total 33 manufacturing facilities considered as zero liquid discharge. We are continuing with our efforts to reduce fresh water consumption by applying the principles of reduce, reuse, recycle and looking for newer technologies in the field.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	Kg/Yr	17,528	16,754
SOx	Kg/Yr	18,481	14,433
Particulate matter (PM)	Kg/Yr	26,191	29,565

Note: Persistent Organic Pollutants (POP), Volatile Organic Compounds (VOC) and Hazardous Air Pollutants (HAP), are not being monitored currently.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

Yes, Stack emissions are monitored by authorized external agency.

Name of external agencies: Padmaja Aerobiological Pvt Ltd., Navi Mumbai, Kadam Environment, Vadodara and Vimta Lab Ltd., Hyderabad.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions	tCO2e	9,881	12,100
Total Scope 2 emissions	tCO2e	33,286	32,874
Total Scope 1 and Scope 2 emissions per crore rupee of turnover	tCO2e / Rupee turnover	0.00000041	0.00000051
Total Scope 1 and Scope 2 emission intensity	tCO2e/MT	0.11	0.14

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail.

Yes. With the goals of minimizing carbon footprint and mitigating climate change risks, the Company has undertaken several initiatives to shift to less carbon intensive / renewable fuels. Some of the initiatives include conversion of coal fired boiler into briquette boiler, change of boiler fuel from Furnace oil to PNG. Also new solar panels have been installed in our units and windmills have been maintained to generate electricity in order to reduce the GHG emissions.

8. Provide details related to waste management by the entity, in the following format:

Category of Waste	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A) MT	1,120	825
E-waste (B) MT	4.0	14.7
Bio-medical waste (C)MT	2.7	1.6
Construction and demolition waste (D) MT	422	188
Battery waste (E) MT	10.7	3.7
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify if any (G) MT	5,463	6,492
Other Non-hazardous waste generated (H). Please specify, if any MT	1,601	1,901
Total Waste Disposed (A+B + C + D + E + F + G + H) MT	8,623	9,426

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of Waste: Plastic Waste (in Metric Tonnes)		
i. Recycled	1,120	825
ii. Reused	-	-
iii. Other recovery operations	-	-
Category of Waste: E-Waste (in Metric Tonnes)		
i. Recycled	4.0	14.7
ii. Reused	-	-
iii. Other recovery operations	-	-
Category of Waste: Biomedical Waste (in Metric Tonnes)		
i. Recycled	-	-
ii. Reused	-	-
iii. Other recovery operations	-	-
Category of Waste: Construction and Demolition Waste (in Metric Tonnes)		
i. Recycled	-	-
ii. Reused	422	188
iii. Other recovery operations	-	-
Category of Waste: Battery Waste (in Metric Tonnes)		
i. Recycled	10.7	3.7
ii. Reused	-	-

Category of Waste	FY 2022-23	FY 2021-22
iii. Other recovery operations	-	-
Category of Waste: Hazardous Waste (in Metric Tonnes)		
i. Recycled	953	1,190
ii. Reused	-	-
iii. Other recovery operations	-	-
Category of Waste: Non-Hazardous Waste (in Metric Tonnes)		
i. Recycled	368	793
ii. Reused	-	-
iii. Other recovery operations	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste: Plastic Waste (in Metric Tonnes)		
i. Incineration	-	-
ii. Landfilling	-	-
iii. Other disposal operations – Co-processing	-	-
Category of Waste: E-Waste (in Metric Tonnes)		
i. Incineration	-	-
ii. Landfilling	-	-
iii. Other disposal operations – Co-processing	-	-
Category of Waste: Biomedical Waste (in Metric Tonnes)		
i. Incineration	2.7	1.6
ii. Landfilling	-	-
iii. Other disposal operations – Co-processing	-	-
Category of Waste: Construction and demolition waste (in Metric Tonnes)		
i. Incineration	-	-
ii. Landfilling	-	-
iii. Other disposal operations – Co-processing	-	-
Category of Waste: Battery Waste (in Metric Tonnes)		
i. Incineration	-	-
ii. Landfilling	-	-
iii. Other disposal operations – Co-processing	-	-
Category of Waste: Non Hazardous Waste (in Metric Tonnes)		
i. Incineration	-	-
ii. Landfilling	1,233	1,108
iii. Other disposal operations – Co-processing	-	-
Category of Waste: Hazardous Waste (in Metric Tonnes)		
i. Incineration	637	489
ii. Landfilling	3,873	4,813
iii. Other disposal operations – Co-processing	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

The Company is committed to minimizing its waste disposal intensity, adopting practices of waste reduction, reuse and recycling. Some of the initiatives undertaken are shifting to bulk raw material storage from drum packs, reuse / recycling of packing materials, recycling of equipment wash water, etc. The Company keeps track of its waste disposal intensity and has set KPI for year-on-year reduction. Details of the initiatives are further disclosed in annual sustainability reports available in the public domain at <https://pidilite.com/sustainability/>.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

None of the manufacturing facilities or offices of the Company falls in or around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

During the financial year 2022-23, no environmental impact assessments of projects were undertaken.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is in compliance with the applicable environmental legislation.

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a) Number of affiliations with trade and industry chambers/ associations

We are part of 5 leading industry bodies amongst many other associations.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry	National
2	Indian Chemical Council	National
3	Confederation of Indian Industry	National
4	National Chemical Laboratory	National
5	The Advertising Standards Council of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

No cases were reported related to anti-competitive conduct.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community:

The Company has always believed in contributing to the betterment of the society where it operates. With this objective, the Company is proactively supporting various social and community initiatives for the past several years, even before the concept of Corporate Social Responsibility and statutory requirements thereof came into existence. The Company engages with different stakeholders of the community like farmers, women self-help groups, children through different programs in the areas of agriculture and horticulture, Farmer Producer Organizations, Animal husbandry, initiatives for women, sanitation, water conservation, education, health care and different social and community initiatives. The Company has different engagement programs with stakeholders such as monthly farmers meeting, self-help group women meeting as well as open house programs.

Details of some of such initiatives are given below:

S. No.	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Agriculture	18,000 farmers	100% of the projects serve the intended beneficiaries. Please refer to the Social & Community Initiatives section in the Annual Report.
2	Farmer Producer Organization	1,171 farmers	
3	Animal Husbandry	821 farmers	
4	Water Harvesting and Conservation	Development of 56 check dams, 13 ponds deepening and 36 farm ponds for the year 2022-23.	
5	Women Initiative	7,853 women	
6	Education	Covered 155 Government Primary Schools through WaGaLe, Digitization and other initiatives.	
7	Skill	More than 18,600 students	
8	Health (Treatment, vaccination, and others)	More than 45,500 patients	

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ Small producers	13%	10%
Sourced directly from within the district and neighboring districts	66%	46%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

The Company has an online complaint management system where all customer complaints are recorded. Upon receipt of the complaints, these are investigated and based on the root cause analysis the corrective and preventive actions are taken. The feedback of the actions are communicated back to the complaint initiator.

2. Turnover of products and services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and Social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. Number of consumer complaints:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	Nil	-	-	Nil	-	-
Advertising	2	-	-	Nil	-	-
Cyber-security	Nil	-	-	Nil	-	-
Delivery of essential services	NA	-	-	NA	-	-
Restrictive Trade Practices	Nil	-	-	Nil	-	-
Unfair Trade Practices	Nil	-	-	Nil	-	-
Others (Product related complaints)	2,612	3	-	1,580	11	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recalls	-	NA
Forced recalls	-	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes. The Company has an Information Security Policy to guide on the controls to be incorporated under security domains for appropriate use of Information and Information Technology within the business. The policy is applicable to all employees, vendors, contractors, consultants and other temporary workers of the Company and its subsidiaries. The policy is available on the Company's intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

There are no product complaints, which have attracted penal action by regulatory authorities during the reporting period.

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 31st 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 31st 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 31st 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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. 1st April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st 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: 8th May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PIDILITE INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST 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 31st 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 31st 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: 8th May, 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PIDILITE INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST 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 31st 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
A. Aggregate amount provided during the year:		
- Subsidiaries	-	102.83
- Associates	2.04	-
- Others	8.21	-
B. Balance Outstanding as at balance sheet date in respect of above cases*		
- 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 31st 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 31st 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 st 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 [®]
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 [#]

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 [^]
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 ^{^^}

* 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

[^] Net of ₹ 31.71 crores paid under protest

^{^^} 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: 8th May, 2023

BALANCE SHEET

as at 31st March 2023

(₹ in crores)

Particulars	Note No.	As at 31 st March 2023	As at 31 st March 2022 (refer Note 56)
ASSETS			
1 Non-Current Assets			
(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
Total Non-Current Assets		6,018.44	5,553.87
2 Current Assets			
(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
Total Current Assets		3,661.69	3,184.50
TOTAL ASSETS		9,680.13	8,738.37
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	20	50.83	50.83
(b) Other Equity	21	7,057.33	6,292.87
Total Equity		7,108.16	6,343.70
LIABILITIES			
1 Non-Current Liabilities			
(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
Total Non-Current Liabilities		598.73	531.63
2 Current Liabilities			
(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
Total Current Liabilities		1,973.24	1,863.04
TOTAL LIABILITIES		2,571.97	2,394.67
TOTAL EQUITY AND LIABILITIES		9,680.13	8,738.37

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: 8th May 2023

Place: Mumbai
Date : 8th May 2023

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2023

(₹ in crores)

Particulars	Note No.	For the year ended 31 st March 2023	For the year ended 31 st March 2022 (refer Note 56)
INCOME			
Revenue from Operations	31	10,597.07	8,895.62
Other Income	32	63.04	39.96
Total Income		10,660.11	8,935.58
EXPENSES			
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
Total Expenses		8,992.39	7,344.84
Profit before Exceptional Items and Tax		1,667.72	1,590.74
Exceptional Items		-	-
Profit before Tax		1,667.72	1,590.74
Tax Expense			
Current Tax	48	423.05	397.53
Deferred Tax	48	(12.51)	1.80
Net Tax Expense		410.54	399.33
Profit for the year		1,257.18	1,191.41
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
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
Total Other Comprehensive Income / (Loss)		1.45	(9.06)
Total Comprehensive Income for the year		1,258.63	1,182.35
Earnings Per Equity Share:	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: 8th 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 : 8th May 2023

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2023

(₹ in crores)

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

*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 st 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 st 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)
Balance as at 31st March 2023	(1.38)	50.05	0.50	0.95	43.64	1,335.38	5,628.19	7,057.33

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: 8th 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 : 8th May 2023

STATEMENT OF CASH FLOWS

for the year ended 31st March 2023

(₹ in crores)

	For the year ended 31 st March 2023	For the year ended 31 st March 2022 (refer Note 56)
A		
Cash Flows From Operating Activities		
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
Operating profits before Working Capital changes	1,906.26	1,846.72
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
Cash generated from Operations	1,830.93	1,305.88
Taxes paid (net of refund and interest on refund)	(398.57)	(448.96)
Net Cash generated from Operating Activities [A]	1,432.36	856.92

STATEMENT OF CASH FLOWS

for the year ended 31st March 2023

(₹ in crores)

	For the year ended 31 st March 2023	For the year ended 31 st March 2022 (refer Note 56)
B	Cash Flows from Investing Activities	
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
Net cash used in Investing Activities [B]	(753.52)	(539.88)
C	Cash Flows from Financing Activities	
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)
Net cash used in Financing Activities [C]	(672.69)	(435.60)
Net increase / (decrease) in Cash and Cash Equivalents [A+B+C]	6.15	(118.56)
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)
Cash and Cash Equivalents at the beginning of the year	147.65	266.21
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)
Cash and Cash Equivalents at the end of the year	153.80	147.65
Net Increase / (decrease) in Cash and Cash Equivalents	6.15	(118.56)

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: 8th May 2023

Place: Mumbai
Date: 8th 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, 7th 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 1st 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 st March 2023	As at 31 st March 2022 (refer Note 56)
Carrying Amounts		
• 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
	1,443.37	1,322.77
Capital Work-In-Progress	351.00	207.34
TOTAL	1,794.37	1,530.11

	Freehold Land	Buildings	Plant and Machinery	Vehicles	Furniture and Fixtures	Office Equipment	TOTAL
Gross Carrying Amount							
Balance as at 1 st 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 st 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 st March 2023	100.98	623.10	1,708.40	21.31	94.69	157.80	2,706.28

Accumulated Depreciation and Impairment							
Balance as at 1 st 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 st 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 st March 2023	-	(141.09)	(931.33)	(14.12)	(62.71)	(113.66)	(1,262.91)

Net Carrying Amount							
Balance as at 1 st 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 st 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 st 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 (147.89)	46.57 (19.45)	9.15 (5.84)	39.84 (34.16)	351.00 (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 st March 2023	As at 31 st March 2022 (refer Note 56)
Carrying Amounts			
• Freehold Land		14.99	14.99
• Leasehold Land		6.40	6.46
• Buildings		39.42	36.28
• Plant & Machinery		1.07	0.57
TOTAL		61.88	58.30

	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	TOTAL
Gross Carrying Amount					
Balance as at 1 st 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 st March 2022	14.99	6.50	47.93	5.50	74.92
Additions	-	-	5.44	0.55	5.99
Balance as at 31 st March 2023	14.99	6.50	53.37	6.05	80.91

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

Net Carrying Amount					
Balance as at 1 st 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 st 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 st 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 31st March 2022)

(₹ in crores)

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

	Leasehold Land	Leasehold Buildings	TOTAL
Gross Carrying Amount			
Balance as at 1 st 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 st 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 st March 2023	123.48	269.79	393.27

Accumulated Depreciation			
Balance as at 1 st 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 st 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 st March 2023	(8.49)	(111.83)	(120.32)

Net Carrying Amount			
Balance as at 1 st 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 st 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 st March 2023	114.99	157.96	272.95

(₹ in crores)

6 Goodwill and Other Intangible Assets		As at 31 st March 2023	As at 31 st March 2022 (refer Note 56)
Carrying Amounts			
• Goodwill		1,184.85	1,184.85
Total Goodwill (A)		1,184.85	1,184.85
Other Intangible Assets			
• 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		-	-
Total Other Intangible Assets (B)		1,536.24	1,556.88
Total Intangible Assets (A)+(B)		2,721.09	2,741.73

	Goodwill	Trademark	Computer Software	Copyrights	Technical Knowhow Fees	Distribution Network	Non Compete Fees	TOTAL
Gross Carrying Amount								
Balance as at 1 st 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)
Balance as at 31st March 2022	1,184.85	1,329.09	59.03	4.48	39.74	215.00	4.54	2,836.73
Additions	-	-	2.44	-	-	-	-	2.44
Balance as at 31st March 2023	1,184.85	1,329.09	61.47	4.48	39.74	215.00	4.54	2,839.17

Accumulated Amortisation and Impairment								
Balance as at 1 st 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
Balance as at 31st March 2022	-	-	(42.31)	-	(27.84)	(20.31)	(4.54)	(95.00)
Amortisation expense	-	-	(4.94)	-	(3.81)	(14.33)	-	(23.08)
Balance as at 31st March 2023	-	-	(47.25)	-	(31.65)	(34.64)	(4.54)	(118.08)

Net Carrying Amount								
Balance as at 1 st 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
Balance as at 31st March 2022	1,184.85	1,329.09	16.72	4.48	11.90	194.69	-	2,741.73
Additions	-	-	2.44	-	-	-	-	2.44
Amortisation expense	-	-	(4.94)	-	(3.81)	(14.33)	-	(23.08)
Balance as at 31st March 2023	1,184.85	1,329.09	14.22	4.48	8.09	180.36	-	2,721.09

(₹ in crores)

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

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 31st 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 31st 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 31st 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:

Budgeted sales growth	Sales growth is assumed at 12.8% (CAGR) (12.3% as at 31 st March 2022) for Consumer and Bazaar business and at 10.9% (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.
Raw materials price inflation	Forecast for Material cost growth CAGR higher by 0.2% (0.2% as at 31 st March 2022) vs. sales growth, considering impact of commodity cost inflation.
Other budgeted costs	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 st March 2023		As at 31 st March 2022 (refer Note 56)	
	Qty	₹ in crores	Qty	₹ in crores
Non-Current Investments				
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
TOTAL Quoted (i)		1.18		1.18
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 st 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 st 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 st 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 st 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)
TOTAL Unquoted (ii)		935.95		857.36
Total Investment in Equity Instruments [(i)+(ii)] [A]		937.13		858.54

	As at 31 st March 2023		As at 31 st March 2022 (refer Note 56)	
	Qty	₹ in crores	Qty	₹ in crores
B] Investment in Preference Shares (at FVTPL) (Quoted)				
• Non-Cumulative Perpetual Preference shares of Kotak Mahindra Bank Ltd	3,00,00,000	15.00	3,00,00,000	15.03
Total [B]		15.00		15.03
C] Investment in Bonds (at FVTPL) (Quoted)				
• Units of Bharat Bond ETFs	2,50,000	30.73	2,50,000	29.25
Total [C]		30.73		29.25
D] Investment in Alternative Investment Fund (at FVTPL) (Unquoted)				
• Units of Fireside Ventures Investment Fund II	1,40,000	21.05	1,00,000	11.64
Total [D]		21.05		11.64
TOTAL [A+B+C+D]		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 st March 2023		As at 31 st March 2022 (refer Note 56)	
	Qty	₹ in crores	Qty	₹ in crores
Current Investments				
Investment in Mutual Funds (at FVTPL) (Unquoted)				
• 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
TOTAL		442.71		170.31
Aggregate carrying value of unquoted investments		442.71		170.31

(₹ in crores)

9 Trade Receivables		As at 31 st March 2023	As at 31 st 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)
TOTAL		1,305.12	1,211.93

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)
TOTAL							1,305.12 (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 st March 2023	As at 31 st 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 st March 2023	For the year ended 31 st 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)
Balance at the end of the year	53.63	48.53

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 st March 2023	As at 31 st March 2022 (refer Note 56)
Unsecured, Considered good		
Loans to Employees	4.16	5.05
Loans to Related Party* (refer Note 44)	2.04	-
TOTAL	6.20	5.05

*given for business purpose

11 Loans - Current		
	As at 31 st March 2023	As at 31 st March 2022 (refer Note 56)
Loans and Advances to Related Parties* (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
TOTAL	23.96	17.81

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

12 Other Financial Assets - Non-Current		
	As at 31 st March 2023	As at 31 st March 2022 (refer Note 56)
Security Deposit		
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
Other Receivables		
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
TOTAL	34.95	19.45
* Fixed Deposits under lien	2.23	2.12

13 Other Financial Assets - Current		
	As at 31 st March 2023	As at 31 st March 2022 (refer Note 56)
Security Deposit		
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
Other Receivables*		
Unsecured, Considered good	2.23	3.84
Considered doubtful	1.04	1.04
Less: Allowance for doubtful balances	(1.04)	(1.04)
TOTAL	7.70	11.40

* Includes receivable on account of windmill income

(₹ in crores)

14 Cash and Cash Equivalents		
	As at 31 st March 2023	As at 31 st 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
TOTAL	153.30	147.70
Cash and Cash Equivalents (as per Statement of Cash Flows)	153.30	147.70

15 Bank Balances other than Cash and Cash Equivalents above		
	As at 31 st March 2023	As at 31 st 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
TOTAL	2.75	2.87
*Includes Fixed Deposit under lien	0.11	0.18

16 Inventories (at lower of cost and net realisable value)		
	As at 31 st March 2023	As at 31 st 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
TOTAL	1,561.24	1,441.92
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
TOTAL	176.07	209.60

- 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 31st 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 31st March 2022)
- The mode of valuation of inventories has been stated in Note 2.12

(₹ in crores)

17 Income Tax Asset (net) - Non-Current			
		As at 31 st March 2023	As at 31 st 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 st March 2022)		137.21	129.92
TOTAL		137.21	129.92

18 Other Non-Current Assets			
		As at 31 st March 2023	As at 31 st 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
TOTAL		47.76	42.20

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

19 Other Current Assets			
		As at 31 st March 2023	As at 31 st 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
TOTAL		164.91	180.56

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

**Mainly consists of Share Application Money

(₹ in crores)

20 Equity Share Capital	As at 31 st March 2023	As at 31 st March 2022
Authorised Capital:		
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 st March 2022)		
TOTAL	70.00	70.00
Issued, Subscribed and Paid-up Capital:		
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 st March 2022)		
TOTAL	50.83	50.83

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
Balance as at 1st April 2021	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
Balance as at 31st March 2022	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*
Balance as at 31st March 2023	50,83,14,240	50.83

* denotes amount less than ₹ 50,000.

b. Terms/ Rights attached to equity shares	
<p>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.</p> <p>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.</p> <p>The Board of Directors at its meeting held on 8th 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.</p> <p>During the year ended 31st March 2023, the Company had paid final dividend of ₹ 10.00 per equity share of ₹ 1 each for the financial year 2021-22.</p>	

c. Details of shareholders holding more than 5% shares in the Company:				
	As at 31 st March 2023		As at 31 st 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 st March 2023		As at 31 st March 2022	
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Equity Shares				
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 st March 2023	31 st 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 st March 2023		As at 31 st 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
TOTAL	35,55,05,491		35,55,11,157		

* denoted percentage less than 0.01

(₹ in crores)

21 Other Equity	As at 31 st March 2023	As at 31 st 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
TOTAL	7,057.33	6,292.87

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 st March 2023	As at 31 st March 2022 (refer Note 56)
Unsecured - at amortised cost		
Working Capital Demand Loan	-	105.00
TOTAL	-	105.00

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

(₹ in crores)

23 Trade Payables		As at 31 st March 2023	As at 31 st 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
TOTAL		938.96	945.84

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)
TOTAL		906.34	29.49	1.77	1.36	-	938.96
		(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 st March 2023	As at 31 st March 2022 (refer Note 56)
Retention money payable		14.45	19.94
TOTAL		14.45	19.94

25 Other Financial Liabilities- Current		As at 31 st March 2023	As at 31 st 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
TOTAL		834.38	659.62

(₹ in crores)

26 Provisions - Non-Current		As at 31 st March 2023	As at 31 st 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
TOTAL		64.62	56.22
27 Provisions - Current		As at 31 st March 2023	As at 31 st 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
TOTAL		30.24	34.94
28 Deferred Tax Liabilities (net)		As at 31 st March 2023	As at 31 st 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
TOTAL		376.51	388.53
29 Other Current Liabilities		As at 31 st March 2023	As at 31 st March 2022 (refer Note 56)
Statutory remittances		74.59	68.08
Advance from customers		11.44	12.13
Other Liabilities		1.91	1.89
TOTAL		87.94	82.10
30 Current Tax Liabilities (net)		As at 31 st March 2023	As at 31 st 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 st March 2022)		38.25	9.06
TOTAL		38.25	9.06

(₹ in crores)

31 Revenue From Operations	For the year ended 31 st March 2023	For the year ended 31 st March 2022 (refer Note 56)
Revenue From Operations*		
Sale of Products	10,543.06	8,847.32
Sale of Services	2.06	4.99
TOTAL (A)	10,545.12	8,852.31
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
TOTAL (B)	51.95	43.31
TOTAL (A+B)	10,597.07	8,895.62

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

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

(₹ in crores)

32 Other Income		
	For the year ended 31 st March 2023	For the year ended 31 st March 2022 (refer Note 56)
Interest on:		
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
Dividend on:		
Investments in in Preference Shares (at FVTPL)	1.22	1.22
Long-term Investments in Subsidiary / Associate (at cost)	16.24	2.79
Other Non-Operating Income:		
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
TOTAL	63.04	39.96

33 Cost of Materials Consumed		
	For the year ended 31 st March 2023	For the year ended 31 st 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
	6,092.78	5,214.21
Less : Inventory at the end of the year	(746.81)	(691.04)
TOTAL	5,345.97	4,523.17

(₹ in crores)

34 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		
	For the year ended 31 st March 2023	For the year ended 31 st 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
Total (A)	802.44	741.42
Acquisition under Business Combination (refer Note 56)		
Stock-in-Trade	-	5.13
Work-in-Progress	-	3.16
Finished Goods	-	9.36
Total (B)	-	17.65
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
Total (C)	741.42	498.25
TOTAL (C+B-A)	(61.02)	(225.52)

35 Employee Benefits Expense		
	For the year ended 31 st March 2023	For the year ended 31 st 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
TOTAL	1,044.83	926.76

36 Finance Costs		
	For the year ended 31 st March 2023	For the year ended 31 st 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
TOTAL	28.53	27.24

37 Depreciation and Amortisation Expense		
	For the year ended 31 st March 2023	For the year ended 31 st 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
TOTAL	221.97	194.38

(₹ in crores)

38 Other Expenses		For the year ended 31 st March 2023	For the year ended 31 st 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
TOTAL		1,553.15	1,290.97

a. Details of Payments to Auditor (net of GST)		For the year ended 31 st March 2023	For the year ended 31 st 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
TOTAL		1.36	1.72*

* 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 st March 2023	As at 31 st 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 st March 2023		As at 31 st 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
Revenue								
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)
Net Revenue	8,475.39	2,019.49	102.19	10,597.07	7,012.05	1,819.87	63.70	8,895.62
Revenue based on geography								
India				9,713.29				8,016.36
Outside India				883.78				879.26
Segment Result	1,995.61	225.16	5.67	2,226.44	1,874.79	195.00	(2.16)	2,067.63
Unallocable Expenses				(577.19)				(479.39)
Unallocable Income				24.64				23.32
Operating Income				1,673.89				1,611.56
Finance Costs				(28.53)				(27.24)
Interest / Dividend Income				22.36				6.42
Profit before Exceptional Items and Tax				1,667.72				1,590.74
Exceptional Items				-				-
Profit Before Tax				1,667.72				1,590.74
Tax Expense				(410.54)				(399.33)
Profit for the year				1,257.18				1,191.41
Other Comprehensive Income				1.45				(9.06)
Total Comprehensive Income				1,258.63				1,182.35
The above includes:								
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 st March 2023				31 st March 2022			
	Consumer & Bazaar	Business to Business	Others	Total	Consumer & Bazaar	Business to Business	Others	Total
Segment Assets	6,188.24	1,427.85	17.07	7,633.16	5,740.11	1,412.04	11.74	7,163.89
Unallocable Assets				2,046.97				1,574.48
Total Assets				9,680.13				8,738.37
Assets based on geography:								
India				9,493.35				8,543.01
Outside India				186.78				195.36
Segment Liabilities	1,527.77	476.02	3.59	2,007.38	1,340.46	495.64	1.00	1,837.10
Unallocable Liabilities				564.59				557.57
Total Liabilities				2,571.97				2,394.67
Other Information								
Capital Employed				7,108.16				6,343.70

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 st March 2023	For the year ended 31 st March 2022
Basic:		
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
Diluted:		
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:

(i) Relationships:		
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 st 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
(ii) Key Management Personnel (KMP):		
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 th 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 th November 2022)	Whole Time Director
h.	Shri Joseph Varghese (w.e.f. 9 th November 2022)	Whole Time Director
i.	Shri Sandeep Batra	Chief Financial Officer (w.e.f. 1 st June 2022) & Whole Time Director (w.e.f. 9 th 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 th May 2022)	Non-Executive Independent Director
(iii) Close member of Key Management Personnel:		
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 st March 2023				For the year ended 31 st 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
a. Sales and Related Income								
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	-	-	-	-
Sub-Total (a)	191.06	-	118.01	309.07	169.12	-	92.40	261.52
b. Royalty and Technical Knowhow Received								
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
Sub-Total (b)	4.91	-	-	4.91	3.81	-	-	3.81

(₹ in crores)

Nature of Transaction	For the year ended 31 st March 2023				For the year ended 31 st 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
c. Income from Services Rendered								
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	-	-	-	-
Sub-Total (c)	8.59	0.04	-	8.63	6.17	-	-	6.17
d. Dividend Received								
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	-	-	-	-
Sub-Total (d)	8.79	7.45	-	16.24	-	2.80	-	2.80
e. Purchase of Goods								
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	-	-	-	-
Sub-Total (e)	125.61	896.49	-	1,022.10	84.44	714.00	-	798.44
f. Royalty Paid								
Pidilite International Pte Ltd	0.12	-	-	0.12	0.09	-	-	0.09
Sub-Total (f)	0.12	-	-	0.12	0.09	-	-	0.09
g. Expense for services received								
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	-	-	-	-
Sub-Total (g)	19.09	0.07	0.46	19.62	23.45	-	0.11	23.56

(₹ in crores)

Nature of Transaction	For the year ended 31 st March 2023				For the year ended 31 st 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
h. Investment in Share Capital								
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	-	-	-	-
Sub-Total (h)	78.69	-	-	78.69	56.17	-	-	56.17
i. Buy Back of Shares								
ICA Pidilite Pvt Ltd	-	-	-	-	11.28	-	-	11.28
Sub-Total (i)	-	-	-	-	11.28	-	-	11.28
j. Sale / (Purchase) of Fixed Assets								
Nina Percept Private Limited	(2.01)	-	-	(2.01)	-	-	-	-
Nina Percept Private Limited	0.06	-	-	0.06	0.01	-	-	0.01
Sub-Total (j)	(1.95)	-	-	(1.95)	0.01	-	-	0.01
k. Rent Paid / (Received)								
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)	-	-	-	-
Sub-Total (k)	(0.93)	-	0.91	(0.02)	0.05	-	0.70	0.75
l. Reimbursement of expenses made								
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
Sub-Total (l)	7.41	-	-	7.41	10.20	-	-	10.20
m. Reimbursement of expenses received								
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
Sub-Total (m)	7.50	-	-	7.50	10.88	-	-	10.88

(₹ in crores)

Nature of Transaction	For the year ended 31 st March 2023				For the year ended 31 st 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
n. Compensation of Key Management Personnel of the Company:								
Remuneration / Commission to Directors:								
i Short Term Employee benefits								
- 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	-	-	-	-
Sub-Total	-	-	43.46	43.46	-	-	30.19	30.19
ii Share-based payments***								
- Shri Bharat Puri	-	-	-	-	-	-	26.58	26.58
- Shri Debabrata Gupta	-	-	-	-	-	-	0.05	0.05
Sub-Total	-	-	-	-	-	-	26.63	26.63
iii Sitting Fees and Commission	-	-	2.80	2.80	-	-	2.74	2.74
* includes Remuneration as Deputy MD w.e.f. 18 th May 2022 amounting to ₹ 8.07 crores								
** includes Remuneration as Whole Time Director w.e.f. 9 th 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.								
o. Dividend Paid	-	-	111.23	111.23	-	-	100.90	100.90
p. Outstanding Balances:	As at 31st March 2023				As at 31st March 2022			
i Trade & Other Receivables								
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
Sub-Total	111.76	-	22.02	133.78	94.42	-	20.23	114.65

(₹ in crores)

Nature of Transaction	As at 31 st March 2023				As at 31 st 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
ii Loans and advances								
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	-	-	-	-
Sub-Total	0.33	2.04	-	2.37	2.55	-	-	2.55
iii Trade Payables								
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	-	-	-	-
Sub-Total	24.41	17.36	-	41.77	17.83	2.03	-	19.86
iv Corporate guarantee given to bank on behalf of								
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	-	-	-	-
Sub-Total	205.17	-	-	205.17	102.34	-	-	102.34

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 st March 2023	For the year ended 31 st 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
TOTAL	47.89	41.00
(B) Defined Benefit Plans		
Gratuity		
(C) Other Long-Term Benefits		
(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 st March 2023	31 st March 2022
(i)	Discount Rate (per annum)	7.47%	6.91% to 7.26%
(ii)	Rate of increase in Compensation levels (per annum)	1 st yr - 8.50%, thereafter 6.50%	1 st 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 st March 2023	31 st March 2022
		Gratuity Funded	Gratuity Funded
(i)	Changes in Present value of Obligation		
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	Present value of defined benefit obligation at the end of the year	130.92	122.57
	* includes unfunded liability of Pidilite Adhesive Private Limited (₹ 0.39 crores)		
(ii)	Changes in Fair value of Plan Assets		
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	Fair value of plan assets at the end of the year	117.90	103.07

(₹ in crores)

		31 st March 2023	31 st 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 24th 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 2nd 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 th 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 th 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 th 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 rd 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 th May 2019-ESOP 2016	2,500	13.05.2019	13.05.2020	1.00	1,124.69
6 Granted on 29 th 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 th 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 th 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 th 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 th 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 th 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 th 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 th 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 th 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 th November 2017-ESOP 2016	Granted on 11 th April 2018-ESOP 2016	Granted on 30 th October 2018-ESOP 2016	Granted on 23 rd 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 th May 2019 -ESOP 2016	Granted on 29 th January 2020-ESOP 2016			Granted on 05 th 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
Date of vesting (1)	13.05.2020	31.01.2021	18.11.2022	31.01.2021	05.08.2022	05.08.2021
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
Date of vesting (2)	-	-	18.11.2023	31.01.2022	05.08.2023	05.08.2022
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
Date of vesting (3)	-	-	-	-	-	05.08.2023
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 th November 2020-ESOP 2016	Granted on 09 th October 2021-ESOP 2016	Granted on 09 th November 2021-ESOP 2016		Granted on 24 th January 2022-ESOP 2016	Granted on 11 th 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
Date of vesting (1)	04.11.2021	13.10.2022	09.11.2024	09.11.2023	24.01.2024	11.03.2023
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
Date of vesting (2)	04.11.2022	13.10.2023	09.11.2025	09.11.2024	24.01.2025	11.03.2024
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
Date of vesting (3)	-	-	09.11.2026	09.11.2025	-	11.03.2025
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 18 th May 2022-ESOP 2016	Granted on 24 th January 2023 - 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
Date of vesting (1)	18.05.2024	01.06.2025	01.06.2027
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
Date of vesting (2)	18.05.2025	01.06.2026	-
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 st March 2023		During the year ended 31 st 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 st March 2023	As at 31 st March 2022
Financial Assets		
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
Total Financial Assets	2,043.47	1,642.44
Financial Liabilities		
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
Total Financial Liabilities	1,974.41	1,823.82

(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 st March 2023	31 st March 2022	31 st March 2023	31 st 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 st March 2023	For the year ended 31 st March 2022
Impact on profit or loss for the year (a)	(2.99)	(4.12)
	EUR impact	
	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Impact on profit or loss for the year (b)	0.24	0.09
	GBP impact	
	For the year ended 31 st March 2023	For the year ended 31 st 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 st March 2023	31 st March 2022	31 st March 2023	31 st 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 st March 2023	31 st March 2022	31 st March 2023	31 st 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 31st March 2022) and "Other Financial Liabilities" of ₹ 0.60 crores (₹ 0.60 crores as at 31st 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 31st 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
As at 31st March 2023					
Variable interest rate instruments					
- Borrowings	-	-	-	-	-
Non-interest bearing					
- Trade Payables	938.96	-	-	938.96	938.96
- Other Financial Liabilities	638.46	14.45	-	652.91	652.91
	1,577.42	14.45	-	1,591.87	1,591.87
- Lease Liabilities (undiscounted)	56.99	153.84	17.61	228.44	186.62
Fixed interest rate instruments					
- Trade/ Security Deposit received	195.32	-	-	195.32	195.32
Derivative liabilities towards foreign exchange forward contracts	0.60	-	-	0.60	0.60
Financial guarantee contracts	205.17	-	-	205.17	-
As at 31st March 2022					
Variable interest rate instruments					
- Borrowings	105.00	-	-	105.00	105.00
Non-interest bearing					
- 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
Fixed interest rate instruments					
- Trade/ Security Deposit received	155.39	-	-	155.39	155.39
Derivative liabilities towards foreign exchange forward contracts	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 st March 2023	As at 31 st March 2022		
1 Investment in Mutual Fund, Preference Shares, Debentures and Bonds	Various funds - aggregate fair value of ₹ 488.44 crores	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	Assets - ₹ NIL crores Liabilities - ₹ 0.60 crores Investment funds - aggregate fair value of ₹ 21.05 crores	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 st March 2023	As at 31 st March 2022	
Deferred Tax Assets				(40.15)	(34.60)	
Deferred Tax Liabilities				416.66	423.13	
TOTAL				376.51	388.53	
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)
	TOTAL	388.53	-	(12.51)	0.49	376.51
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)
	TOTAL	75.86	313.92	1.80	(3.05)	388.53
2 Income Taxes						
a Income Tax recognised in Statement of Profit and Loss						
				For the year ended 31 st March 2023	For the year ended 31 st March 2022	
Current Tax						
	In respect of the current year			423.05	397.53	
	TOTAL			423.05	397.53	
Deferred Tax						
	In respect of the current year			(12.51)	1.80	
	TOTAL			(12.51)	1.80	
Income Tax expense recognised in the Statement of Profit and Loss				410.54	399.33	

(₹ in crores)

b The Income Tax expense for the year can be reconciled to the accounting profit as follows:		
	For the year ended 31 st March 2023	For the year ended 31 st 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)
Income tax expense recognised in Statement of Profit and Loss	410.54	399.33

*The Tax rate used for the above reconciliation is the corporate tax rate of **25.17%** (25.17% for the year ended 31st 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 st March 2023	For the year ended 31 st March 2022
Tax arising on income and expenses recognised in Other Comprehensive Income:		
Re-measurement of Defined Benefit Obligation	(0.49)	3.05
Income Tax recognised in Other Comprehensive Income	(0.49)	3.05

49 Research & Development Expenditure

	For the year ended 31 st March 2023	For the year ended 31 st 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
TOTAL	82.36	84.27

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

	For the year ended 31 st March 2023	For the year ended 31 st 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)

51 Lease		
Impact of Ind AS 116 on the Statement of Profit and Loss:		
	For the year ended 31 st March 2023	For the year ended 31 st 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)
Impact on statement of Profit and Loss	49.67	37.45
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 st March 2023	As at 31 st 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. 27th October, 2021) and Pidilite C-Techos Private Limited (w.e.f. 1st 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 st March 2023	As at 31 st 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 st March 2023	As at 31 st 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 st 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 st 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 1st 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 st 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
Intangible Assets		
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
Total Assets Acquired (A)	181.17	2,666.76
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
Total Liabilities taken over (B)	37.35	422.39
Net Assets (C) = (A)-(B)	143.82	2,244.37
Net Equity	(43.96)	47.91
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 8th 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 : 8th May 2023

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company submits the following report:

1. Company's Philosophy on Code of Governance

The Company is committed to complying with the best practices in Corporate Governance and aspires to reach higher standards while emphasising on the principles of integrity, transparency, customer orientation thereby creating a sustainable culture and long term value for all its stakeholders.

The Company has complied in all material respects with applicable mandatory requirements of the Listing Regulations.

2. Board Procedures

The Board / Statutory Committee meetings are pre-scheduled and a tentative annual calendar of the Board and Statutory Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted in the subsequent Board Meeting.

3. Board of Directors

During the financial year 2022-23, five Board Meetings were held on 18th May, 2022, 10th August, 2022, 9th November, 2022, 24th November, 2022# and 24th January, 2023.

The Directors of the Company, in their fiduciary position, are empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of shareholder's value. The Board also reviews and approves management's strategic plan & business objectives and monitors the Company's strategic direction.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 (the Act) read with the Rules issued thereunder. The Independent Directors constitute more than 50% of the Board's strength. The details of composition of the Board, category, attendance of Directors at the Board Meetings and previous Annual General Meeting (53rd AGM), number of other Directorships and Committee positions as on 31st March, 2023 are given below:

Sr. No.	Name	DIN	Category	No. of Board Meetings attended @	Attendance at 53 rd AGM	No. of Directorships held in other companies(*)	No. of Committee positions held in other companies (**)	
							Member-ships	Chairman-ships
1.	Shri M B Parekh (Executive Chairman)	00180955	ED (P)	5	Yes	9	1	-
2.	Shri N K Parekh*** (Non-Executive Director)	00111518	NED (P)	5	Yes	10	-	-
3.	Shri Bharat Puri (Managing Director)	02173566	ED	5	Yes	6	1	-
4.	Shri Sudhanshu Vats^^ (Deputy Managing Director)	05234702	ED	5	Yes	4	1	-
5.	Shri A B Parekh (Executive Vice Chairman)	00035317	ED (P)	5	Yes	14	2	-
6.	Shri A N Parekh*** (Executive Vice Chairman)	00111366	ED (P)	5	Yes	7	1	-
7.	Shri B S Mehta	00035019	NED (I)	4	Yes	2	-	1
8.	Shri Sanjeev Aga	00022065	NED (I)	5	Yes	4	2	-
9.	Shri Uday Khanna	00079129	NED (I)	5	Yes	4	1	3
10.	Smt Meera Shankar	06374957	NED (I)	5	Yes	3	1	-
11.	Shri Vinod Dasari	00345657	NED (I)	4	Yes	4	-	-
12.	Shri Piyush Pandey	00114673	NED (I)	4	Yes	4	-	-
13.	Shri Rajeev Vasudeva	02066480	NED (I)	5	Yes	3	-	-
14.	Smt. Meher Pudumjee^^	00019581	NED (I)	5	Yes	7	1	-
15.	Shri Debabrata Gupta (Whole Time Director)\$	01500784	ED	3	Yes	-	-	-
16.	Shri Sandeep Batra^^^ (Director-Finance & CFO)	00871843	ED	2	No	-	-	-
17.	Shri Joseph Varghese^^^ (Director - Operations)	09770335	ED	2	No	-	-	-

Notes:

- # The meeting was held on 24th November, 2022 and continued till 26th November, 2022.
- @ Including participation by video conference.
- * Including directorships held in private limited companies, section 8 companies (as per the Act), Alternate directorships and directorships in entities incorporated outside India.
- ** Position in Audit Committee and Stakeholders Relationship Committee only (excluding private limited company, foreign company and section 8 company) as provided in Regulation 26(1) of Listing Regulations.
- *** Shri N K Parekh has stepped down as the Non-Executive Vice-Chairman but continues as Non-Executive Director and Shri A N Parekh has been designated as the Executive Vice-Chairman w.e.f. 8th May, 2023.
- \$ Ceased to be Director of the Company w.e.f. 9th November, 2022 due to his resignation.
- ^^ Appointed as Directors of the Company w.e.f. 18th May, 2022.
- ^^^ Appointed as Directors of the Company w.e.f. 9th November, 2022. Shri Sandeep Batra is also the Chief Financial Officer of the Company.
- ED– Executive Director, ED (P) – Executive Director, Promoter, NED (P) – Non-Executive Director, Promoter, NED (I) – Non-Executive Director, Independent.

The Company provides teleconference/Video Conference facilities to Directors to participate in the meetings.

Names of listed entities wherein Directors are holding position of Director & the category of Directorship as on 31st March 2023:

Name of Director	Name of the other Listed company	Category of Directorship
Shri M B Parekh	Vinyl Chemicals (India) Limited	Managing Director and Chairperson
	Excel Industries Limited	Non-Executive - Independent Director
Shri N K Parekh	Vinyl Chemicals (India) Limited	Non-Executive - Non Independent Director
Shri Bharat Puri	Tata Consumer Products Limited	Non-Executive - Independent Director
Shri Sudhanshu Vats	-	-
Shri A B Parekh	Vinyl Chemicals (India) Limited	Non-Executive - Non Independent Director
Shri A N Parekh	-	-
Shri Sandeep Batra	-	-
Shri Joseph Varghese	-	-
Shri B S Mehta	Atul Limited	Non-Executive - Independent Director
Shri Sanjeev Aga	Mahindra Holidays & Resorts India Limited	Non-Executive - Independent Director
	LTIMindtree Limited	Non-Executive - Independent Director
	Larsen & Toubro Limited	Non-Executive - Independent Director
Shri Uday Khanna	Castrol India Limited	Non-Executive - Independent Director
	Pfizer Limited	Non-Executive - Independent Director
	Kotak Mahindra Bank Limited	Non-Executive - Independent Director
Smt Meera Shankar	ITC Limited	Non-Executive - Independent Director
	Adani Transmission Limited	Non-Executive - Independent Director
	JK Tyre & Industries Limited	Non-Executive - Independent Director
Shri Vinod Dasari	-	-
Shri Piyush Pandey	-	-
Shri Rajeev Vasudeva	Marico Limited	Non-Executive - Independent Director
Smt Meher Pudumjee	Thermax Limited	Non-Executive - Non Independent Director and Chairperson

Shri M B Parekh and Shri A B Parekh are related to each other. Shri A N Parekh and Shri N K Parekh are related to each other. The Chairman is not related to the Managing Director, as per the definition of 'relative' defined under the Act. The Chairman of the Company is a Promoter Director and has been serving as a Director of the Company since 1972. He has guided the Company through decades of diversification and growth. He is primarily responsible for ensuring that the Board provides effective governance to the Company.

The Managing Director and Deputy Managing Director of the Company are responsible for executing all corporate strategy and planning in consultation with the Board and other matters of the management.

The number of shares held by Non-Executive Directors as on 31st March, 2023:

Shri B S Mehta – 24,716, Shri Sanjeev Aga – NIL, Shri Uday Khanna – 5,000, Smt Meera Shankar – Nil; Shri Vinod Dasari – Nil, Shri Piyush Pandey – Nil, Shri Rajeev Vasudeva – 670, Smt Meher Pudumjee - NIL and Shri N K Parekh (Promoter) – 5,42,73,688.

Familiarization Programme

The Company has a familiarisation programme for its Independent Directors and other Non-Executive Directors which, inter alia, includes briefing on:

- Role, responsibilities, duties and obligations as a member of the Board;
- Nature of business and business model of the Company, Company's strategic, operating plans and functional matters;
- Discussions on Strategic directions for businesses;
- Changes/developments in the domestic/global corporate and industry scenario including those pertaining to statutes/legislations & economic environment; and
- Matters relating to Corporate Governance, Code of Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

The comprehensive induction enables Independent Directors to be familiarised with the Company, its history, values and purpose. In the Board meetings, presentations are made by Business Heads which provides good insights on the path forward for the businesses carried on by the Company to the Independent Directors and the other Non-Executive Directors on the Board. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company. The Independent Directors updated with the strategic and operational details of the respective divisions of the Company. The familiarization programme for Independent Directors in terms of provisions of Listing Regulations is uploaded on the website of the Company: <https://pidilite.com/investors/corporate-governance/>.

Skills/ expertise/ competencies identified by the Board of Directors (as on 31st March, 2023)

The core skills/expertise/competencies as required in the context of the Company's business for effective functioning which are available with the Board and taken into consideration while nominating any candidate to serve on the Board are as under:

Name of Directors	Sales and Marketing	Business & Senior Management	Leadership & Governance	Legal & Regulatory Matters	Finance, Accounts & Risk Management	Relevant Technologies
Executive Directors						
Shri M B Parekh	√	√	√	√	√	√
Shri Bharat Puri	√	√	√	√	√	√
Shri Sudhanshu Vats	√	√	√	√	√	√
Shri A B Parekh	√	√	√	√	√	√
Shri A N Parekh	√	√	√	√	√	√
Shri Joseph Varghese		√	√	√		√
Shri Sandeep Batra		√	√	√	√	
Non-Executive Non-Independent Director						
Shri N K Parekh	√	√	√	√	√	√
Independent Director						
Shri B S Mehta		√	√	√	√	
Shri Sanjeev Aga	√	√	√	√	√	
Shri Uday Khanna	√	√	√	√	√	
Smt Meera Shankar		√	√	√		
Shri Vinod Dasari	√	√	√	√	√	
Shri Piyush Pandey	√	√	√	√	√	
Shri Rajeev Vasudeva		√	√	√	√	
Smt Meher Pudumjee		√	√		√	√

Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Act and Regulation 25(3) of Listing Regulations, meeting of the Independent Directors of the Company was held on 26th November, 2022.

Declarations

The Company has received declarations from the Independent Directors that they meet the criteria of independence laid down under the Act and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and the Act and are independent of the management of the Company. The Company has issued formal appointment letters to all the Independent Directors in accordance with the Act read with the Rules issued thereunder. The draft of the letter of appointment/ re-appointment, containing the terms and conditions, issued to the Independent Directors, is posted on the Company's website. Based on intimations/disclosures received from the Directors periodically, the Directors of the Company hold positions of memberships/Chairmanships of the committees, which are not more than the prescribed limits.

4. Audit Committee

The composition of the Audit Committee, its powers and terms of reference are in alignment with provisions of Section 177 of the Act read with the Rules issued thereunder and Regulation 18 read with Part C of Schedule II of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

During the financial year 2022-23, four meetings of the Audit Committee were held on 17th May, 2022, 9th August, 2022, 8th November, 2022 and 23rd January, 2023 (in respect of all the aforesaid meetings certain business items were transacted and then meeting were adjourned to the next consecutive day for discussion on financial results and other related matters).

Details of composition of the Audit Committee and attendance of the members at the meetings are given below:

Sr. No.	Name	Designation	Category	No. of Meetings attended
1	Shri B S Mehta	Chairman	NED (I)	4
2	Shri M B Parekh	Member	ED (P)	4
3	Shri Uday Khanna	Member	NED (I)	4
4	Shri Sanjeev Aga	Member	NED (I)	4

Shri Bharat Puri, Managing Director is a permanent invitee, ex-officio.

The Company Secretary is the Secretary of the Audit Committee. The Chief Financial Officer, Vice President – Domestic Accounts, Chief - Internal Audit, Statutory Auditors and Internal Auditors are invited to attend the meetings. The Cost Auditor is invited as and when required. The remuneration of Chief Internal Auditor is reviewed by the management.

The Chairman of the Audit Committee was present at the 53rd Annual General Meeting held on 10th August, 2022.

5. Nomination and Remuneration Committee (NRC)

NRC also functions as Compensation Committee as per the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The terms of reference of NRC consists of making recommendation to the Board for all remuneration payable to Directors and Senior Management and making policy relating thereto, review of performance-based remuneration with reference to corporate goals and objectives, frame policy and review the process of succession planning at key levels in the Company and other related matters.

During the financial year 2022-23, four meetings of the NRC were held on 18th May, 2022, 9th November, 2022, 24th November, 2022 and 24th January, 2023.

Details of composition of the NRC and attendance of the members at the meetings are given below:

Sr. No.	Name	Designation	Category	No. of meetings attended
1	Shri B S Mehta	Chairman	NED (I)	3
2	Shri N K Parekh	Member	NED (P)	4
3	Shri Sanjeev Aga	Member	NED (I)	4
4	Shri Vinod Dasari	Member	NED (I)	3
5	Shri Rajeev Vasudeva	Member	NED (I)	4

Shri Rahul Kumar Sinha, Chief Human Resource Officer, acts as the Secretary of the NRC.

The Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Act, Regulation 19 read with Part D (A) of Schedule II of Listing Regulations and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

The Committee has formulated Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel and is available on the Company's website viz. <https://pidilite.com/investors/corporate-governance/>. The Remuneration Policy is directed towards time commitment and responsibilities of the Directors and senior management, desirability of performance-based remuneration and salaries paid by comparable companies. The structure of remuneration payable to the Managing Director and Deputy Managing Director involves a fair balance of fixed pay and variable component which is linked to achievement of business goals.

The criteria for performance evaluation of Directors, Board etc. cover the areas relevant to the functioning of Directors like teamwork, integrity, knowledge, competency, participation, conduct and effectiveness. The Board evaluation for financial year 2022-23 was completed and summary of findings and recommendations were discussed by the Directors.

A. Remuneration of Executive Directors

Details of Executive Directors' remuneration for the financial year 2022-23 are given below:

								(₹ in crores)
Sr. No.	Name	Salary *	Commission Payable	Variable Pay (Provision)	Perquisites and other allowances	Total	Tenure (No. of years)	
1	Shri M B Parekh (Executive Chairman)	1.97	0	0	1.70	3.67	5 years from 01.08.2018**	
2	Shri Bharat Puri (Managing Director)	6.08	4.19	2.28	2.54	15.09	5 years from 10.04.2020	
3	Shri Sudhanshu Vats (Deputy Managing Director)	4.13	0	2.04	1.47	7.64	5 years from 18.05.2022	
4	Shri A B Parekh (Executive Vice Chairman)	0.84	0	0	0.94	1.78	5 years from 01.08.2018**	
5	Shri A N Parekh (Executive Vice Chairman)	0.73	5.03	0	0.84	6.60	5 years from 01.07.2020	
6	Shri Debabrata Gupta (Whole Time Director) (upto 09.11.2022)	0.75	0	0	0.51	1.26	3 years from 01.03.2020	
7	Shri Sandeep Batra (Director-Finance & CFO) (w.e.f. 09.11.2022)	0.92	0	0.57	0.46	1.95	5 years from 09.11.2022	
8	Shri Joseph Varghese (Director-Operations) (w.e.f. 09.11.2022)	0.50	0	0.26	0.25	1.01	5 years from 09.11.2022	

* Includes House Rent Allowance

** Shri M B Parekh and Shri A B Parekh are proposed to be re-appointed at the ensuing 54th AGM in their respective positions for a further period of 5 years from 01.08.2023.

The above figures includes contribution towards National Pension Scheme and are exclusive of Company's contribution to Provident Fund, Superannuation, Gratuity and encashment of leave at the end of tenure as per the rules of the Company.

Details of Stock options:

Sr. No.	Name of the Director	Vesting date	No. of options#	Exercise period
1	Shri Bharat Puri	30.10.2020	1,10,000*	Within 3 years from the date of vesting
		04.11.2021	1,17,500**	
		04.11.2022	1,17,500*	
2	Shri Sudhanshu Vats	13.10.2022	25,000*	
		13.10.2023	25,000^	
3	Shri Debabrata Gupta	04.11.2021	210**	
		04.11.2022	210**	
4	Shri Joseph Varghese	18.05.2024	165^	
		18.05.2025	165^	
5	Shri Sandeep Batra	01.06.2025	5,000^	
		01.06.2026	5,000^	
		01.06.2027	7,500^	

The stock options are issued at the face value.

* Vested but not exercised

** Vested and exercised

^ Yet to be vested and exercised

B. Service Contracts, notice period, severance fees

Notice period for the Executive Directors is as applicable to the senior employees of the Company except for Shri Bharat Puri where the notice period is of 365 days (as per agreement). No severance fee is payable to the Executive Directors on termination of employment.

C. Details of sitting fees and commission to Non-Executive Directors

The details of sitting fees paid for attending the Board/ Committee meetings and commission due to the Non-Executive Directors for the year ended 31st March 2023 are as under:

Sr. No.	Name	Sitting fees (₹)	Commission Payable (₹)	Total (₹)
1	Shri B S Mehta	8,00,000	25,00,000	33,00,000
2	Shri Sanjeev Aga	8,92,000	25,00,000	33,92,000
3	Shri Uday Khanna	7,25,000	25,00,000	32,25,000
4	Smt. Meera Shankar	4,80,000	25,00,000	29,80,000
5	Shri Vinod Dasari	4,25,000	25,00,000	29,25,000
6	Shri Piyush Pandey	3,00,000	25,00,000	28,00,000
7	Shri Rajeev Vasudeva	7,25,000	25,00,000	32,25,000
8	Shri N K Parekh	9,92,000	25,00,000	34,92,000
9	Smt Meher Pudumjee	4,10,000	21,78,000	25,88,000

The Non-Executive Directors did not have pecuniary relationships or transactions vis-à-vis the Company. The Company regularly obtains services from Ogilvy and Mather Pvt. Ltd., in which Shri Piyush Pandey, Independent Director of the Company, is a Whole-time Director. The Company has not granted any Stock option to any of its Non-Executive Directors.

In terms of Special Resolution passed by the Members at Annual General Meeting held on 30th August, 2018, the aggregate commission paid to the Non-Executive Directors does not exceed 1% per annum of the net profit of the Company computed in accordance with Section 198 of the Act. The commission is determined by the Board of Directors considering the time spent in attending Board meetings, Committee meetings and advice given to the Company as experienced/expert persons, whenever approached.

6. Stakeholders Relationship Committee

The composition and role of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Act read with the Rules issued thereunder and Regulation 20 read with Part D (B) of Schedule II of the Listing Regulations. During the financial year 2022-23, 14 meetings of the Share Transfer Committee were held. One meeting of Stakeholders Relationship Committee was held on 20th January, 2023 which was attended by all the members of the Committee.

Details of composition of the Stakeholders Relationship Committee are given below:

Sr. No.	Name	Designation	Category
1	Shri Sanjeev Aga	Chairman	NED (I)
2	Shri N K Parekh	Member	NED (P)
3	Shri A B Parekh	Member	ED (P)

The Committee is empowered to look into redressal of shareholders'/investors' grievance such as complaints relating to transfer/transmission of shares, non-receipt of declared dividends, non-receipt of Annual Reports, effective exercise of voting rights by shareholders, service standards for Registrar and Share Transfer Agent, reducing quantum of unclaimed dividend, etc.

The status of investor grievances and share transfers is reported to the Board on periodic basis.

Smt. Manisha Shetty, Company Secretary is the Compliance Officer for complying with the requirements of the Securities Laws and Listing Regulations.

Barring certain cases pending in Courts/Consumer Forums, mainly relating to disputes over the title to shares, in which the Company has been made a party, the Company and TSR Consultants Pvt Ltd, have attended to all the shareholders'/investors' grievances/correspondences generally within a period of 15 days from the date of receipt.

The total number of letters received from the shareholders were 630 of which only 8 were in the nature of complaints. All the complaints were resolved to the satisfaction of shareholders. 201 transfers / demat requests have been received. 15 demat/transfer requests which were pending as of 31st March, 2023 have been processed subsequently.

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, ('PIT Regulations') the Company has adopted a Code of Conduct for Prevention of Insider Trading ('Code'). All the Directors, employees and other persons specified therein are governed by this Code.

The Company has appointed Shri A N Parekh, Whole Time Director and Smt. Manisha Shetty, Company Secretary as the Compliance Officers under PIT Regulations.

7. Risk Management Committee

The composition and role of Risk Management Committee is in compliance with Regulation 21 read with Part D (C) of Schedule II of Listing Regulations. During the year, three meetings of the Committee were held on 20th April, 2022, 29th September, 2022 and 6th March, 2023. The constitution of the Risk Management Committee along with the details of the meetings attended during the financial year 2022-23 is detailed below:

Sr. No.	Name	Designation	Category	No. of meetings attended
1	Shri B S Mehta	Chairman	NED (I)	3
2	Shri Uday Khanna	Member	NED (I)	3
3	Shri A N Parekh	Member	ED (P)	2
4	Shri Rajeev Vasudeva	Member	NED (I)	3
5	Shri A D Ubhaykar	Member	Senior Executive	1
6	Shri Sanjay Bahadur	Member	Senior Executive	3
7	Shri Pankaj Bhargava	Member	Senior Executive	3
8	Shri Debabrata Gupta*	Member	ED	2
9	Shri Joseph Varghese^	Member	ED	1

* Ceased to be the Member of the Committee w.e.f. 9th November, 2022.

^ Appointed as the member of the Committee w.e.f. 9th November, 2022.

The Chief Financial Officer or Chief - Internal Audit acts as Secretary to the Committee.

The Company also has a Management Risk Committee, also known as the Risk Identification and Mitigation Committee (RIMC). Three meetings of the RIMC were held during the financial year 2022-23.

8. Corporate Social Responsibility (CSR) Committee

The composition of the CSR Committee is in alignment with provisions of Section 135 of the Act.

The Committee met three times during the financial year 2022-23 i.e. on 17th May, 2022, 8th November, 2022 and 23rd January, 2023. The constitution of the CSR Committee along with the details of the meetings attended during the financial year 2022-23 is detailed below:

Sr. No.	Name	Designation	Category	No. of meetings attended
1	Shri N K Parekh	Member	NED (P)	3
2	Shri Sanjeev Aga	Member	NED (I)	3
3	Shri A B Parekh	Member	ED (P)	3
4	Smt. Meera Shankar	Member	NED (I)	3
5	Shri Debabrata Gupta#	Member	ED	2
6	Smt. Meher Pudumjee*	Member	NED (I)	1
7	Shri Joseph Varghese*	Member	ED	1

Ceased to be the member of the Committee w.e.f. 9th November, 2022.

* Appointed as Members of the Committee w.e.f. 9th November, 2022

Members elect Chairperson of the Committee at each meeting. The Company Secretary acts as Secretary to the Committee.

The CSR Committee is empowered, pursuant to its terms of reference, inter alia, to:

- Formulate and recommend to the Board a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred.
- Monitor the implementation of Corporate Social Responsibility Policy.
- Recommend the Annual Action Plan for CSR Implementation to the Board for approval.

The details of the CSR initiatives of the Company form part of the Social & Community Service Initiatives Report and Annexure to the Directors' Report. The Constitution of CSR Committee, the CSR Policy and details of CSR Projects are available on the website of the Company: <https://pidilite.com/investors/corporate-governance/>.

9. General Body Meetings

Details of location, date and time of the Annual General Meetings held during the last three years are given below:

Financial Year	Venue	Date & Time	Details of special resolution passed at the AGM
2021-22	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	10 th August, 2022 at 3.00 p.m.	<ul style="list-style-type: none"> Re-appointment of Shri N K Parekh, as Non-Executive Director, who retired by rotation. Appointment of Smt. Meher Pudumjee as Independent Director for a term of 5 years. Amendment to Articles of Association of the Company by increase in limit of Directors from 15 Directors to 18 Directors.
2020-21	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	11 th August, 2021 at 3.00 p.m.	<ul style="list-style-type: none"> Re-appointment of Shri Vinod Dasari as an Independent Director for a second term of 5 consecutive years.
2019-20	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	10 th September, 2020 at 3.00 p.m.	<ul style="list-style-type: none"> Re-appointment of Shri N K Parekh as Non-Executive Director, who retired by rotation. Re-appointment of Shri Sanjeev Aga as an Independent Director for a second term of 5 consecutive years.

The above mentioned Special Resolutions were passed with requisite majority.

Postal Ballot

During the year 2022-23, the Company passed the following Ordinary resolutions by postal ballot.

Description of Resolution as given in the Postal Ballot Notice	Particulars of Votes cast						Result Declared
	Electronic Voting						
	Votes cast in favour of the resolution		Votes cast against the resolution		Invalid Votes		
	No.	%	No.	%	No.	%	
Special Business							
Appointment of Shri Sandeep Batra as a Director and as a Whole-Time Director designated as "Executive-Director-Finance" of the Company.	40,02,79,124	92.24	3,36,55,511	7.76	0	0	Approved by requisite majority
Appointment of Shri Joseph Varghese as a Director and also as a Whole Time Director designated as "Director-Operations" of the Company.	40,02,73,985	92.24	3,36,60,652	7.76	0	0	Approved by requisite majority

The Company successfully completed the process of obtaining approval of its shareholders for ordinary resolutions on the items detailed above, vide postal ballot on 27th December, 2022.

Shri M.M Sheth of M.M Sheth & Co., Company Secretaries was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Special resolution for re-appointment of Shri Piyush Pandey as an Independent Director for second consecutive term of 5 years is proposed to be conducted through postal ballot.

Procedure for Postal Ballot:

In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs ("MCA"), the Company provides electronic voting facility to all its members.

The Company generally engages the services of National Securities Depository Limited ("NSDL") for the purpose of providing electronic voting facility to all its members. The Postal Ballot Notice are sent to the members in electronic form at their email addresses registered with the depositories/TSR Consultants Private Limited, Company's Registrar and Share Transfer Agent. The Company also publishes notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting rights are reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date.

The scrutinizer submits his report to the Chairman or any other person authorized by the Chairman, after the completion of scrutiny. The results of the postal ballot are announced by the Chairman or any other person authorized by the Chairman. The results are also displayed at the registered office and corporate office of the Company, intimated to NSDL and the Stock Exchanges where the Company's shares are listed and also displayed along with the Scrutinizer's report on the Company's website viz. <https://pidilite.com/investors/listing-information/>

10. Means of Communication

a. Publication of financial results:

The extract of standalone and consolidated results are normally published in Business Standard and Sakal and are displayed on the website of the Company: <https://pidilite.com/investors/listing-information/>

b. Websites and News Releases:

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/Half yearly/ Nine-months and Annual financial results along with the applicable policies of the Company. The Company's official news releases and presentations made to the institutional investors and analysts are also available on the Company's website (<https://pidilite.com/investors/listing-information/>). Quarterly Compliance Reports and other relevant information of interest to the Investors are also placed under the Investors Section on the Company's website.

c. **Analysts presentations:**

The presentations on performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders immediately after the financial results are communicated to the Stock Exchanges. The Company also conducts calls/meetings with investors immediately after declaration of financial results to brief them on the performance of the Company and a transcript of such calls/meeting are uploaded on the Company's website and Stock Exchanges.

d. **Stock Exchange:**

The Company makes timely disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI.

e. **Reminders to Investors:**

Reminders are, inter alia, sent to shareholders for registering their email ids, claiming returned undelivered share certificates and unclaimed dividend and transfer of shares thereto.

f. **Annual Report:**

The Annual Report with Audited Financial Statements of the Company and its subsidiaries are available in downloadable formats on the website of the Company <https://pidilite.com/investors/financials/>.

The Annual Report and Audited Financial Statements of the Company are also available on the websites of the Stock Exchanges.

11. General Information for Shareholders

Detailed information in this regard is provided in the "Information for Shareholders" section, appearing in the Annual Report.

12. Disclosures

During the financial year 2022-23:

- There were no materially significant related party transactions which have potential conflict with the interest of the Company at large. The details of related party transactions are set out in the Notes to Financial Statements forming part of this Annual Report.
- The Company has complied with all requirements of the Listing Regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authority on any matter relating to capital markets during the last 3 years.
- The Company has complied with all the requirements of corporate governance as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Listing Regulations.
- The Company has a Vigil Mechanism and Whistle Blower Policy for Directors and Employees to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee Chairman.
- The Company has no material subsidiary. Policy for determining 'material' subsidiary is uploaded on the website of the Company: <https://pidilite.com/investors/corporate-governance/>.
- Company's Policy on Related Party Transactions is uploaded on the website of the Company: <https://pidilite.com/investors/corporate-governance/>.
- The Company has not made preferential allotment or qualified institutional placement.
- There were no instances, wherein the Board had not accepted recommendations made by any committee of the Board.
- Total fees of ₹1.58 crores for financial year 2022-23, for all services, was paid by the Company and its subsidiaries, on a consolidated basis to the Statutory Auditors of the Company M/s. Deloitte Haskins & Sells LLP and all entities in the network firm/network entity of which the Statutory Auditors is a part.
- No loans/advances in the nature of debt was given to firms/companies in which directors are interested.
- There are no non-compliances of any requirements of Corporate Governance Report, as per sub-para (2) to (10) of Schedule V Part C of the Listing Regulations.

13. Equity shares in Unclaimed Suspense Account

There are NIL Equity shares in Unclaimed Suspense Account under Regulation 39 and Schedule VI of Listing Regulations.

14. Compliance of discretionary requirements under Regulation 27 of Listing Regulations

- a. The Chairman of the Company, Shri M B Parekh, is the Executive Chairman.
- b. As the financial results are published in the newspapers and also posted on Company's website, the same are not being sent to the shareholders.
- c. The Company's financial statements for the financial year ended 31st March 2023 do not contain any modified audit opinion.
- d. Shri Bharat Puri is the Managing Director and Chief Executive Officer of the Company. He is not related to any Director, Key Managerial Personnel or their relatives of the Company.
- e. The Internal Auditor makes quarterly presentation to the Audit Committee on their Reports.

15. Information relating to Directors

Information relating to Directors seeking appointment/re-appointment as required under Regulation 36(3) of Listing Regulations is given in the Notice of the ensuing 54th Annual General Meeting.

16. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year 2022-23

- a. Number of complaints filed during the financial year:1
- b. Number of complaints disposed of during the financial year:1
- c. Number of complaints pending as on end of the financial year:0

17. Certificate from Company Secretary in Practice:

A certificate from Shri Mitesh Dhabliwala of M/s. Parikh & Associates., Company Secretaries in Practice has been attached with this report stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

18. Governance of Subsidiary Companies:

The summary of the minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee. The Company does not have any material subsidiary as on the date of this Report. The information in respect of the loans and advances in the nature of loans to subsidiaries pursuant to Regulation 34 read with Schedule V of the Listing Regulations is provided in Notes to the standalone financial statements.

19. Declaration by Shri Bharat Puri, Managing Director under Schedule V (D) of Listing Regulations

'Pursuant to Schedule V (D) of Listing Regulations, I hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March, 2023.'

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
M/s. Pidilite Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Pidilite Industries Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 8th May 2023

For Parikh & Associates
(Company Secretaries)

Mitesh Dhaliwala
Partner

FCS No: 8331 CP No: 9511
UDIN: F008331E000267601
PR No.: 1129/2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of
Pidilite Industries Limited,
Regent Chambers, 7th Floor,
208, Nariman Point, Mumbai – 400021.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Pidilite Industries Limited having CIN L24100MH1969PLC014336 and having registered office at Regent Chambers, 7th Floor, 208, Nariman Point, Mumbai 400021 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Narendrakumar Kalyanji Parekh	00111518	28.07.1969
2.	Madhukar Balvantray Parekh	00180955	31.08.1972
3.	Ajay Balvantray Parekh	00035317	26.06.1985
4.	Bansidhar Sunderlal Mehta	00035019	25.07.2000
5.	Apurva Narendrakumar Parekh	00111366	01.07.2005
6.	Bharat Tilakraj Puri	02173566	28.05.2008
7.	Uday Chander Khanna	00079129	03.04.2014
8.	Meera Shankar	06374957	30.07.2014
9.	Sanjeev Aga	00022065	01.09.2015
10.	Vinod Kumar Dasari	00345657	01.09.2015
11.	Piyush Indernarayan Pandey	00114673	11.04.2018
12.	Meher Pheroz Pudumjee	00019581	18.05.2022
13.	Rajeev Vasudeva	02066480	10.09.2020
14.	Joseph Varghese	09770335	09.11.2022
15.	Sudhanshu Vats	05234702	18.05.2022
16.	Sandeep Batra	00871843	09.11.2022

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 8th May 2023

For Parikh & Associates
(Company Secretaries)

Mitesh Dhaliwala
Partner

FCS No: 8331 CP No: 9511
UDIN: F008331E000267581
PR No.: 1129/2021

INFORMATION FOR SHAREHOLDERS

Annual General Meeting

Day, Date and Time:

Thursday, 10th August, 2023 at 3.00 p.m.

Venue:

The Company is conducting AGM through Video Conferencing/Other Audio Visual Means as permitted under the various circulars issued by Ministry of Corporate Affairs.

Financial Year: 1st April 2022 to 31st March 2023

Date of Book Closure:

Friday, 28th July, 2023 to Thursday, 10th August, 2023 (both days inclusive).

Dividend Payment:

Credit/dispatch of dividend warrants will commence from 17th August, 2023 subject to the approval for payment of dividend by the shareholders at the Annual General Meeting.

Listing of Shares on Stock Exchanges:

The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Annual Listing fee for the financial year 2022-23 has been paid to BSE and NSE.

Stock Codes

Name and address of the Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	500331
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.	PIDILITIND

Market Price Data

Share prices during the financial year 2022-23 at NSE for one equity share of ₹ 1/- each were as under:

Month	Share Price (₹)	
	High	Low
April 2022	2,558.65	2,305.00
May 2022	2,430.85	2,050.00
June 2022	2,290.85	1,988.55
July 2022	2,460.00	2,082.80
August 2022	2,762.30	2,456.90
September 2022	2,918.95	2,670.00
October 2022	2,737.50	2,545.50
November 2022	2,787.50	2,590.05
December 2022	2,796.00	2,461.55

Month	Share Price (₹)	
	High	Low
January 2023	2,563.95	2,257.00
February 2023	2,353.30	2,250.05
March 2023	2,398.40	2,275.00

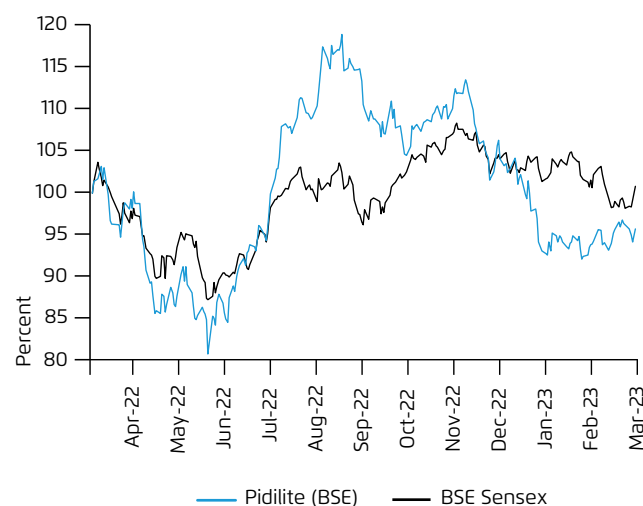
Share prices during the financial year 2022-23 at BSE for one equity share of ₹ 1/- each were as under:

Month	Share Price (₹)	
	High	Low
April 2022	2558.90	2308.05
May 2022	2430.90	2040.00
June 2022	2291.10	1988.60
July 2022	2459.90	2083.00
August 2022	2761.70	2455.00
September 2022	2916.85	2670.60
October 2022	2737.65	2545.65
November 2022	2785.95	2585.05
December 2022	2796.15	2465.00
January 2023	2566.70	2257.25
February 2023	2362.95	2250.85
March 2023	2398.55	2275.00

Stock Performance

Base is considered to be 100 as on 1st April 2022

The performance of the Company's shares in comparison to BSE sensx is given in the chart below:



Registrar & Share Transfer Agent

TSR Consultants Private Limited (RTA)
Unit: Pidilite Industries Limited
C 101, 1st Floor, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai - 400083
Tel : 022 - 66568484
Fax : 022 - 66568494
E-mail: csg-unit@tcplindia.co.in
Website: <https://www.tcplindia.co.in>

Share Transfer System

The Company has delegated the authority to approve shares received for transfer in physical form to TSR Consultants Private Limited, Registrar & Share Transfer Agent and Share Transfer Committee comprising of the Directors viz, Sarva Shri N. K. Parekh, Shri A. B. Parekh and Shri A.N. Parekh.

Shareholder Transactions

In terms of requirements of Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with Depositories. While the request for transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialised form.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors has mandated the listed entities to issue securities for the following service requests only in dematerialised form: issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folio, transmission and transposition.

Further, during the year under review SEBI has also simplified the process for transmission of shares and issue of duplicate share certificates to make it more efficient and investor friendly.

The manner and process of making applications as per the aforesaid revised framework and operational guidelines thereto is available on the website of the RTA at <https://www.tcplindia.co.in/client-downloads.html>.

Request for dematerialization of securities are processed by RTA and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL, within the statutory time limit from the date of receipt of securities certificates after due verification.

Distribution of Shareholding as on 31st March 2023

No. of Equity Shares held	No. of Shareholders	%	No. of Shares	%
Upto 5000	6,35,453	99.63	3,16,05,058	6.22
5001 - 10000	1401	0.22	1,03,74,767	2.04
10001- 20000	377	0.06	53,81,704	1.06
20001- 30000	108	0.02	26,19,719	0.51
30001- 40000	79	0.01	27,74,145	0.55
40001- 50000	49	0.01	22,14,276	0.44
50001- 100000	98	0.02	71,76,998	1.41
100001 and above	211	0.03	44,61,67,573	87.77
Total	6,37,776	100.00	50,83,14,240	100.00
No. of Shareholders & shares in physical mode	674	0.11	970,602	0.19
No. of beneficial owners & shares in electronic mode	6,37,102	99.89	50,73,43,638	99.81
Total	6,37,776	100.00	50,83,14,240	100.00

Dematerialisation of shares and liquidity

As on 31st March, 2023, 99.81% of total equity shares of the Company were held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The Company's equity shares are required to be compulsorily traded in the dematerialised form. The shares are available for dematerialisation under ISIN - INE318A01026.

Requests for dematerialisation of shares are processed and generally confirmed within 15 days of receipt, subject to the documents being valid and complete in all respects.

The shares of the Company were not suspended from trading during the year under review.

Transfer of unclaimed dividend & shares to the Investor Education and Protection Fund

Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), all unpaid or unclaimed dividends and shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more have been transferred by the Company to the Investor Education and Protection Fund (IEPF) Authority. The said requirement does not apply to shares in respect of which there is a specific Order of Court, Tribunal or Statutory Authority, restraining transfer of the shares.

During the year under review, the Company had sent individual notices through Ordinary Post and Air mail and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company has transferred to IEPF following unpaid or unclaimed dividends and corresponding shares as under:

Particulars	Amount of dividend (₹)	No. of shares
Final Dividend for the Financial Year 2014-15	17,57,160	17,191
Interim Dividend for the Financial Year 2015-16	24,33,017	11,813

The Company has uploaded the above mentioned details on its website: <https://pidilite.com/investors/corporate-governance/> and also on the website of the IEPF Authority (www.iepf.gov.in).

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares from the IEPF Authority.

Shareholders/claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, need to apply to the IEPF Authority by making an application in Form IEPF-5 available on <http://www.iepf.gov.in>.

Nodal and Deputy Nodal Officer

In accordance with the IEPF Rules, the Board of Directors have appointed Smt. Manisha Shetty as Nodal Officer of the Company and Smt. Poornima Narayanan as Deputy Nodal Officer of the Company for the purposes of verification of claims of shareholders pertaining to shares transferred to IEPF and / or refund of dividend from IEPF Authority and for coordination with IEPF Authority. The details of the Nodal Officer and Deputy Nodal Officer are available on the website of the Company.

Plant Locations

Major Plant locations-Mahad, Taloja, Karad, Pune (Maharashtra); Vapi, Paria, Surat, Dahej, Panoli (Gujarat); Daman (Union Territory of India); Kala Amb, Baddi, Nalagarh (Himachal Pradesh); Jammu (J & K); Secunderabad, Jedcharla (Telangana);Guwahati (Assam); Vizag (Andhra Pradesh). Ludhiana (Punjab), Alwar (Rajasthan), Perundurai (Tamil Nadu).

Credit Ratings

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2023. The ratings given by CRISIL for short-term borrowings and long-term borrowings of the Company are A1+ and AAA respectively. There was no revision in the said ratings during the year under review.

Commodity price risk / Foreign Exchange Risk and Hedging Activities

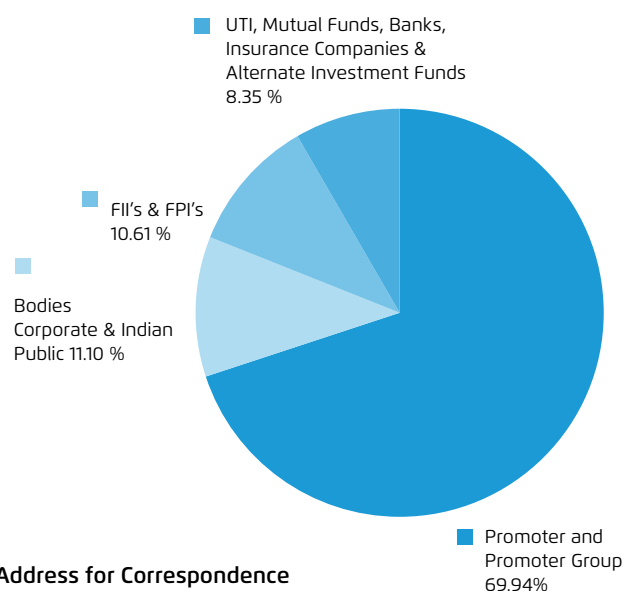
Certain key raw materials and packing materials used by the Company are derivatives of commodities such as crude

oil, paper, aluminium, etc. Any material price fluctuation in such commodities can impact the margins of the Company till the impact is appropriately factored in the pricing of Company's products. The Company does not undertake commodity hedging activities.

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with the policies of the Company.

Exposure to commodity and commodity risks faced by the Company throughout the year is Nil.

Shareholding Pattern as on 31st March 2023



Address for Correspondence

Registered Office:

Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai - 400 021
Tel No: 022-22822708
CIN: L24100MH1969PLC014336

Corporate Office:

Ramkrishna Mandir Road, Off. Mathuradas Vasanji Road, Andheri (E), Mumbai - 400 059
Tel No : 022-28357000
E-mail : investor.relations@pidilite.co.in
Website : www.pidilite.com

Corporate Secretarial/Investors' Assistance Department

The Company's Secretarial Department headed by Smt. Manisha Shetty, Company Secretary, is situated at the Corporate Office mentioned above. Shareholders/Investors may contact Smt. Manisha Shetty at the Corporate Office in Mumbai for any assistance they may need.

Outstanding GDRs/ADRs/Warrants

The Company has no outstanding GDRs/ADRs/Warrants as on 31st March, 2023.

Employee Stock Options

The information with regard to the Employee Stock Options are set out under Annexure to Directors' Report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PIDILITE INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Pidilite Industries Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates and share of loss in its joint venture, which comprise the Consolidated Balance Sheet as at 31st March, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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 consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries, associates and joint venture referred to in the Other Matters section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group, its associates 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 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon ("Other Information")

- The Parent'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 consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, associates and joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, associates and joint venture, is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

The Parent's 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates 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 associates and its 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 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 statements 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 the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group and of its associates 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 associates and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Parent has adequate internal financial controls with reference to consolidated 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 ability of the Group and its associates 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 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 Group and its associates and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, 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 consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

- (a) We did not audit the financial statements / financial information of 31 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 1,843.78 crores as at 31st March, 2023, total revenues of ₹ 1,255.67 crores and net cash outflows amounting to ₹ 42.08 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 6.98 crores for the year ended 31st March, 2023, as considered in the consolidated financial statements, in respect of five associates and one joint venture, 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 on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint venture is based solely on the reports of the other auditors.
- (b) The consolidated financial statements also include the Group's share of loss of ₹ 0.34 crores for the year ended 31st March, 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associate, 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 opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, 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 and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / financial information of the subsidiaries and associates referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated 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 of the Parent as on 31st March, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st 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 consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- 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 and based on the auditor's reports of subsidiary companies, associate companies and joint venture company incorporated in India, the remuneration paid by the Parent and such subsidiary companies, associate companies and joint venture company to their respective 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates.

- ii) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent, its subsidiary companies and associate companies incorporated in India.
- iv) (a) The respective Managements of the Parent and its subsidiaries, associates and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint venture respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 56(a) to the consolidated 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 Parent or any of such subsidiaries, associates and joint venture 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 Parent or any of such subsidiaries, associates and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiaries, associates and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the Note 57(h) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, associates and joint venture 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 performed by us and that those performed by the auditors of the subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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.
- v) (a) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries, associates and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.
- (b) The Parent did not declare any interim dividend in the current year.
- (c) As stated in note 22 (b) to the consolidated financial statements, the Board of Directors of the Parent, whose financial statements have been audited under the Act, have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meeting. Such 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 w.e.f. 1st April, 2023 to the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

N. K. Jain
Partner
(Membership No. 045474)
UDIN: 23045474BGYOVL9786

Place: Mumbai
Date: 8th May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PIDILITE INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST 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 consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Pidilite Industries Limited (hereinafter referred to as "Parent") and its subsidiary companies, and its associate company, which are companies incorporated in India wherever applicable, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate company which are companies incorporated in India, 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India where such reporting under section 143(3) of the Companies Act, 2013 is applicable.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 consolidated 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 10 subsidiary companies and 1 associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

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

N. K. Jain
(Partner)
(Membership No. 045474)
UDIN: 23045474BGYOVL9786

Place: Mumbai
Date: 8th May 2023

CONSOLIDATED BALANCE SHEET

as at 31st March 2023

(₹ in crores)

Particulars	Note No.	As at 31 st March 2023	As at 31 st March 2022
ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	4	1,690.88	1,554.86
(b) Right of Use Assets	5	309.90	202.93
(c) Capital Work-In-Progress	4	405.94	225.42
(d) Goodwill	6	1,289.76	1,286.83
(e) Other Intangible Assets	6	1,623.54	1,658.64
(f) Investments accounted for using equity method	7	95.02	60.66
(g) Financial Assets			
(i) Investments	8	254.63	224.43
(ii) Loans	11	6.20	5.05
(iii) Other Financial Assets	13	68.08	64.45
(h) Income Tax Assets (net)	18	148.44	140.08
(i) Deferred Tax Assets (net)	53	20.15	21.28
(j) Other Non-Current Assets	20	50.96	55.38
Total Non-Current Assets		5,963.50	5,500.01
2 Current Assets			
(a) Inventories	17	1,817.08	1,695.09
(b) Financial Assets			
(i) Investments	9	531.20	173.52
(ii) Trade Receivables	10	1,535.27	1,430.54
(iii) Cash and Cash Equivalents	15	310.16	352.07
(iv) Bank balances other than (iii) above	16	16.49	3.10
(v) Loans	12	27.32	17.22
(vi) Other Financial Assets	14	86.08	86.01
(c) Current Tax Assets (net)	19	0.76	2.95
(d) Other Current Assets	21	237.16	255.11
Total Current Assets		4,561.52	4,015.61
TOTAL ASSETS		10,525.02	9,515.62
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	22	50.83	50.83
(b) Other Equity	23	7,161.45	6,352.88
Equity attributable to owners of the Company		7,212.28	6,403.71
Non-Controlling Interests	42	233.64	198.90
Total Equity		7,445.92	6,602.61
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	-	1.72
(ii) Lease Liabilities		175.63	96.04
(iii) Other Financial Liabilities	27	14.45	19.94
(b) Provisions	29	80.25	71.83
(c) Deferred Tax Liabilities (net)	53	398.15	398.45
Total Non-Current Liabilities		668.48	587.98
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	163.26	285.62
(ii) Trade Payables	26		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		76.56	89.50
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		987.03	959.79
(iii) Lease Liabilities		51.72	32.45
(iv) Other Financial Liabilities	28	938.06	780.32
(b) Other Current Liabilities	31	115.19	120.92
(c) Provisions	30	34.98	42.69
(d) Current Tax Liabilities (net)	32	43.82	13.74
Total Current Liabilities		2,410.62	2,325.03
TOTAL LIABILITIES		3,079.10	2,913.01
TOTAL EQUITY AND LIABILITIES		10,525.02	9,515.62

See accompanying notes to the consolidated financial statements 1 to 59

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: 8th May 2023

Place: Mumbai
Date: 8th May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2023

(₹ in crores)

Particulars	Note No.	For the year ended 31 st March 2023	For the year ended 31 st March 2022
INCOME			
Revenue from Operations	33	11,799.10	9,920.96
Other Income	34	49.61	36.30
Total Income		11,848.71	9,957.26
EXPENSES			
Cost of Materials Consumed	35	5,958.67	5,040.74
Purchases of Stock-in-Trade		862.45	648.40
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	36	(61.72)	(244.96)
Employee Benefits Expense	37	1,245.63	1,112.36
Finance Costs	38	47.64	42.08
Depreciation and Amortisation Expense	39	269.74	239.61
Other Expenses	40	1,809.70	1,517.13
Total Expenses		10,132.11	8,355.36
Profit before Share of profit / (loss) of Associates and Joint Venture Exceptional Items and Tax		1,716.60	1,601.90
Share of Profit in Associates (net of tax)	41	6.64	11.88
Total Share of profit of Associates and Joint Venture		6.64	11.88
Profit before Exceptional Items and Tax		1,723.24	1,613.78
Exceptional Items		-	-
Profit before Tax		1,723.24	1,613.78
Tax Expense			
Current Tax	53	438.17	407.94
Deferred Tax	53	(3.80)	(0.92)
Net Tax Expense		434.37	407.02
Profit for the year		1,288.87	1,206.76
Attributable to:			
Shareholders of the Company		1,273.25	1,207.56
Non-Controlling Interest	42	15.62	(0.80)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan		1.93	(12.88)
Income tax on remeasurement of defined benefit plan		(0.50)	3.23
Fair value gain on investment through OCI		17.11	-
Income tax on fair value gain on investment through OCI		(4.31)	-
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations		18.22	(12.46)
Total Other Comprehensive Income / (Loss)		32.45	(22.11)
Attributable to:			
Shareholders of the Company		29.47	(20.63)
Non-Controlling Interest	42	2.98	(1.48)
Total Comprehensive Income for the year		1,321.32	1,184.65
Attributable to:			
Shareholders of the Company		1,302.72	1,186.93
Non-Controlling Interest		18.60	(2.28)
Earnings Per Equity Share:	46		
Basic (₹)		25.05	23.76
Diluted (₹)		25.03	23.75
See accompanying notes to the consolidated financial statements	1 to 59		

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: 8th May 2023

Place: Mumbai
Date: 8th May 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2023

(₹ in crores)

a. Equity Share Capital		Amount
Balance as at 1 st 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 st March 2022		50.83
Changes in equity share capital during the year		
• Issue of equity shares under Employee Stock Option Plan - 2016		0.00*
Balance as at 31 st March 2023		50.83

* denotes amount less than ₹ 50,000

b. Other Equity	Reserves and Surplus									Items of Other Comprehensive Income		Equity attributable to owners of the Company	Non-Controlling interest	Total Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Cash Subsidy Reserve	Legal Reserve	State Investment Reserve	Share Options Outstanding Account	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Fair value gain on investment through OCI			
Balance as at 1 st April 2021	0.34	26.04	0.50	0.95	0.26	0.15	25.42	1,335.38	4,134.78	18.32	-	5,542.14	240.04	5,782.18
Profit for the year	-	-	-	-	-	-	-	-	1,207.56	-	-	1,207.56	(0.80)	1,206.76
Addition / Infusion during the year	-	-	-	-	0.01	-	-	-	-	-	-	0.01	2.05	2.06
Items of Other Comprehensive Income for the year, net of income tax														
- Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	(11.21)	-	(11.21)	(1.25)	(12.46)
- Remeasurement of Defined Benefit Plan	-	-	-	-	-	-	-	-	(9.42)	-	-	(9.42)	(0.23)	(9.65)
Payment of dividends	-	-	-	-	-	-	-	-	(431.93)	-	-	(431.93)	-	(431.93)
Tax on Buy Back of Shares of a Subsidiary (refer Note 56 (b))	-	-	-	-	-	-	-	-	(0.59)	-	-	(0.59)	-	(0.59)
Change in Group Interest	-	-	-	-	-	-	-	-	28.22	-	-	28.22	(40.91)	(12.69)
Recognition of share-based payments	-	20.47	-	-	-	-	7.63	-	-	-	-	28.10	-	28.10
Transferred to Securities Premium on Options exercised during the year	-	20.47	-	-	-	-	(20.47)	-	-	-	-	-	-	-
Amortised during the year	-	-	-	-	-	-	28.55	-	-	-	-	28.55	-	28.55
Lapsed during the year	-	-	-	-	-	-	(0.45)	-	-	-	-	(0.45)	-	(0.45)
Balance as at 31 st March 2022	0.34	46.51	0.50	0.95	0.27	0.15	33.05	1,335.38	4,928.62	7.11	-	6,352.88	198.90	6,551.78

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2023

(₹ in crores)

b. Other Equity	Reserves and Surplus									Items of Other Comprehensive Income		Equity attributable to owners of the Company	Non-Controlling interest	Total Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Cash Subsidy Reserve	Legal Reserve	State Investment Reserve	Share Options Outstanding Account	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Fair value gain on investment through OCI			
Profit for the year	-	-	-	-	-	-	-	-	1,273.25	-	-	1,273.25	15.62	1,288.87
Addition / Infusion during the year	-	-	-	-	0.02	-	-	-	-	-	-	0.02	18.47	18.49
Items of Other Comprehensive Income for the year, net of income tax														
- Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	15.12	-	15.12	3.10	18.22
- Remeasurement of Defined Benefit Plan	-	-	-	-	-	-	-	-	1.55	-	-	1.55	(0.12)	1.43
- Fair value gain on investment through OCI	-	-	-	-	-	-	-	-	-	-	12.80	12.80	-	12.80
Payment of dividends	-	-	-	-	-	-	-	-	(508.30)	-	-	(508.30)	(2.33)	(510.63)
Recognition of share-based payments	-	3.54	-	-	-	-	10.59	-	-	-	-	14.13	-	14.13
Transferred to Securities Premium on Options exercised during the year	-	3.54	-	-	-	-	(3.54)	-	-	-	-	-	-	-
Amortised during the year	-	-	-	-	-	-	14.89	-	-	-	-	14.89	-	14.89
Lapsed during the year	-	-	-	-	-	-	(0.76)	-	-	-	-	(0.76)	-	(0.76)
Balance as at 31 st March 2023	0.34	50.05	0.50	0.95	0.29	0.15	43.64	1,335.38	5,695.12	22.23	12.80	7,161.45	233.64	7,395.09

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

N. K. JAIN
Partner

BHARAT PURI
Managing Director
DIN:02173566

M B PAREKH
Executive Chairman
DIN:00180955

SANDEEP BATRA
Director Finance & Chief Financial Officer
DIN:00871843

MANISHA SHETTY
Company Secretary

Place: Mumbai
Date: 8th May 2023

Place: Mumbai
Date : 8th May 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31st March 2023

(₹ in crores)

	For the year ended 31 st March 2023	For the year ended 31 st March 2022
A	Cash Flows from Operating Activities	
Profit before tax	1,723.24	1,613.78
Adjustments for:		
Share of profit from Associates	(6.64)	(11.88)
Finance costs	47.64	42.08
Interest income	(7.63)	(4.58)
Dividend income	(1.21)	(1.22)
Dividend from Associate	7.45	2.80
(Profit)/Loss on disposal of Property, Plant and Equipment	(0.55)	9.12
Net gain arising on financial assets designated at FVTPL	(18.89)	(11.93)
Allowance for Doubtful Debts and Advances (net)	6.91	16.73
Depreciation and Amortisation Expense	269.74	239.61
Unrealised Foreign Exchange Loss / (Gain) (net)	10.92	(13.56)
Provision for Employee Benefits	13.80	16.00
(Write back) / Provision of Warranties and Others	(11.16)	2.70
Expense recognised in respect of Equity-Settled Share-Based Payments	14.13	28.09
Operating Profits before Working Capital changes	2,047.75	1,927.74
Movements in Working Capital:		
(Increase) / Decrease in Operating Assets		
Trade Receivables	(83.75)	(122.71)
Inventories	(143.15)	(460.18)
Non-Current Loans	(1.15)	(0.20)
Current Loans	(10.10)	(0.33)
Other Non-Current Financial Assets	(12.93)	(10.63)
Other Current Financial Assets	(0.07)	(0.75)
Other Non-Current Non Financial Assets	(21.71)	6.89
Other Current Non Financial Assets	17.95	(28.11)
Increase / (Decrease) in Operating Liabilities		
Trade Payables	31.57	75.96
Other Current Financial Liabilities	156.01	17.19
Other Non-Current Financial Liabilities	(5.49)	6.31
Other Current Non Financial Liabilities	(5.73)	6.19
Cash generated from Operations	1,969.20	1,417.37
Taxes paid (net of refunds & interest on refund)	(411.63)	(462.00)
Net cash generated from Operating Activities [A]	1,557.57	955.37
B	Cash Flows from Investing Activities	
Payments for purchase of Property, Plant and Equipment, Other Intangible Assets & Capital Work-In-Progress	(505.35)	(374.74)
Proceeds from disposal of Property, Plant and Equipment & Other Intangible Assets	7.63	0.77
Payments on purchase of Investments	(1,851.16)	(100.95)
Proceeds on sale of Investments	1,447.81	170.24
Payments for business acquisitions	-	(262.21)
(Increase) / Decrease in Bank Deposits	(4.14)	3.07
Decrease / (Increase) in Other Bank Balances	0.05	(0.12)
Interest received	5.00	4.58
Dividend received	1.21	1.22
Net cash used in Investing Activities [B]	(898.95)	(558.14)

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31st March 2023

(₹ in crores)

	For the year ended 31 st March 2023		For the year ended 31 st March 2022	
C	Cash Flows from Financing Activities			
		-		0.01
		(49.17)		(48.68)
		(77.56)		102.71
		(2.97)		(18.13)
		16.14		(38.86)
		(508.33)		(431.85)
		(34.54)		(33.16)
		(656.43)		(467.96)
		2.19		(70.73)
		256.47		327.20
		(0.05)		(0.05)
		256.42		327.15
		258.11		256.47
		0.50		(0.05)
		258.61		256.42
		2.19		(70.73)

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.
- Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities:

(₹ in crores)

Particulars	As at 31 st March 2022	Cash Flows	Non-Cash Changes	As at 31 st March 2023
			Current/ Non-Current Classification	
Borrowings - Non-Current*	2.97	(2.97)	-	-
	(21.10)	((18.13))	(-)	(2.97)
Borrowings - Current	188.78	(77.56)	-	111.22
	(86.07)	(102.71)	(-)	(188.78)

*Including Current maturities of non-current borrowings (refer Note 25).

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: 8th May 2023

Place: Mumbai
Date : 8th May 2023

1 Corporate information

Pidilite Industries Limited (the Company / Parent) 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, 7th 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 consolidated financial statements of the Group 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 Basis of consolidation

The consolidated financial statements comprise the financial statements of Pidilite Industries Limited and its subsidiaries (together referred to as "Group") and Group's share of profit / loss in its Associates and Joint Venture as at 31st March 2023. Control exists when the Group has:

- power over the investee;
- exposure or rights, to variable returns from its involvement with the investee; and
- ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Generally, there is a presumption that a majority of voting rights result in control. When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity. Any investment retained is measured at fair value. Any resultant gain or loss is recognised in the Consolidated Statement of Profit and Loss.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent, i.e., year ended on 31st March 2023.

The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Parent and its subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses in accordance with Ind AS 110 "Consolidated Financial Statements". Further, the carrying amount of the Parent's investments in each subsidiary and the Parent's portion of equity of each subsidiary are eliminated on consolidation.
- b) The consolidated financial statements include the share of profit / loss of an Associate Companies and Joint Venture which have been accounted for using equity method as per Ind AS 28 "Investment in Associates and Joint Ventures". The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss (the loss being restricted to the cost of investment) of the investee after the acquisition date.
- c) Profit or loss and each component of Other Comprehensive Income (the 'OCI') are attributed to the equity holders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- d) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.
- e) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year and each component of Other Comprehensive Income of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- f) The difference between the cost of investments in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- g) Goodwill arising on consolidation is not amortised but tested for impairment.

2.3 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 Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange of control of acquiree. Acquisition-related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

Where the consideration transferred by the Group 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 recognized in Consolidated 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 the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

2.4 Goodwill

Goodwill is measured as the excess 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 Group'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 asset in the unit. Any impairment loss for goodwill is recognised directly in Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

The Group's policy for goodwill arising on business combination or acquisition of an associate and a Joint Venture is described at Note 2.5.

2.5 Investments in Associates and Joint Ventures

An Associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An investment in an Associate or a Joint Venture is accounted for using the equity method from the date on which the investee becomes an Associate or a Joint Venture.

Under the equity method, an investment in an Associate or a Joint Venture is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and Other Comprehensive Income of the associate or Joint Venture. Distributions received from an associate or a Joint Venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a Joint Venture exceeds the Group's interest in that associate or Joint Venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or Joint Venture); the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or Joint Venture.

On acquisition of the investment in an Associate or a Joint Venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of the impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or Joint Venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an Associate or Joint Venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a Joint Venture of the Group, profits and losses resulting from the transactions with the associate or Joint Venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or Joint Venture that are not related to the Group.

2.6 Revenue Recognition

The Group recognises revenue from sale of goods and services, based on the terms of contract and as per the business practice; the Group determines transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services 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 Group 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.

2.6.1.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 Group 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.

2.6.1.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. Services performed and not certified by the client, are recognized as sales and are recorded as uncertified revenue and unbilled revenue. Incomplete services are recorded at cost as work-in-progress.

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

2.6.2 Dividend, Interest income and Royalty

Dividend income from investments is recognised when the Group'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 Group 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 Group 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 Group's policy for recognition of revenue (rental income) from leases is described in Note 2.7.1.

2.7 Leasing

The Group, 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.

2.7.1 Group 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 Group's expected inflationary cost increase, such increases are recognised in the year in which such benefits accrue.

Amounts due under finance leases are recognised as receivables at the amount of the Group's net investment in the leases.

Finance lease income is allocated over accounting periods so as to reflect constant periodic rate of return of the Group's net investment outstanding in respect of the leases.

2.7.2 Group as Lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset, (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group 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 Group 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 in the Consolidated Statement of Cash Flows.

2.8 Foreign Currencies

The functional currency of the Parent and its Indian Subsidiaries is the Indian Rupee, whereas the functional currency of Foreign Subsidiaries is the currency of their countries of domicile. In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. 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 carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. 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 Consolidated Statement of Profit and Loss. For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period.

2.9 Share-based payment transactions of the Group

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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2.10 Taxation

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

2.10.1 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 Consolidated 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 Group'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.

2.10.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.10.3 Current and Deferred Tax for the year

Current and deferred tax are recognised in the Consolidated 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.

2.11 Property, Plant and Equipment**2.11.1 Property, Plant and Equipment acquired separately**

Freehold Land is stated at cost and not depreciated.

Buildings, plant and machinery, vehicles, furniture & fixtures 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 Consolidated Statement of Profit and Loss.

2.11.2 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 Group'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.

2.11.3 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 Group 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.

Estimated useful lives of the assets are as follows:

Type of Asset	Useful Life
Buildings	20-60 years
Leasehold Improvements	Over the life of lease contract
Plant and Machinery	1-30 years
Vehicles	1-10 years
Furniture and Fixtures	3-15 years
Office Equipment	1-20 years

2.12 Intangible Assets**2.12.1 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 are carried at cost less accumulated impairment losses.

2.12.2 Intangible assets acquired in a business combination

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

Subsequent to initial recognition, such 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.

2.12.3 Internally generated Intangible Assets – Research and Development Expenditure

Expenditure on research activities is recognised in Consolidated 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 Consolidated 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 amortization and accumulated impairment losses, on the same basis as intangible assets acquired separately.

2.12.4 Useful lives of Intangible Assets

Estimated useful lives of the Intangible Assets are as follows:

Type of Asset	Useful Life
Computer Software	3-10 years
Technical Knowhow	10-15 years
Non-Compete Fees	7-15 years
Distribution Network	15 years
Copyrights	Indefinite Life
Trademark	Indefinite Life

2.13 Impairment of Tangible and Intangible Assets other than Goodwill

At the end of each reporting period, the Group 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 Group 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 Consolidated Statement of Profit and Loss.

2.14 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 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.

2.15 Provisions (other than Employee Benefits)

A provision is recognised when as a result of past event, the Group has a present legal or constructive obligation that 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.

2.16 Financial Instruments

2.16.1 Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when a Group entity 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 and 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 and Loss are recognised in Consolidated Statement of Profit and Loss.

2.16.2 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 at Fair Value Through Profit and Loss. Interest income is recognised in Consolidated Statement of Profit and Loss and is included in the "Other income" line item.

2.16.3 Impairment of Financial Assets

The Group recognises loss allowance using expected credit loss model financial assets which are not measured at Fair Value Through Profit and 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 Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at original effective rate of interest.

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

2.16.4 Financial Liabilities and Equity Instruments

2.16.4.1 Classification of debt or equity

Debt or equity instruments issued by the Group 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.

2.16.4.2 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 Group are recognised at the proceeds, net of direct issue costs.

2.16.4.3 Financial Liabilities

All financial liabilities (other than derivative financial instruments) are measured at amortised cost using effective interest method.

2.16.5 Derecognition of Financial Assets and Liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Group 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 Group 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 Group derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expires.

2.16.6 Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to hedge its exposure to foreign currency exchange rate risks.

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

2.17 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 Group 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.

2.18 Segment Reporting

The Group 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 allocation of resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. 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 Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities respectively".

2.19 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.

2.19.1 Defined Contribution Plans

The Group'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.

2.19.2 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 in the Consolidated 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 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 Consolidated 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.

2.19.3 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 Group in respect of services provided by employees up to the reporting date.

2.20 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.

2.21 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.

2.22 Discontinued operations

A discontinued operation is a component of the Group'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.

2.23 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 Group'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 Critical Judgments

3.1.1 Classification of Plus Call Technical Services LLC as a Joint Venture

Plus Call Technical Services LLC is a limited liability company whose legal form confers separation between the parties to the joint arrangement and the LLC itself. Furthermore, there is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, Plus Call Technical Services LLC is classified as Joint Venture of the Group.

3.1.2 Classification of entities as Subsidiaries wherein Group has ownership interest and voting rights of 50% or less

Pidilite MEA Chemicals LLC, Bamco Supply and Services Ltd, ICA Pidilite Pvt Ltd, Pidilite Grupo Puma Manufacturing Ltd are subsidiaries of the Group even though the Group has ownership interest and voting rights of 50% or less in the subsidiaries respectively. However, based on the relevant facts and circumstances, control and management of these entities lie with the Group. The Group has the power to direct the relevant activities of these entities and therefore controls these entities.

3.2 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:

3.2.1 Impairment of Goodwill and Other Intangible Assets

Goodwill and Other Intangible Assets (i.e. trademark 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.

3.2.2 Business Combinations and Intangible Assets

Business combinations are accounted for using Ind AS 103, 'Business Combinations'. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

3.2.3 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 51).

3.2.4 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 53).

3.2.5 Property, Plant and Equipment and Other Intangible Assets

The useful lives and residual values of Group'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.

3.2.6 Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 'Leases'. Identification of a lease requires significant judgment. The Group 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 Group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group 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.

3.2.7 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 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, the effective date for adoption of below amendment is for annual periods beginning on or after 1st 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 Group 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 Group 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 Group 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 st March 2023	As at 31 st March 2022
Carrying Amounts			
• Freehold Land		133.62	135.35
• Buildings		589.99	522.41
• Plant and Machinery		869.92	800.76
• Vehicles		7.78	6.75
• Furniture and Fixtures		35.99	36.89
• Office Equipment		53.58	52.70
		1,690.88	1,554.86
Capital Work-In-Progress		405.94	225.42
TOTAL		2,096.82	1,780.28

	Freehold Land	Buildings	Plant and Machinery	Vehicles	Furniture and Fixtures	Office Equipment	TOTAL
Gross Carrying Amount							
Balance as at 1 st April 2021	130.00	567.86	1,508.80	23.24	103.31	150.03	2,483.24
Additions	5.10	115.57	287.71	1.64	10.92	23.16	444.10
Disposals / Adjustments	-	(0.37)	(34.43)	(0.51)	(5.40)	(2.70)	(43.41)
Foreign Currency Translation	0.25	(2.72)	2.96	-	0.07	(1.15)	(0.59)
Balance as at 31st March 2022	135.35	680.34	1,765.04	24.37	108.90	169.34	2,883.34
Additions	0.29	95.61	200.39	2.79	7.53	20.60	327.21
Disposals / Adjustments	-	(1.17)	(37.63)	(0.70)	(5.95)	(7.05)	(52.50)
Foreign Currency Translation	(2.02)	0.65	(2.15)	0.17	(0.27)	(0.72)	(4.34)
Balance as at 31st March 2023	133.62	775.43	1,925.65	26.63	110.21	182.17	3,153.71
Accumulated Depreciation and Impairment							
Balance as at 1 st April 2021	-	(135.22)	(871.73)	(16.21)	(70.34)	(104.71)	(1,198.21)
Eliminated on disposal of assets	-	0.10	25.61	0.46	4.91	2.70	33.78
Depreciation expense	-	(22.73)	(115.35)	(1.89)	(6.54)	(17.71)	(164.22)
Foreign Currency Translation	-	(0.08)	(2.81)	0.02	(0.04)	3.08	0.17
Balance as at 31st March 2022	-	(157.93)	(964.28)	(17.62)	(72.01)	(116.64)	(1,328.48)
Eliminated on disposal of assets	-	0.83	30.76	0.67	3.93	6.38	42.57
Depreciation expense	-	(28.01)	(123.32)	(1.77)	(6.12)	(18.45)	(177.67)
Foreign Currency Translation	-	(0.33)	1.11	(0.13)	(0.02)	0.12	0.75
Balance as at 31st March 2023	-	(185.44)	(1,055.73)	(18.85)	(74.22)	(128.59)	(1,462.83)
Net Carrying Amount							
Balance as at 1 st April 2021	130.00	432.64	637.07	7.03	32.97	45.32	1,285.03
Additions	5.10	115.57	287.71	1.64	10.92	23.16	444.10
Disposals/ Adjustments	-	(0.37)	(34.43)	(0.51)	(5.40)	(2.70)	(43.41)
Depreciation expense	-	(22.73)	(115.35)	(1.89)	(6.54)	(17.71)	(164.22)
Depreciation Eliminated on disposal of assets	-	0.10	25.61	0.46	4.91	2.70	33.78
Foreign Currency Translation	0.25	(2.80)	0.15	0.02	0.03	1.93	(0.42)
Balance as at 31st March 2022	135.35	522.41	800.76	6.75	36.89	52.70	1,554.86
Additions	0.29	95.61	200.39	2.79	7.53	20.60	327.21
Disposals/ Adjustments	-	(1.17)	(37.63)	(0.70)	(5.95)	(7.05)	(52.50)
Depreciation expense	-	(28.01)	(123.32)	(1.77)	(6.12)	(18.45)	(177.67)
Depreciation Eliminated on disposal of assets	-	0.83	30.76	0.67	3.93	6.38	42.57
Foreign Currency Translation	(2.02)	0.32	(1.04)	0.04	(0.29)	(0.60)	(3.59)
Balance as at 31st March 2023	133.62	589.99	869.92	7.78	35.99	53.58	1,690.88

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	309.28	47.31	9.46	39.89	405.94
	(164.63)	(20.74)	(5.84)	(34.21)	(225.42)
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 st March 2023	As at 31 st March 2022
Carrying Amounts		
• Freehold Land	14.99	14.99
• Leasehold Land	6.40	6.46
• Buildings	39.42	36.28
• Plant & Machinery	1.07	0.57
TOTAL	61.88	58.30

	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	TOTAL
Gross Carrying Amount					
Balance as at 1 st 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 st March 2022	14.99	6.50	47.93	5.50	74.92
Additions	-	-	5.44	0.55	5.99
Balance as at 31 st March 2023	14.99	6.50	53.37	6.05	80.91
Accumulated Depreciation and Impairment					
Balance as at 1 st April 2021	-	-	(10.19)	(4.84)	(15.03)
Depreciation expense	-	(0.04)	(1.46)	(0.09)	(1.59)
Balance as at 31 st March 2022	-	(0.04)	(11.65)	(4.93)	(16.62)
Depreciation expense	-	(0.06)	(2.30)	(0.05)	(2.41)
Balance as at 31 st March 2023	-	(0.10)	(13.95)	(4.98)	(19.03)
Net Carrying Amount					
Balance as at 1 st 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 st 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 st March 2023	14.99	6.40	39.42	1.07	61.88

d) Buildings include shares of co-operative societies of ₹ 0.01 crores (₹ 0.01 crores as at 31st March 2022)

(₹ in crores)

5 Right of Use Assets		As at 31 st March 2023	As at 31 st March 2022
Carrying Amounts			
• Leasehold Land		133.53	108.96
• Leasehold Buildings		176.26	93.84
• Plant and Machinery		0.11	0.13
TOTAL		309.90	202.93

	Leasehold Land	Leasehold Buildings	Plant and Machinery	TOTAL
Gross Carrying Amount				
Balance as at 1st April 2021	95.49	129.62	0.56	225.67
Additions	30.57	62.66	-	93.23
Disposals / Adjustments	(7.79)	(12.95)	-	(20.74)
Foreign Currency Translation	(0.14)	0.82	(0.01)	0.67
Balance as at 31st March 2022	118.13	180.15	0.55	298.83
Additions	28.56	134.30	-	162.86
Disposals / Adjustments	(0.38)	(4.48)	-	(4.86)
Foreign Currency Translation	1.42	1.68	0.02	3.12
Balance as at 31st March 2023	147.73	311.65	0.57	459.95

Accumulated Depreciation and Impairment				
Balance as at 1st April 2021	(7.10)	(60.48)	(0.28)	(67.86)
Eliminated on disposal of assets	2.55	10.21	-	12.76
Depreciation expense	(4.55)	(35.66)	(0.14)	(40.35)
Foreign Currency Translation	(0.07)	(0.38)	-	(0.45)
Balance as at 31st March 2022	(9.17)	(86.31)	(0.42)	(95.90)
Eliminated on disposal of assets	0.09	1.37	-	1.46
Depreciation expense	(5.10)	(47.40)	(0.03)	(52.53)
Foreign Currency Translation	(0.02)	(3.05)	(0.01)	(3.08)
Balance as at 31st March 2023	(14.20)	(135.39)	(0.46)	(150.05)

Net Carrying Amount				
Balance as at 1st April 2021	88.39	69.14	0.28	157.81
Additions	30.57	62.66	-	93.23
Disposals / Adjustments	(7.79)	(12.95)	-	(20.74)
Depreciation expense	(4.55)	(35.66)	(0.14)	(40.35)
Depreciation Eliminated on disposal of assets	2.55	10.21	-	12.76
Foreign Currency Translation	(0.21)	0.44	(0.01)	0.22
Balance as at 31st March 2022	108.96	93.84	0.13	202.93
Additions	28.56	134.30	-	162.86
Disposals / Adjustments	(0.38)	(4.48)	-	(4.86)
Depreciation expense	(5.10)	(47.40)	(0.03)	(52.53)
Depreciation Eliminated on disposal of assets	0.09	1.37	-	1.46
Foreign Currency Translation	1.40	(1.37)	0.01	0.04
Balance as at 31st March 2023	133.53	176.26	0.11	309.90

(₹ in crores)

6 Goodwill and Other Intangible Assets		
	As at 31 st March 2023	As at 31 st March 2022
Carrying Amounts		
Goodwill		
• Goodwill on Consolidation	1,187.20	1,183.87
• Goodwill (acquired separately)	102.56	102.96
Total Goodwill (A)	1,289.76	1,286.83
Other Intangible Assets		
• Trademark	1,385.63	1,390.01
• Computer Software	17.23	20.65
• Copyrights	4.48	4.48
• Technical Knowhow Fees	19.24	26.01
• Commercial Knowhow Fees	16.04	22.03
• Non Compete Fees	0.56	0.76
• Distribution Network	180.36	194.70
Total Other Intangible Assets (B)	1,623.54	1,658.64
Total Intangible Assets (A+B)	2,913.30	2,945.47

(₹ in crores)

	Goodwill	Trade-mark	Computer Software	Copy-rights	Technical Knowhow Fees	Commercial Knowhow Fees	Non Compete Fees	Distribution Network	TOTAL
Gross Carrying Amount									
Balance as at 1 st April 2021	1,283.95	1,409.13	71.55	4.48	75.17	59.97	5.42	215.00	3,124.67
Additions	-	-	6.92	-	-	-	-	-	6.92
Disposals / Adjustments	-	-	(11.12)	-	(0.62)	-	-	-	(11.74)
Foreign Currency Translation	2.88	(3.27)	(0.08)	-	(0.88)	-	-	-	(1.35)
Balance as at 31 st March 2022	1,286.83	1,405.86	67.27	4.48	73.67	59.97	5.42	215.00	3,118.50
Additions	-	-	2.85	-	0.41	-	-	-	3.26
Disposals / Adjustments	(0.57)	-	(0.13)	-	-	-	-	-	(0.70)
Foreign Currency Translation	3.50	0.28	(0.02)	-	0.08	-	(0.15)	-	3.69
Balance as at 31 st March 2023	1,289.76	1,406.14	69.97	4.48	74.16	59.97	5.27	215.00	3,124.75

Accumulated Amortisation and Impairment									
Balance as at 1 st April 2021	-	(13.29)	(51.52)	-	(42.38)	(31.80)	(4.62)	(5.97)	(149.58)
Amortisation expense	-	(2.45)	(5.69)	-	(6.39)	(6.13)	(0.05)	(14.33)	(35.04)
Eliminated on disposal of assets	-	-	10.73	-	0.56	-	-	-	11.29
Foreign Currency Translation	-	(0.11)	(0.14)	-	0.55	(0.01)	0.01	-	0.30
Balance as at 31 st March 2022	-	(15.85)	(46.62)	-	(47.66)	(37.94)	(4.66)	(20.30)	(173.03)
Amortisation expense	-	(5.02)	(6.15)	-	(7.99)	(5.99)	(0.05)	(14.34)	(39.54)
Eliminated on disposal of assets	-	-	0.07	-	-	-	-	-	0.07
Foreign Currency Translation	-	0.36	(0.04)	-	0.73	-	-	-	1.05
Balance as at 31 st March 2023	-	(20.51)	(52.74)	-	(54.92)	(43.93)	(4.71)	(34.64)	(211.45)

Net Carrying Amount									
Balance as at 1 st April 2021	1,283.95	1,395.84	20.03	4.48	32.79	28.17	0.80	209.03	2,975.09
Additions	-	-	6.92	-	-	-	-	-	6.92
Disposals / Adjustments	-	-	(11.12)	-	(0.62)	-	-	-	(11.74)
Amortisation expense	-	(2.45)	(5.69)	-	(6.39)	(6.13)	(0.05)	(14.33)	(35.04)
Amortisation Eliminated on disposal of assets	-	-	10.73	-	0.56	-	-	-	11.29
Foreign Currency Translation	2.88	(3.38)	(0.22)	-	(0.33)	(0.01)	0.01	-	(1.05)
Balance as at 31 st March 2022	1,286.83	1,390.01	20.65	4.48	26.01	22.03	0.76	194.70	2,945.47
Additions	-	-	2.85	-	0.41	-	-	-	3.26
Disposals / Adjustments	(0.57)	-	(0.13)	-	-	-	-	-	(0.70)
Amortisation expense	-	(5.02)	(6.15)	-	(7.99)	(5.99)	(0.05)	(14.34)	(39.54)
Amortisation Eliminated on disposal of assets	-	-	0.07	-	-	-	-	-	0.07
Foreign Currency Translation	3.50	0.64	(0.06)	-	0.81	-	(0.15)	-	4.74
Balance as at 31 st March 2023	1,289.76	1,385.63	17.23	4.48	19.24	16.04	0.56	180.36	2,913.30

The Group has estimated the useful life for some of its Copyrights & Trademark as indefinite on the basis of renewal of legal rights and the management's intention to keep it perpetually.

(₹ in crores)

	As at 31 st March 2023	As at 31 st March 2022
Goodwill on Consolidation		
• Pidilite Bamco Ltd (Bamco)	26.87	24.03
• Bhimad Commercial Co Pvt Ltd (Bhimad)	0.01	0.01
• Pidilite Ventures Private Limited (formerly known as Madhumala Ventures Pvt Ltd) (Madhumala)	0.01	0.01
• Pidilite Industries Egypt SAE (PIE)	2.59	2.10
• Tenax Pidilite India Pvt Ltd	59.21	59.21
• Pidilite Industries Limited (refer Note 56c)	1,098.51	1,098.51
Total (A)	1,187.20	1,183.87
Goodwill acquired separately		
• Pidilite Industries Limited	86.34	86.34
• Building Envelope Systems India Ltd (BESI)	0.55	0.55
• Nina Percept Private Limited (Nina Percept)	5.13	5.13
• ICA Pidilite Private Limited (ICA)	2.08	2.08
• Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda (Pulvitec)	8.46	8.34
• Pidilite USA Inc (PUSA) (refer Note 56e)	-	0.52
TOTAL (B)	102.56	102.96
Total Goodwill (A+B)	1,289.76	1,286.83
Goodwill pertaining to the following cash-generating units (CGU):		
CGU	As at 31st March 2023	As at 31st March 2022
• Consumer & Bazaar	1,226.46	1,223.53
• Business to Business	63.30	63.30
TOTAL	1,289.76	1,286.83

Goodwill, Copyrights and Trademark

Goodwill, copyrights and trademark in the books of the Group pertains mainly to Consumer and Bazaar business (majorly consists of Parent) & Business to Business. At the end of each reporting period, the Group 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 31st 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 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 31st 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 31st 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 cash-generating unit are as follows:**Budgeted sales growth**

Sales growth is assumed at **12.8%** (CAGR) (12.3% as at 31st March 2022) for Consumer and Bazaar business and at **10.9%** (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.

Raw materials price inflation

Forecast for Material cost growth CAGR higher by **0.2%** (0.2% as at 31st March 2022) vs. sales growth, considering impact of commodity cost inflation.

Other budgeted costs

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 accounted for using equity method				
	As at 31 st March 2023		As at 31 st March 2022	
	Qty	₹ in crores	Qty	₹ in crores
Carrying amount determined using the Equity method of accounting				
A] Investment in Associates (fully paid up)				
i] Investment in Equity Instruments (Quoted)				
• Equity Shares of ₹ 1 each of Vinyl Chemicals (India) Ltd	74,51,540	1.18	74,51,540	1.18
Add: Share in accumulated Profits / Reserves		45.11		38.29
		46.29		39.47
ii] Investments in Equity and Preference Shares (Unquoted) [refer Note 56 (a)]				
• Equity Shares of ₹ 10 each of Aapkapainter Solutions Pvt Ltd	903	2.98	903	2.98
• Cumulative Compulsory Convertible Preference Shares (CCPS) of ₹ 100 each of Aapkapainter Solutions Pvt Ltd#	8,648	17.39	8,648	17.39
Add: Share in accumulated Profits / Reserves		(6.53)		(2.93)
		13.84		17.44
# CCPS will be equivalent to 7,477 Equity Shares.				
iii] Investments in Preference Shares (Unquoted) [refer Note 56 (a)]				
• Cumulative Compulsory Convertible Preference Shares of ₹ 10 each of Kaarwan Eduventures Pvt Ltd	406	3.75	406	3.75
• Add: Share in accumulated Profits / Reserves		(0.20)		-
		3.55		3.75
iv] Investments in Equity Shares (Unquoted) [refer Note 56 (a)]				
• Equity Shares of ₹ 10 each of Climacrew Private Limited	4,94,900	0.49	-	-
Add: Share in accumulated Profits / Reserves		(0.34)		-
		0.15		-
v] Investments in Preference Shares (Unquoted) [refer Note 56 (a)]				
• Compulsory Convertible Preference Shares of ₹ 3,894.30 each of Buildnext Construction Solutions Pvt Ltd	9,980	3.89	-	-
• Compulsory Convertible Preference Shares of ₹ 4,939 each of Buildnext Construction Solutions Pvt Ltd	40,494	20.00	-	-
Add: Share in accumulated Profits / Reserves		(2.45)		-
		21.44		-
vi] Investments in Equity and Preference Shares (Unquoted) [refer Note 56 (a)]				
• Equity Shares of ₹ 10 each of Finemake Technologies Private Limited	1	0.00*	-	-
• Preference Shares of ₹ 10 each of Finemake Technologies Private Limited	4,062	6.00	-	-
• Compulsory Convertible Preference Shares of ₹ 35,200 each of Finemake Technologies Private Limited	1,420	5.00	-	-
Add: Share in accumulated Profits / Reserves		(1.25)		-
		9.75		-
Total [A]		95.02		60.66
B] Investment in Joint Venture (fully paid up) (Unquoted)				
• Equity Shares of AED 1000 each of Plus Call Technical Services LLC (refer Note 41B)	-	-	57	0.21
Add: Share in accumulated Profits / Reserves		-		1.56
		-		1.77
Less: Impairment in value of Investments		-		(1.77)
Total [B]		-		-
TOTAL [(A)+(B)]		95.02		60.66
• Aggregate carrying value of quoted investments		46.29		39.47
• Aggregate market value of quoted investments		249.55		195.57
• Aggregate carrying value of unquoted investments		48.73		21.19
• Aggregate amount of Impairment in value of investments		-		1.77

* denotes amount less than ₹ 50,000

8 Investments - Non-Current					
		As at 31 st March 2023		As at 31 st March 2022	
		Qty	₹ in crores	Qty	₹ in crores
A)	Investment in Equity Instruments (fully paid up) (at FVTOCI) (Unquoted) [refer Note 56 (a)]				
	Equity Shares of ₹ 1 each of Constrobot Robotics Pvt Ltd	1,31,907	1.56	1,31,907	1.56
	Equity Shares of ₹ 10 each of Homevista Décor & Furnishings Pvt Ltd	1,19,039	4.87	1,19,039	4.87
	Equity Shares of ₹ 10 each of Finemake Technologies Private Limited		-	1	0.00 [#]
	Equity Shares of ₹ 10 each of Climacrew Private Limited	-	-	1,000	0.00 [#]
	Total [A]		6.43		6.43
B)	Investments in Preference Shares (at FVTPL) (Quoted)				
	Non-Cumulative Perpetual Preference shares of Kotak Mahindra Bank Ltd	3,00,00,000	15.00	3,00,00,000	15.03
	Total [B]		15.00		15.03
C)	Investment in Bonds (at FVTPL) (Quoted)				
	Units of Bharat Bond ETFs	2,50,000	30.73	2,50,000	29.25
	Total [C]		30.73		29.25
D)	Investment in Alternative Investment Fund (at FVTPL) (Unquoted)				
	Units of Fireside Ventures Investment Fund II	1,40,000	21.05	1,00,000	11.64
	Total [D]		21.05		11.64
E)	Investment in Debentures (at FVTOCI) (Unquoted)				
	Non Cumulative Compulsory Convertible Debentures of ₹ 10,000 each of Pepperfry Private Limited (formerly known as M/s. Trendsutra Platform Services Private Limited) [refer Note 56 (a)]	1,502	5.73	1,502	1.50
	Total [E]		5.73		1.50
F)	Investments in Preference Shares (at FVTOCI) (Unquoted) [refer Note 56 (a)]				
	• Compulsory Convertible Cumulative Preference Shares of ₹ 20 each of Homevista Décor & Furnishings Pvt Ltd	20,10,295	75.47	20,10,295	62.58
	• Compulsory Convertible Cumulative Preference Shares of ₹ 100 each of Home Interior Désigns E.Commerce Pvt Ltd	9,32,488	18.65	9,32,488	19.15
	• Non Cumulative Compulsory Convertible Preference Shares of ₹ 20 each of Pepperfry Private Limited (formerly known as M/s. Trendsutra Platform Services Private Limited)	1,47,80,200	71.48	1,47,80,200	71.48
	• Preference Shares of ₹ 10 each of Finemake Technologies Private Limited	-	-	1,354	2.00
	• Preferred stock of USD 0.00001 of Clare Inc*	7,57,576	4.78	7,57,576	4.68
	• Series pre-seed preferred stock – Ply Financial, Inc.	4,94,316	1.38	-	-
	• Compulsory Convertible Preference Shares of Abeyaantrix Technology Pvt Ltd	1,105	3.65	-	-
	Total [F]		175.41		159.89
G)	Investment in Promissory Note (at amortised cost) (Unquoted)				
	Convertible Promissory Note of Optmed Inc	-	-	1	5.61
	Less: Impairment in value of Investments				(4.96)
	Total [G]		-		0.65
H)	Investment in Mutual Funds (at FVTPL) (Unquoted)				
	• Units of IDFC Money Manager Fund	57,231	0.28	9,191	0.04
	Total [H]		0.28		0.04
	Total Investments [A+B+C+D+E+F+G+H]		254.63		224.43
	• Aggregate carrying value of quoted investments		45.73		44.28
	• Aggregate market value of quoted investments		45.73		44.28
	• Aggregate carrying value of unquoted investments		208.90		180.15
	• Aggregate amount of Impairment in value of investments		-		4.96

denotes amount less than ₹ 50,000

* In the year 2018, Group had invested in convertible promissory note which contains an embedded derivative in the form of an equity conversion option upon qualifying conditions. Group had elected the option to measure the hybrid instrument at fair value in its entirety with changes in fair value recognized in Profit and Loss. During the previous year, Group converted the convertible promissory note and the outstanding accrued interest thereon into preferred stock.

9 Investments - Current					
		As at 31 st March 2023		As at 31 st March 2022	
		Qty	₹ in crores	Qty	₹ in crores
A]	Investments in Mutual Funds (at FVTPL) (Unquoted)				
	• Units of ABSL Liquid Fund -Growth Direct	4,21,685	15.31	-	-
	• Units of ABSL CRISIL IBX AAA JUN23 Index Fund Direct Growth	4,63,41,299	48.80	-	-
	• 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	2,40,697	28.01	-	-
	• 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	25.02	-	-
	• Units of Liquid Plan-Direct-Growth (ICICI Prudential Mutual Fund)	2,66,794	8.89	-	-
	• Units of Overnight Fund-DP Growth (ICICI Prudential Mutual Fund)	42,210	5.10	-	-
	• Units of Tata-Liquid Fund Direct plan-Growth	42,170	15.02	-	-
	• Units of Kotak-Kotak Equity Arbitrage Fund - Direct Plan - Growth	39,50,454	13.25	-	-
	• Units of SBI-Arbitrage Opp.Fund-Direct plan-Growth	11,92,810	3.60	-	-
	• Units of Tata overnight fund - Direct Plan - Growth	24,857	2.91	-	-
	• Units of Tata ultra short term fund - Direct Plan - Growth	58,04,613	7.30	-	-
	• Units of SBI Magnum Ultra Short D F D Growth	11,726	6.05	-	-
	• Units of SBI Overnight Fund - Direct Growth	5,634	2.06	-	-
	• Units of Nippon Liquid Fund	33,039	12.36	-	-
	• Units of HDFC Liquid Fund - Growth	50,675	22.41	3,592	1.50
	• Units of SBI Magnum Ultra Short Duration Fund	92,337	47.63	3,071	1.50
	• Units of Kotak Liquid Fund	88,419	40.22	3,493	1.50
	• Units of SBI FMP Series C33 (1216 days) - Direct Growth	-	-	2,00,00,000	25.81
	• Units of ICICI Prudential Overnight Fund - Direct Growth	-	-	1,01,804	3.21
	• Units of SBI Liquid Fund - Growth	-	-	4,513	1.50
	• 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
	Total [A]		530.79		173.52

9 Investments - Current					
		As at 31 st March 2023		As at 31 st March 2022	
		Qty	₹ in crores	Qty	₹ in crores
B] Investment in Promissory Note (at amortised cost) (Unquoted)					
• Convertible Promissory Note of Optmed Inc (refer Note 56(e))		1	5.37	-	-
Less: Impairment in value of Investments			(4.96)		-
Total [B]			0.41		-
C] Other Investments					
Deposits (at amortised cost)					
• IL & FS Financial Services Limited			1.55		1.55
• Infrastructure Leasing & Financial Services Limited			7.25		7.25
			8.80		8.80
Less: Impairment in value of Investments			(8.80)		(8.80)
Total [C]			-		-
TOTAL [A+B+C]			531.20		173.52
• Aggregate carrying value of unquoted investments			530.79		173.52
• Aggregate amount of Impairment in value of investments			13.76		8.80

(₹ in crores)

10 Trade Receivables		As at 31 st March 2023	As at 31 st March 2022				
• Secured, Considered good		157.27	133.91				
• Unsecured, Considered good		1,378.00	1,296.63				
• Unsecured, Considered doubtful		100.66	99.77				
		1,635.93	1,530.31				
Less: Allowance for expected credit loss		(100.66)	(99.77)				
TOTAL		1,535.27	1,430.54				
Trade Receivable 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	1,394.38	130.85	2.15	4.17	0.29	3.43	1,535.27
Receivables – considered good	(1,320.55)	(94.65)	(8.56)	(3.55)	(2.45)	(0.78)	(1,430.54)
(ii) Undisputed Trade	-	16.27	7.59	12.15	5.06	14.37	55.44
Receivables – considered doubtful	(-)	(10.86)	(15.34)	(10.84)	(13.91)	(12.97)	(63.92)
(iii) Disputed Trade	-	-	-	-	-	-	-
Receivables – considered good	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(iv) Disputed Trade	-	0.05	1.06	3.73	5.16	35.22	45.22
Receivables – considered doubtful	(-)	(0.07)	(0.59)	(3.65)	(12.15)	(19.39)	(35.85)
	1,394.38	147.17	10.80	20.05	10.51	53.02	1,635.93
	(1,320.55)	(105.58)	(24.49)	(18.04)	(28.51)	(33.14)	(1,530.31)
Less: Allowance for expected credit loss							100.66
							(99.77)
TOTAL							1,535.27
							(1,430.54)

Figures in brackets () represents previous year

The Group 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 adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables days and the rates vary with the business of Parent and each Subsidiary.

Trade receivables includes receivables from Companies / firms where directors are directors / members / partners (refer Note 47).

Movement in expected credit loss allowance

	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Balance at the beginning of the year	99.77	88.53
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	0.89	11.24
	100.66	99.77

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

11 Loans - Non-Current		As at 31 st March 2023	As at 31 st March 2022
Unsecured, Considered good			
Loans and Advances to Employees & Others *		6.20	5.05
Loans to Joint Venture * (refer Note 46B)		4.82	4.82
Less: impairment in value of loan		(4.82)	(4.82)
		-	-
TOTAL		6.20	5.05

*given for business purpose.

(₹ in crores)

12 Loans - Current		
	As at 31 st March 2023	As at 31 st March 2022
Unsecured, Considered good		
Loans and Advances to Employees & Others*	27.32	17.22
TOTAL	27.32	17.22

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

13 Other Financial Assets - Non-Current		
	As at 31 st March 2023	As at 31 st March 2022
Security Deposit (Unsecured, Considered good)		
Unsecured, Considered good	37.74	22.38
Considered doubtful	-	-
	37.74	22.38
Fixed Deposits with Banks with original maturity of more than 12 months*	2.91	12.21
Retention Money Receivable	27.43	29.86
Other Receivables		
Unsecured, Considered good	-	-
Considered doubtful	1.74	1.74
	1.74	1.74
Less: Allowance for doubtful balances	(1.74)	(1.74)
	-	-
TOTAL	68.08	64.45
* Includes Fixed Deposit under lien	2.27	2.32

14 Other Financial Assets - Current		
	As at 31 st March 2023	As at 31 st March 2022
Security Deposit		
Unsecured, Considered good	12.31	9.60
Considered doubtful	0.10	0.16
	12.41	9.76
Less: Allowance for doubtful balances	(0.10)	(0.16)
	12.31	9.60
Derivative assets towards foreign exchange forward contracts	0.06	0.44
Retention Money Receivable		
Unsecured, Considered good	16.03	14.54
Considered doubtful	11.68	9.46
	27.71	24.00
Less: Allowance for doubtful balances	(11.68)	(9.46)
	16.03	14.54
Uncertified Revenue from Works Contract	52.61	56.53
Other Receivables*	5.07	4.90
TOTAL	86.08	86.01

* Includes Windmill income and Insurance claim receivable

(₹ in crores)

15 Cash and Cash Equivalents		As at 31 st March 2023	As at 31 st March 2022
Cash and Cash Equivalents			
	Cash on Hand	8.04	4.01
	Cheques on Hand / Remittance in Transit	71.83	56.76
Balance with banks			
	In Current Account	153.72	159.01
	In EEFC Account	19.04	21.99
	In Fixed Deposit Accounts with original maturity of 3 months or less	57.53	110.30
TOTAL		310.16	352.07
Cash and Cash Equivalents (as above)		310.16	352.07
Cash Credits and Bank Overdrafts (refer Note 25)		(52.05)	(95.60)
Cash and Cash Equivalents (as per Statement of Cash Flows)		258.11	256.47
16 Bank Balances other than Cash and Cash Equivalents above		As at 31 st March 2023	As at 31 st March 2022
Balance with banks			
	In Escrow Account	0.05	0.08
Other Bank Balance			
	In Fixed Deposit Accounts with original maturity of more than 12 months*	0.14	0.06
	In Fixed Deposit Accounts with original maturity of more than 3 months but upto 12 months *	13.66	0.32
Earmarked Account			
	Dividend Payment Bank Account	2.64	2.64
TOTAL		16.49	3.10
* Includes Fixed Deposit under lien		0.14	0.24
17 Inventories (at lower of cost and net realisable value)		As at 31 st March 2023	As at 31 st March 2022
Raw Material and Packing Material		871.16	812.71
Work-in-Progress		127.00	134.23
Finished Goods		569.29	539.79
Stock-in-Trade (acquired for trading)		237.39	197.91
Stores and Spares		12.24	10.45
TOTAL		1,817.08	1,695.09
Included above Goods-in-Transit			
	Raw Material and Packing Material	78.86	72.16
	Work-in-Progress	6.30	6.48
	Finished Goods	83.67	63.52
	Stock-in-Trade (acquired for trading)	19.12	28.43
TOTAL		187.95	170.59
a. The cost of inventories recognised as an expense during the year was ₹ 6,759.40 crores (₹ 5,444.18 crores for the year ended 31 st March 2022).			
b. 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 st March 2022).			
c. The mode of valuation of inventories has been stated in Note 2.14.			

(₹ in crores)

18 Income Tax Assets (net) - Non-Current			
		As at 31 st March 2023	As at 31 st March 2022
Advance Payment of Taxes (net of provisions)		148.44	140.08
TOTAL		148.44	140.08

19 Current Tax Assets (net)			
		As at 31 st March 2023	As at 31 st March 2022
Advance Payment of Taxes (net of provisions)		0.76	2.95
TOTAL		0.76	2.95

20 Other Non-Current Assets			
		As at 31 st March 2023	As at 31 st March 2022
Unsecured, Considered good			
Capital Advances		31.23	32.79
Prepaid Expenses		3.86	1.06
Balance with Government Authorities*		15.87	21.53
TOTAL		50.96	55.38

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

21 Other Current Assets			
		As at 31 st March 2023	As at 31 st March 2022
Export Benefits receivable			
Unsecured, Considered good		1.76	6.83
Considered doubtful		0.26	0.26
		2.02	7.09
Less: Allowance for doubtful balances		(0.26)	(0.26)
		1.76	6.83
Balances with Government Authorities*			
Unsecured, Considered good		162.55	178.00
Considered doubtful		0.09	0.09
		162.64	178.09
Less: Allowance for doubtful balances		(0.09)	(0.09)
		162.55	178.00
Advances to Vendors			
Unsecured, Considered good		47.42	44.71
Considered doubtful		0.01	0.01
		47.43	44.72
Less: Allowance for doubtful balances		(0.01)	(0.01)
		47.42	44.71
Prepaid Expenses		25.43	25.57
TOTAL		237.16	255.11

* Includes input tax credit for VAT / GST, etc.

(₹ in crores)

	As at 31 st March 2023	As at 31 st March 2022
22 Equity Share Capital		
Authorised Capital:		
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 st March 2022)		
TOTAL	70.00	70.00
Issued, Subscribed and Paid-up Capital:		
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 st March 2022)		
TOTAL	50.83	50.83

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
Balance as at 1 st April 2021	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
Balance as at 31 st March 2022	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*
Balance as at 31st March 2023	50,83,14,240	50.83

* 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 th 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 st March 2023, the Company has 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 st March 2023		As at 31 st 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, share issued for consideration other than cash and shares bought back during the period of five years, immediately preceding the reporting date:				
	As at 31 st March 2023		As at 31 st March 2022	
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Equity Shares				
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 49c)						
					As at 31st March 2023	As at 31st 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 31st March 2023		As at 31st 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	
TOTAL	35,55,05,491		35,55,11,157			

* denoted percentage less than 0.01

(₹ in crores)

23 Other Equity	As at 31 st March 2023	As at 31 st March 2022
Capital Reserve	0.34	0.34
Securities Premium	50.05	46.51
Capital Redemption Reserve	0.50	0.50
Cash Subsidy Reserve	0.95	0.95
Legal Reserve	0.29	0.27
State Investment Reserve	0.15	0.15
Share Options Outstanding Account	43.64	33.05
Foreign Currency Translation Reserve	22.23	7.11
General Reserve	1,335.38	1,335.38
Retained Earnings	5,707.92	4,928.62
TOTAL	7,161.45	6,352.88

23.1 Capital Reserve

Capital Reserve represents excess of net assets acquired in past amalgamation. It is not available for the distribution to shareholders as dividend.

23.2 Securities Premium

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

23.3 Capital Redemption Reserve

The Group 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.

23.4 Cash Subsidy Reserve

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

23.5 Legal Reserve

According to Thai Civil and Commercial Code, Thai Subsidiary of a Company is required to set aside to a statutory reserve an amount equal to at least five percent of its net profit each time the Company pays out a dividend, until such reserve reaches ten percent of its registered share capital. The statutory reserve cannot be used for dividend payment. At present, the statutory reserve has fully been set aside.

23.6 State Investment Reserve

State Investment Reserve represents subsidies received by Hybrid Coatings (a subsidiary of the Company) from state government for capital investment. It is not available for the distribution to shareholders as dividend.

23.7 Share Options Outstanding Account

Share Options Outstanding Account 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 49.

23.8 Foreign Currency Translation Reserve

Foreign Currency Translation Reserve arises as a result of translating the financial statement items from the functional currency into the Group's presentational currency i.e. Indian Rupee.

23.9 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.

23.10 Retained Earnings

The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the separate financial statements of the Company and also considering requirements of the Companies Act, 2013.

(₹ in crores)

24 Borrowings - Non-Current		
	As at 31 st March 2023	As at 31 st March 2022
Unsecured- Term Loan from Bank (refer Note i)	-	1.72
TOTAL	-	1.72

i) Unsecured term loan from bank in previous year for an international subsidiary carried an interest rate of AWPLR - 0.50% p.a.

25 Borrowings - Current		
	As at 31 st March 2023	As at 31 st March 2022
Secured- at amortised cost		
1) Loans repayable on demand from banks		
i) Working Capital Demand Loan	89.78	71.88
ii) Bank Overdraft	20.54	56.86
2) Amount due on factoring from NBFC	4.51	6.54
Unsecured - at amortised cost		
1) Loans repayable on demand from banks		
i) Working Capital Demand Loan	5.45	110.35
ii) Bank Overdraft	31.51	38.74
2) Short Term Loans from Banks - Buyer's Credit	11.47	-
3) Current maturities of non-current borrowings (refer Note 24)	-	1.25
TOTAL	163.26	285.62

Secured

- 1)
 - i) Secured working capital demand loan for domestic subsidiaries carries interest rate of **8.00%** p.a. (8.00% p.a. as at 31st March 2022) and for international subsidiaries at 2.88% to 3.12% p.a. + CDI, (2.88% to 5.52% p.a. + CDI, 14.88% p.a. as at 31st March 2022). The group working capital demand loan is secured by receivables, inventories, outstanding monies and other assets both present and future, in a form and manner satisfactory to the bank, ranking pari passu with other participating banks.
 - ii) Secured bank overdraft for domestic subsidiaries carries interest rate of **8.70%** p.a. (8.20% p.a. as at 31st March 2022) and for international subsidiaries at **10.42%** p.a. (364 days T- Bill rate + 1.50% as at 31st March 2022). It is secured by way of charge to receivables, other assets and inventory.
- 2) Secured amount due on factoring for domestic subsidiaries carries interest rate (including factoring cost) of **8.35%** to **12.00%** p.a. (6.80% to 13.00% p.a. as at 31st March 2022). It is secured by a charge against certain trade receivables.

Unsecured

- 1)
 - i) Unsecured working capital demand loan for Domestic subsidiaries carries interest rate of relevant benchmark rate plus applicable spread p.a. and for international subsidiaries at 4.62% p.a. + CDI (T-bill - 4.00% p.a. for Domestic subsidiaries and 3.30% p.a. + CDI for International subsidiaries as at 31st March 2022).
 - ii) Unsecured bank overdraft for international subsidiaries carries interest rate of One month EIBOR & one month SOFR + 1.50% p.a. (EIBOR + 1.50% p.a. and AWPLR + 0.35% p.a. as at 31st March 2022).
 - iii) Unsecured Buyer's Credit carries interest rate of 8.50% p.a.

26 Trade Payables		
	As at 31 st March 2023	As at 31 st March 2022
Trade Payables		
i) Total outstanding dues of micro enterprises and small enterprises	76.56	89.50
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	987.03	959.79
TOTAL	1,063.59	1,049.29

(₹ in crores)

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)	75.65	0.91	-	-	-	76.56
	(81.06)	(8.44)	(0.00)	-	(0.00)	(89.50)
(ii) Others	668.11	87.56	9.86	1.59	1.35	768.47
	(634.45)	(112.87)	(11.96)	(2.07)	(2.79)	(764.14)
(iii) Disputed Dues - MSME	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
(vi) Disputed Dues - Others	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
(v) Unbilled Dues	218.56	-	-	-	-	218.56
	(195.65)	(-)	(-)	(-)	(-)	(195.65)
TOTAL	962.32	88.47	9.86	1.59	1.35	1,063.59
	(911.16)	(121.31)	(11.96)	(2.07)	(2.79)	(1,049.29)

Figures in brackets () represents previous year

0.00 - Amount less than ₹ 50,000

27 Other Financial Liabilities - Non-Current		
	As at 31 st March 2023	As at 31 st March 2022
Retention money payable	14.45	19.94
TOTAL	14.45	19.94

28 Other Financial Liabilities - Current		
	As at 31 st March 2023	As at 31 st March 2022
Unclaimed Dividend	2.64	2.64
Amount payable towards BTA (refer Note 45)	2.87	3.31
Liability for purchase of investment	4.00	4.25
Payable on purchase of assets	4.08	2.33
Trade / Security Deposit received	197.35	156.05
Liabilities for expenses	672.32	569.32
Derivative liabilities towards foreign exchange forward contracts	0.60	0.67
Retention money payable	21.61	14.65
Employees related liabilities	32.59	27.10
TOTAL	938.06	780.32

(₹ in crores)

29 Provisions - Non-Current	As at 31 st March 2023	As at 31 st March 2022
Provision for Employee Benefits		
Gratuity (net) (refer Note 51)	11.86	5.86
Compensated Absences	60.97	53.27
Anniversary Awards	3.06	1.78
Premature Death Pension Scheme	2.37	2.13
Total Disability Pension Scheme	0.47	0.42
Other Retirement Benefits	1.34	6.94
Others (refer Note 55)	0.18	1.43
TOTAL	80.25	71.83

30 Provisions - Current	As at 31 st March 2023	As at 31 st March 2022
Provision for Employee Benefits		
Gratuity (net) (refer Note 51)	14.69	19.72
Compensated Absences	17.31	15.91
Anniversary Awards	0.53	0.31
Premature Death Pension Scheme	0.01	0.01
Total Disability Pension Scheme	0.08	0.07
Other Retirement Benefits	-	2.86
Provision for warranty expenses (refer Note 55)	2.36	3.81
TOTAL	34.98	42.69

31 Other Current Liabilities	As at 31 st March 2023	As at 31 st March 2022
Statutory remittances	84.78	93.18
Advance from customers	28.49	25.74
Other liabilities	1.92	2.00
TOTAL	115.19	120.92

32 Current Tax Liabilities (net)	As at 31 st March 2023	As at 31 st March 2022
Provision for Tax (net of Advance Tax)	43.82	13.74
TOTAL	43.82	13.74

(₹ in crores)

33 Revenue from Operations	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Revenue from Operations*		
Sale of Products	11,469.26	9,620.11
Sale of Services	282.36	259.86
TOTAL (A)	11,751.62	9,879.97
Other Operating Revenue		
Scrap Sales	21.97	17.69
Export Incentives	13.26	13.91
GST Refund	6.49	2.94
Others	5.76	6.45
TOTAL (B)	47.48	40.99
TOTAL (A+B)	11,799.10	9,920.96

*The Group disaggregated revenues from contracts with customers by customer type and by geography. The Group 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 geographywise and customerwise breakup of revenue, refer Note 48.

Further, the Group 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 st March 2023	For the year ended 31 st March 2022
Contracted Price	13,049.20	10,799.35
Reduction towards variable consideration components*	(1,297.58)	(919.38)
Revenue Recognised	11,751.62	9,879.97

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

34 Other Income	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Interest on:		
Bank Deposit (at amortised cost)	2.81	4.01
Overdue Trade Receivables	0.86	0.18
Income Tax Refund	2.63	-
Others	1.33	0.39
Dividend on:		
Investments in Preference Shares (at FVTPL)	1.21	1.22
Other Non-Operating Income:		
Windmill Income	2.99	1.78
Insurance claim received	1.41	3.29
Liabilities no longer required written back	0.39	9.29
Rental Income from Leases	1.49	1.20
Net gain arising on financial assets designated as at FVTPL	18.89	11.93
Profit on Sale of Assets (net)	2.27	-
Miscellaneous Income	13.33	3.01
TOTAL	49.61	36.30

(₹ in crores)

35 Cost of Materials Consumed		
	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Inventory at the beginning of the year	812.71	600.19
Add: Purchases	6,017.12	5,253.26
	6,829.83	5,853.45
Less: Inventory at the end of the year	871.16	812.71
TOTAL	5,958.67	5,040.74
36 Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		
	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Inventories at the end of the year		
Stock-in-Trade	237.36	197.91
Work-in-Progress	127.00	134.23
Finished Goods	569.29	539.79
Total (A)	933.65	871.93
Inventories at the beginning of the year		
Stock-in-Trade	197.91	156.29
Work-in-Progress	134.23	94.98
Finished Goods	539.79	375.70
Total (B)	871.93	626.97
TOTAL (B-A)	(61.72)	(244.96)
37 Employee Benefits Expense		
	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Salaries and Wages	1,116.60	987.38
Contribution to Provident and Other Funds (refer Note 51)	74.74	64.38
Share-based Payments to Employees (refer Note 49)	14.13	28.09
Staff Welfare Expenses	40.16	32.51
TOTAL	1,245.63	1,112.36
38 Finance Costs		
	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Interest expense on:		
Borrowings	24.20	25.28
Lease Liability (refer Note 54)	13.10	8.92
Dealer Deposits & others	10.34	7.88
TOTAL	47.64	42.08

(₹ in crores)

39 Depreciation and Amortisation Expense			
		For the year ended 31 st March 2023	For the year ended 31 st March 2022
Depreciation on Property, Plant and Equipment (refer Note 4)		177.67	164.22
Depreciation on Right of Use of Assets (refer Note 5 and Note 54)		52.53	40.35
Amortisation of Other Intangible Assets (refer Note 6)		39.54	35.04
TOTAL		269.74	239.61
40 Other Expenses			
		For the year ended 31 st March 2023	For the year ended 31 st March 2022
Consumption of Stores and Spares		56.92	49.12
Clearing, Forwarding and Octroi Duty		428.33	388.38
Power and Fuel		91.35	83.07
Contract Labour		150.53	139.75
Water Charges		5.69	4.82
Rent (refer Note 54)		36.44	24.62
Rates and Taxes		16.85	9.26
Insurance		28.13	20.62
License Fees		1.92	1.45
Repairs:			
Buildings	13.01		13.11
Machinery	27.54		26.01
Others	23.16		25.24
		63.71	64.36
Directors' Fees		0.62	0.88
Advertisement and Publicity		280.28	195.75
Legal, Professional and Consultancy Fees		69.53	57.97
Communication Expenses		10.24	10.49
Printing and Stationery		6.26	4.89
Travelling and Conveyance Expenses		130.31	76.62
Bad Debts		1.43	6.87
Provision for Doubtful Debts		6.91	16.73
Processing and Packing Charges		115.48	102.76
Sales Commission		13.24	10.52
Payments to Auditor (refer Note a)		3.03	3.06
Donations		1.58	0.88
Commission To Non Executive Directors		2.22	2.00
Corporate Social Responsibility Expenses		31.73	27.35
Computer and Software Expenses		58.71	46.26
Loss on Fixed Assets Sold / Discarded (net)		1.72	9.12
Net Loss on Foreign Currency Transactions and Translation		34.23	21.74
Miscellaneous Expenses		162.31	137.79
TOTAL		1,809.70	1,517.13
a. Details of Payments to Auditors of Parent and Subsidiaries (net of taxes)			
a) Auditor		2.37	2.35
b) Tax Matters		0.04	-
c) Other Services		0.60	0.69
d) Reimbursement of Expenses		0.02	0.02
TOTAL		3.03	3.06

41 Associates and Joint Ventures				
A. (i) Individually immaterial associates				
The Group has interests in the following individually immaterial associates that are accounted for using the equity method:				
Name of Associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Group	
Vinyl Chemicals (India) Limited	Trading in chemicals	India	40.64%	
Aapkapainter Solutions Private Limited	Painting and Waterproofing Solutions	India	47.67%	
Kaarwan Eduventures Private Limited	Architecture, Interior and General Designing	India	28.88%	
Climacrew Private Limited	Supply of seaweed and seaweed products	India	33.33%	
Buildnext Construction Solutions Private Limited (w.e.f. 21 st November 2022)	End to end home construction	India	24.13%	
Finemake Technologies Private Limited (w.e.f. 1 st October 2022)	Supplier of modular furniture mostly for kitchen & wardrobe, along with design services	India	32.20%	
(₹ in crores)				
(ii) Financial information in respect of Associate				
Particulars	For the year ended 31 st March 2023		For the year ended 31 st March 2022	
Aggregate carrying amount of individually immaterial associates	95.02		60.66	
Aggregate amounts of the Group's share of profit (net)	6.64		11.88	
Aggregate amounts of the Group's share of Other Comprehensive Income	0.01		-	
Group's share of Total Comprehensive Income	6.65		11.88	
B. (i) Details of Joint Venture				
Name of Joint Venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Group	
			As at 31 st March 2023	As at 31 st March 2022
Plus Call Technical Services LLC (refer Note 7B and 56f)	Flooring, tiling, painting, concrete work and related contracting activities	United Arab Emirates	-	40.00%
(₹ in crores)				
(ii) Financial information in respect of Joint Venture				
Particulars	For the year ended 31 st March 2023		For the year ended 31 st March 2022	
Group's share of profit / (loss)	-		-	
Group's share of Other Comprehensive Income	-		-	
Group's share of Total Comprehensive Income	-		-	

42 Entities having material non-controlling interests:			
Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests	
		As at 31 st March 2023	As at 31 st March 2022
Nina Percept Pvt Ltd	India	25%	25%
ICA Pidilite Pvt Ltd	India	50%	50%
Building Envelope Systems India Pvt Ltd	India	40%	40%
Bamco Supply and Services Ltd	Thailand	51%	51%
Pidilite Lanka (Pvt) Ltd	Sri Lanka	24%	24%
Pidilite East Africa Ltd	Kenya	45%	45%
Pidilite Grupo Puma Manufacturing Ltd	India	50%	50%
Pidilite Litokol Pvt Ltd	India	40%	40%
Tenax Pidilite India Pvt Ltd	India	30%	30%

(₹ in crores)

Name of subsidiaries	Profit / (Loss) allocated to non-controlling interests		Other Comprehensive Income		Accumulated non-controlling interest	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Nina Percept Pvt Ltd	(1.92)	(6.85)	(0.02)	(0.12)	21.06	23.00
ICA Pidilite Pvt Ltd	16.33	7.22	(0.11)	(0.13)	132.22	118.32
Building Envelope Systems India Pvt Ltd	0.66	0.18	-	-	9.96	9.30
Bamco Supply and Services Ltd	0.36	0.15	0.21	(0.08)	4.71	4.14
Pidilite Lanka (Pvt) Ltd	2.47	(1.18)	2.73	(1.25)	7.76	4.98
Pidilite East Africa Ltd	(0.17)	-	0.15	0.06	3.94	4.26
Pidilite Grupo Puma Manufacturing Ltd	(2.66)	(0.84)	-	-	20.57	10.20
Pidilite Litokol Pvt Ltd	(0.07)	(0.02)	-	-	17.94	9.86
Tenax Pidilite India Pvt Ltd	0.82	0.97	-	-	13.73	12.91
Individually immaterial subsidiaries with non-controlling interests	(0.20)	(0.43)	0.02	0.04	1.75	1.93
TOTAL	15.62	(0.80)	2.98	(1.48)	233.64	198.90

(₹ in crores)

43 Contingent Liabilities and Commitments		
	As at 31 st March 2023	As at 31 st March 2022
A) Contingent liabilities not provided for:		
1. Claims against the Group not acknowledged as debts comprises of:		
a) Income Tax demand against the Group not provided for and relating to issues of deduction and allowances in respect of which the Group is in appeal	139.06	91.34
b) Excise Duty and Service Tax claims disputed by the Group relating to issues of classifications	57.94	52.11
c) Sales Tax (VAT, LBT, Entry Tax and GST) claims disputed by the Group relating to issues of declaration forms and classifications	179.60	177.20
d) Other Matters (relating to disputed Electricity Duty, Gram Panchayat Tax, open access charges, etc.)	5.05	3.56
2. Guarantees given by Banks on behalf of the Group*	45.98	52.95
* Guarantees given are for business purpose.		
B) Commitments:		
a) Estimated amount of contracts, net of advances, remaining to be executed on Property, Plant and Equipment, investments and not provided for	215.70	135.78
b) For other commitments, refer Note 50 (E) (ii) Financial instruments and 54 Leases.		

(₹ in crores)

44 Research & Development Expenditure	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Capital expenditure included in Property, Plant and Equipment	6.01	5.30
Revenue expenditure charged to the Consolidated Statement of Profit and Loss	76.31	65.24
TOTAL	82.32	70.54

45 During the financial year 2015-16, pursuant to a Business Transfer Agreement (BTA) entered into by the company with Nina Concrete Systems Private Limited (NCSPL), the company acquired the waterproofing Business (the "Business"), including all its assumed assets and assumed liabilities, of NCSPL, a private limited company based in India (the "Seller"), as a going concern and on a slump sale basis for a lump-sum consideration, with effect from 17th April 2015.

The terms and conditions of the BTA included a total purchase consideration of ₹ 82.02 crores, out of which ₹ 79.15 crores was settled by the Company to the Seller as of 31st March 2023. A balance amount of ₹ 2.87 crores including Holdback Amount is payable by the Company to the Seller after settlement of the unrealised Net Working Capital.

An amount of the identified Net Working Capital, i.e. Receivables, Inventories, Retention Monies receivables, etc which was not fully realised by 15th April 2020, was to be deducted by the Company from the Holdback amount and the balance was to be paid to the seller or recovered from the seller. The settlement of which was to be completed by 31st October 2020, post verification of books of account.

Due to pandemic, the verification of books by Independent Audit firm got delayed. The report is now submitted by the Independent auditors and is under discussion. The same will be finalised in the Financial Year 2023-24.

46 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 st March 2023	For the year ended 31 st March 2022
Basic:		
Profit attributable to shareholders of the Company (₹ in crores)	1,273.25	1,207.56
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) (₹)	25.05	23.76
Diluted:		
Profit attributable to shareholders of the Company (₹.in crores)	1,273.25	1,207.56
Weighted average number of equity shares in calculating basic EPS	50,83,00,950	50,81,64,425
Add: Effect of Employee Stock Option Scheme / Plan	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) (₹)	25.03	23.75

47 Related Party Disclosures

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

(i) Relationships:		
a.	Vinyl Chemicals (India) Ltd	Associate
b.	Aapkapainter Solutions Private Limited {refer Note 56(a)}	Associate
c.	Kaarwan Eduventures Private Limited {refer Note 56(a)}	Associate
d.	Climacrew Private Limited {refer Note 56(a)}	Associate
e.	Buildnext Construction Solutions Pvt Ltd {refer Note 56(a)}	Associate
f.	Finemake Technologies Private Limited {refer Note 56(a)}	Associate
g.	Plus Call Technical Services LLC (upto 31 st October 2022)	Joint Venture
h.	Parekh Marketing Ltd	Significant Influence of KMP
i.	Pargro Investment Pvt Ltd	Significant Influence of KMP
j.	Kalva Marketing and Services Ltd	Significant Influence of KMP
k.	Dr. Fixit Institute of Structural Protection and Rehabilitation	Significant Influence of KMP
(ii) Key Management Personnel (KMP):		
a.	Shri M B Parekh	Executive Chairman
b.	Shri N K Parekh	Vice Chairman
c.	Shri Bharat Puri	Managing Director
d.	Shri A B Parekh	Whole Time Director
e.	Shri A N Parekh	Whole Time Director
f.	Shri Sudhanshu Vats (w.e.f. 18 th May 2022)	Deputy Managing Director
g.	Shri Joseph Varghese (w.e.f. 9 th November 2022)	Whole Time Director
h.	Shri Sandeep Batra	Chief Financial Officer (w.e.f. 1 st June 2022) & Whole Time Director (w.e.f. 9 th November 2022)
i.	Shri Debabrata Gupta (upto 9 th November 2022)	Whole Time Director
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
q.	Shri Meher Pudumjee (w.e.f. 18 th May 2022)	Non-Executive Independent Director
(iii) Close member of Key Management Personnel:		
a.	Smt Mala M Parekh	Wife of Executive Chairman

(₹ in crores)

47 (iv) Nature of Transaction	For the year ended 31 st March 2023			For the year ended 31 st March 2022		
	Associate and Joint Venture	KMP / Significant Influence of KMP / Close member of KMP	TOTAL	Associate and Joint Venture	KMP / Significant Influence of KMP / Close member of KMP	TOTAL
a. Sales and Related Income						
Parekh Marketing Ltd	-	118.01	118.01	-	92.40	92.40
Sub-Total (a)	-	118.01	118.01	-	92.40	92.40
b. Income from Services Rendered						
Aapkapainter Solutions Private Limited	0.04	-	0.04	-	-	-
Sub-Total (b)	0.04	-	0.04	-	-	-
c. Dividend Received						
Vinyl Chemicals (India) Ltd	7.45	-	7.45	2.80	-	2.80
Sub-Total (c)	7.45	-	7.45	2.80	-	2.80
d. Purchase of Goods						
Vinyl Chemicals (India) Ltd	896.49	-	896.49	714.00	-	714.00
Sub-Total (d)	896.49	-	896.49	714.00	-	714.00
e. Rent Paid / (Received)						
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)
Sub-Total (e)	-	0.91	0.91	-	0.70	0.70
f. Reimbursement of expenses made						
Parekh Marketing Ltd	-	0.03	0.03	-	0.03	0.03
Sub-Total (f)	-	0.03	0.03	-	0.03	0.03
g. Expense for services received						
Dr. Fixit Institute of Structural Protection and Rehabilitation	-	0.46	0.46	-	0.11	0.11
Finemake Technologies Pvt Ltd	-	0.07	0.07	-	-	-
Sub-Total (g)	-	0.53	0.53	-	0.11	0.11
h. Compensation of Key Management Personnel of the Company:						
Remuneration / Commission to Directors:						
i Short Term Employee benefits						
- 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	-	-	-
Sub-Total	-	43.46	43.46	-	30.19	30.19
ii Share-based payments***						
Shri Bharat Puri	-	-	-	-	26.58	26.58
Shri Debabrata Gupta	-	-	-	-	0.05	0.05
Sub-Total	-	-	-	-	26.63	26.63
ii Sitting Fees and Commission	-	2.80	2.80	-	2.74	2.74
Sub-Total (h)	-	111.23	111.23	-	100.90	100.90
i. Outstanding Balances:						
		As at 31 st March 2023		As at 31 st March 2022		
i Trade Receivables (net)						
Parekh Marketing Ltd	-	22.02	22.02	-	20.23	20.23
Sub-Total	-	22.02	22.02	-	20.23	20.23
ii Trade Payables (net)						
Vinyl Chemicals (India) Ltd	17.35	-	17.35	2.03	-	2.03
Finemake Technologies Pvt Ltd	0.01	-	0.01	-	-	-
Sub-Total	17.36	-	17.36	2.03	-	2.03
iii Loans & Advances						
Aapkapainter Solutions Private Limited	2.04	-	2.04	-	-	-
Sub-Total	2.04	-	2.04	-	-	-

* includes Remuneration as Deputy MD w.e.f. 18th May 2022 amounting to ₹ 8.07 crores.** includes Remuneration as Whole Time Director w.e.f. 9th 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.

48 Segment information**Business Segment:**

The Group 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 mainly 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
Revenue								
Segment Revenue	9,401.67	2,579.56	102.19	12,083.42	7,794.41	2,278.32	63.70	10,136.43
Less: Inter Segment Revenue (at cost plus fixed margin)	(41.86)	(242.46)	-	(284.32)	(23.97)	(191.50)	-	(215.47)
Net Revenue	9,359.81	2,337.10	102.19	11,799.10	7,770.44	2,086.82	63.70	9,920.96
Revenue based on geography								
India				10,243.58				8,458.50
Outside India				1,555.52				1,462.46
Segment result	2,054.82	234.21	5.67	2,294.70	1,933.70	152.70	(2.16)	2,084.24
Unallocable Expenses				(563.93)				(473.66)
Unallocable Income				24.63				27.60
Operating Income				1,755.40				1,638.18
Finance Cost				(47.64)				(42.08)
Interest / Dividend Income				8.84				5.80
Share of Profit of Associates/Joint Ventures				6.64				11.88
Profit Before Tax				1,723.24				1,613.78
Tax Expense				(434.37)				(407.02)
Profit for the year				1,288.87				1,206.76
Other Comprehensive Income				32.45				(22.11)
Total Comprehensive Income				1,321.32				1,184.65
Share of Non-Controlling Interest - Loss				18.60				(2.28)
Total Comprehensive Income attributable to shareholders				1,302.72				1,186.93
The above includes :								
Depreciation and Amortisation (allocable)	139.40	62.19	-	201.59	130.50	54.21	-	184.71
Depreciation and Amortisation (unallocable)				68.15				54.90
Capital Expenditure (including Capital Work-In-Progress) (allocable)	349.74	90.45	-	440.19	206.13	161.78	-	367.91
Capital Expenditure (unallocable)				70.73				14.68
Capital Expenditure				510.92				382.59
India				505.18				372.13
Outside India				5.74				10.46
There is no transactions with single external customer which amounts to 10% or more of the Group's revenue								
Segment Assets & Liabilities	As at 31 st March 2023				As at 31 st March 2022			
	Consumer & Bazaar	Business to Business	Others	TOTAL	Consumer & Bazaar	Business to Business	Others	TOTAL
Segment Assets	7,319.60	1,830.36	17.07	9,167.03	6,804.00	1,850.86	11.74	8,666.60
Unallocable Assets				1,357.99				849.02
Total Assets				10,525.02				9,515.62
Assets based on geography :								
India				9,550.77				8,626.57
Outside India				974.25				889.05
Segment Liabilities	1,539.61	971.31	3.59	2,514.51	1,699.18	974.19	1.00	2,674.37
Unallocable Liabilities				564.59				238.64
Total liabilities				3,079.10				2,913.01
Other Information								
Capital Employed				7,445.92				6,602.61

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

In the Annual General Meeting of the Company held on 24th 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 2nd 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 th 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 th 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 th 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 rd 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 th May 2019-ESOP 2016	2,500	13.05.2019	13.05.2020	1.00	1,124.69
6 Granted on 29 th 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 th 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

Option Series	Number	Grant date	Vesting date	Exercise price (₹)	Fair value at grant date (₹)
8 Granted on 4 th 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
9 Granted on 9 th 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 th November 2021-ESOP 2016	2,775	09.11.2021	09.11.2023	1.00	2345.77
	2,775	09.11.2021	09.11.2024	1.00	2345.77
	3,700	09.11.2021	09.11.2025	1.00	2345.77
	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 th 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 th 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 th 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 th 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 th November 2017-ESOP 2016	Granted on 11 th April 2018-ESOP 2016	Granted on 30 th October 2018-ESOP 2016	Granted on 23 rd 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 th May 2019-ESOP 2016		Granted on 29 th January 2020 - ESOP 2016		Granted on 05 th 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
Date of vesting (1)	13.05.2020	31.01.2021	18.11.2022	31.01.2021	05.08.2022	05.08.2021
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
Date of vesting (2)	-	-	18.11.2023	31.01.2022	05.08.2023	05.08.2022
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
Date of vesting (3)	-	-	-	-	-	05.08.2023
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 th November 2020-ESOP 2016		Granted on 09 th October 2021-ESOP 2016		Granted on 09 th November 2021-ESOP 2016		Granted on 24 th January 2022-ESOP 2016		Granted on 11 th 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				
Date of vesting (1)	04.11.2021	13.10.2022	09.11.2024	09.11.2023	24.01.2024	11.03.2023				
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				
Date of vesting (2)	04.11.2022	13.10.2023	09.11.2025	09.11.2024	24.01.2025	11.03.2024				
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				
Date of vesting (3)	-	-	09.11.2026	09.11.2025	-	11.03.2025				
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	
	18 th May 2022-ESOP 2016	24 th January 2023 - 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
Date of vesting (1)	18.05.2024	01.06.2025	01.06.2027
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
Date of vesting (2)	18.05.2025	01.06.2026	-
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

Particulars	During the year ended 31 st March 2023		During the year ended 31 st 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

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

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the returns to stakeholders through the optimum utilisation of the equity balance. The capital structure of the Group consists of equity and borrowings.

(B) Categories of Financial Instruments

(₹ in crores)

	As at 31 st March 2023	As at 31 st March 2022
Financial Assets		
Measured at Fair Value Through Profit or Loss (FVTPL)		
Investments in Mutual funds, Preference Shares, Debentures and Bonds	598.26	229.47
Derivative assets towards foreign exchange forward contracts	0.06	0.44
Measured at fair value through other comprehensive income (FVTOCI)		
Investments in Equity Instruments, Preference Shares and Debentures	187.58	167.83
Measured at amortised cost		
Investments in Promissory Notes	-	0.65
Trade Receivables	1,535.27	1,430.54
Cash and Cash Equivalents	310.16	352.07
Other Bank balances	16.49	3.10
Loans	33.52	22.27
Other Financial Assets	154.10	150.02
Total Financial Assets	2,835.44	2,356.39
Financial liabilities		
Measured at Fair Value Through Profit or Loss (FVTPL)		
Derivative liabilities towards foreign exchange forward contracts	0.60	0.67
Measured at amortised cost		
Borrowings	163.26	287.34
Trade Payables	1,063.59	1,049.29
Lease Liabilities	227.35	128.49
Other Financial liabilities	951.91	799.59
Total Financial Liabilities	2,406.71	2,265.38

(C) Financial risk management objectives

The Group's Treasury function provide 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 Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk. The Group 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 Group does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

(D) Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates (see Note E below). The Group 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 Group'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 st March 2023	31 st March 2022	31 st March 2023	31 st 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	1,87,76,424.67	1,28,78,819.85	154.15	97.51
GBP	1,68,840.00	15,929.25	1.72	0.16
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	17,97,299.41	15,25,661.40	16.09	12.89
GBP	1,90,429.40	(17,06,367.06)	1.94	(16.94)
JPY	(60,00,000.00)	(1,14,28,300.00)	(0.37)	(0.72)
SGD	(3,04,090.88)	-	(1.88)	-
USD	(2,90,25,731.31)	(4,11,90,526.05)	(238.30)	(311.85)
ZAR	64,255.58	64,255.58	0.03	0.03

(i) Foreign currency sensitivity analysis

The Group 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 Group 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 st March 2023	For the year ended 31 st March 2022
Impact on profit or loss for the year (a)	(1.68)	(4.29)

(₹ in crores)

	EUR impact	
	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Impact on profit or loss for the year (b)	0.53	0.41

(₹ in crores)

	GBP impact	
	For the year ended 31 st March 2023	For the year ended 31 st 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 Group to enter into foreign exchange forward contracts to cover foreign currency payments (net of receipts) in USD, EUR, GBP and AUD. The Group enters in to contracts with terms upto 90 days. The Group'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 Group will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI, ISDA or other regulatory bodies from time to time.

Mode of taking Cover: Based on the outstanding details of import payable and exports 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 (Amount)	
	31 st March 2023	31 st March 2022	31 st March 2023	31 st 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 st March 2023	31 st March 2022	31 st March 2023	31 st March 2022
USD - Buy	191.99	246.06	(0.60)	(0.16)

The line-items in the balance sheet that include the above hedging instruments are "Other financial assets" of ₹ **0.06** crores (₹ 0.44 crores as at 31st March 2022) and "Other financial liabilities" ₹ **0.60** crores (₹ 0.67 crores as at 31st March 2022) (refer Note 14 and 28 respectively).

At 31st March 2023, the aggregate amount of loss under foreign exchange forward contracts recognised in the Consolidated Statement of Profit and Loss is ₹ **0.44** crores (gain of ₹ 0.14 crores as at 31st 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 Group. Credit risk arises primarily from financial assets such as trade receivables (refer Note 10), investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

The Group has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Group'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 Group 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 Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate credit facilities in cash and cash equivalents. The Group also 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 Group's remaining contractual maturity for its derivative and non-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 Group 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
As at 31st March 2023					
Non-interest bearing					
- Trade Payables	1,063.59	-	-	1,063.59	1,063.59
- Other Financial Liabilities	740.11	14.45	-	754.56	754.56
	1,803.70	14.45	-	1,818.15	1,818.15
- Lease Liabilities (undiscounted)	62.72	168.67	24.13	255.52	227.35
Fixed interest rate instruments					
- Trade / Security Deposit received	197.35	-	-	197.35	197.35
Variable interest rate instruments					
- Borrowings	163.26	-	-	163.26	163.26
- Current Maturity of Term Loan	-	-	-	-	-
Derivative liabilities towards foreign exchange forward contracts	0.60	-	-	0.60	0.60
As at 31st March 2022					
Non-interest bearing					
- Trade Payables	1,049.29	-	-	1,049.29	1,049.29
- Other Financial Liabilities	623.60	19.94	-	643.54	643.54
	1,672.89	19.94	-	1,692.83	1,692.83
- Lease Liabilities (undiscounted)	40.21	90.24	32.64	163.09	128.49
Fixed interest rate instruments					
- Trade / Security Deposit received	156.05	-	-	156.05	156.05
Variable interest rate instruments					
- Borrowings	284.37	1.72	-	286.09	286.09
- Current Maturity of Term Loan	1.25	-	-	1.25	1.25
Derivative liabilities towards foreign exchange forward contracts	0.67	-	-	0.67	0.67

(H) Fair value measurements

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

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

Some of the Group'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 st March 2023	As at 31 st March 2022		
1	Investment in Mutual Funds, Preference Shares, Debentures and Bonds (FVTPL)	Various funds - aggregate fair value of ₹ 576.80 crores	Various funds - aggregate fair value of ₹ 217.84 crores	Level 1	Refer note i.
2	Derivative assets & liabilities towards foreign currency forward contracts and Alternative Investment Fund (FVTPL)	Assets - ₹ 0.06 crores Liabilities - ₹ 0.60 crores Investment funds - aggregate fair value of ₹ 21.05 crores	Assets - ₹ 0.44 crores Liabilities - ₹ 0.67 crores Investment funds - aggregate fair value of ₹ 11.64 crores	Level 2	Refer note ii.
3	Investment in Equity and Preference Shares (FVTOCI)	Aggregate fair value of ₹ 181.84 crores	Aggregate fair value of ₹ 166.32 crores	Level 3	Refer note iii.
4	Investment in Promissory Notes (amortised cost) and Debentures (FVTOCI)	Aggregate fair value of ₹ 6.14 crores	Aggregate fair value of ₹ 2.15 crores	Level 3	Refer note iii.

Notes:

- Quoted bid prices in active market.
- Mark to market values acquired from banks/ financial institution, with whom the Group has contracts.
- If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

(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 Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

51 Employee Benefits

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

(₹ in crores)

	For the year ended 31 st March 2023	For the year ended 31 st March 2022
(i) Contribution to Provident Fund	41.75	36.11
(ii) Contribution to Employees' Superannuation Fund	0.66	0.80
(iii) Contribution to Employees' State Insurance Scheme & Labour Welfare Fund	0.22	0.29
(iv) Contribution to Employees' Pension Scheme 1995	11.19	9.91
(v) Contribution to National Pension Scheme	5.90	4.77
(vi) Other Funds (International)	0.86	1.29
TOTAL	60.58	53.17
(B) Defined Benefit Plans		
Gratuity		
(C) Other Long-Term Benefits		
(a) Compensated Absences		
(b) Anniversary Awards		
(c) Premature Death Pension Scheme		
(d) Total Disability Pension Scheme		

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 st March 2023	31 st March 2022
(i) Discount Rate (per annum)	7.31% - 25.00%	6.25% - 14.97%
(ii) Rate of increase in Compensation levels (per annum)	6.50% - 10%	6.50% - 10%
(iii) Expected Rate of Return on Assets	7.31% - 25.00%	6.91% - 14.97%
(iv) Attrition Rate	1.00% to 26.00%	1.00% to 26.00%
(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.		

Note on other risks:

- 1 **Investment Risk** - The funds are invested by LIC 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.
- 2 **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.
- 3 **Longevity Risk** - Since the gratuity payment happens at the retirement age of 58-60, longevity impact is very low at this age, hence this is a non-risk.
- 4 **Salary Risk** - The liability is calculated taking into account the salary increases, basis past experience of the Group's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

(₹ in crores)

		31 st March 2023		31 st March 2022	
		Gratuity Funded	Gratuity Unfunded	Gratuity Funded	Gratuity Unfunded
(i) Changes in Present value of Obligation					
1	Present value of defined benefit obligation at the beginning of the year	127.30	6.46	106.72	5.06
2	Previous period adjustments	1.82	6.29	(0.54)	-
3	Current Service Cost	12.22	0.90	10.55	0.73
4	Interest Cost	8.36	0.38	6.67	0.30
5	Actuarial (Gains) / Loss arising from changes in:				
	- demographic assumption	-	(0.18)	-	(0.11)
	- financial assumption	(3.11)	(0.12)	(2.77)	(0.13)
	- experience adjustment	1.54	0.64	15.65	1.08
6	Benefits Paid	(12.05)	(0.57)	(9.05)	(0.31)
7	Foreign Currency Translation	(0.56)	0.01	0.07	(0.16)
8	Present value of defined benefit obligation at the end of the year	135.52	13.81	127.30	6.46
(ii) Changes in Fair value of Plan Assets					
1	Fair value of plan assets at the beginning of the year	108.18	-	102.89	-
2	Expected Return on Plan Assets	7.69	-	6.97	-
3	Actuarial Loss	0.73	-	0.78	-
4	Employer's Contributions	18.99	-	7.27	-
5	Benefits Paid	(11.29)	-	(7.14)	-
6	Benefits to be receivable from fund	(0.84)	-	(2.66)	-
7	Foreign Currency Translation	(0.68)	-	0.07	-
8	Fair value of plan assets at the end of the year	122.78	-	108.18	-
(iii) Net Benefit (Asset) / Liability					
1	Defined benefit obligation	135.52	13.81	127.30	6.46
2	Fair value of plan assets	122.78	-	108.18	-
3	Net Benefit (Asset) / Liability	12.74	13.81	19.12	6.46

(₹ in crores)

		31 st March 2023		31 st March 2022	
		Gratuity Funded	Gratuity Unfunded	Gratuity Funded	Gratuity Unfunded
(iv)	Expenses recognised in the Consolidated Statement of Profit and Loss				
1	Current Service Cost	12.22	0.90	10.55	0.73
2	Past Service Cost	-	(0.01)	-	(0.01)
3	Interest cost on benefit obligation (net)	0.67	0.38	(0.33)	0.27
4	Total Expenses recognised in the Consolidated Statement of Profit and Loss	12.89	1.27	10.22	0.99
(v)	Remeasurement Effects recognised in Other Comprehensive Income for the year				
1	Actuarial (Gains) / Loss arising from changes in:				
	- demographic assumption	-	(0.18)	-	(0.11)
	- financial assumption	(3.11)	(0.12)	(2.77)	(0.13)
	- experience adjustment	1.48	0.64	15.59	1.08
2	Return on plan asset	(0.64)	-	(0.78)	-
3	Recognised in Other Comprehensive Income	(2.27)	0.34	12.04	0.84
(vi)	Actual return on plan assets	8.69	-	4.91	-
(vii)	Sensitivity Analysis				
	Defined Benefit Obligation				
	Discount Rate				
a	Discount Rate - 100 basis points	144.88	7.19	135.73	6.89
b	Discount Rate + 100 basis points	126.43	6.39	118.39	6.09
	Salary Increase Rate				
a	Rate - 100 basis points	126.31	6.39	118.29	6.09
b	Rate + 100 basis points	144.85	7.17	135.68	6.89
	Note on Sensitivity Analysis				
1	Sensitivity analysis for each significant actuarial assumptions of the Group 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	17.00	1.56	16.37	1.10
	Year 2	21.73	1.12	19.32	0.85
	Year 3	12.79	0.96	10.73	0.77
	Year 4	11.32	0.86	10.95	0.68
	Year 5	11.58	0.70	10.02	0.66
	Year 6 to 10	58.41	2.42	55.60	2.45
(ix)	Average Expected Future Working Life (yrs)	7.13	7.78	12.04	5.93

52 Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of Subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting rights held by the Group	
		As at 31 st March 2023	As at 31 st March 2022
a. Fevicol Company Ltd (Fevicol)	India	100.00%	100.00%
b. Bhimad Commercial Company Pvt Ltd (Bhimad)	India	100.00%	100.00%
c. Pidilite Ventures Private Limited (formerly known as Madhumala Ventures Pvt Ltd)	India	100.00%	100.00%
d. Pagel Concrete Technologies Pvt Ltd (PCTPL)	India	80.00%	80.00%
e. Building Envelope Systems India Ltd (BESI)	India	60.00%	60.00%
f. Nina Percept Private Limited	India	74.58%	74.58%
g. Hybrid Coatings (Hybrid)	India	60.00%	60.00%
h. Pidilite International Pte Ltd (PIPL)	Singapore	100.00%	100.00%
i. Pidilite Middle East Ltd (PMEL)	United Arab Emirates	100.00%	100.00%
j. Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda (Pulvitec)	Brazil	100.00%	100.00%
k. Pidilite USA Inc (PUSA)	USA	100.00%	100.00%
l. Pidilite MEA Chemicals LLC (Jupiter)*	United Arab Emirates	49.00%	49.00%
m. PT Pidilite Indonesia (PTPI)	Indonesia	100.00%	100.00%
n. Pidilite Speciality Chemicals Bangladesh Pvt Ltd (PSCB)	Bangladesh	100.00%	100.00%
o. Pidilite Innovation Centre Pte Ltd (PICPL)	Singapore	100.00%	100.00%
p. Pidilite Industries Egypt SAE (PIE)	Egypt	100.00%	100.00%
q. Pidilite Bamco Ltd (Bamco)	Thailand	100.00%	100.00%
r. Pidilite Chemical PLC (PCPLC)	Ethiopia	100.00%	100.00%
s. PIL Trading (Egypt) LLC (PTC)	Egypt	100.00%	100.00%
t. Pidilite Industries Trading (Shanghai) Co Ltd (Pidilite Shanghai)	China	100.00%	100.00%
u. Bamco Supply and Services Ltd (BSSL)*	Thailand	49.00%	49.00%
v. ICA Pidilite Pvt Ltd (ICA)*	India	50.00%	50.00%
w. Cipy Polyurethanes Pvt Ltd (refer Note 56c)	India	100.00%	100.00%
x. Pidilite Lanka (Pvt) Ltd (PLPL)	Sri Lanka	76.00%	76.00%
y. Nebula East Africa Pvt Ltd (Nebula)	Kenya	100.00%	100.00%
z. Nina Lanka Construction Technologies (Pvt) Ltd (Nina Lanka)**	Sri Lanka	72.70%	72.70%
aa. Pidilite Ventures LLC	USA	100.00%	100.00%
ab. Pidilite East Africa Limited	Kenya	55.00%	55.00%
ac. Pidilite Grupo Puma Pvt Ltd (PGPPL)*#	India	50.00%	50.00%
ad. Pidilite C-Techos Pvt Ltd#	India	60.00%	60.00%
ae. Pidilite Litokol Pvt Ltd	India	60.00%	60.00%
af. Pidilite Grupo Puma Manufacturing Ltd (PGPML)*	India	50.00%	50.00%
ag. Nina Percept (Bangladesh) Pvt Ltd***	Bangladesh	71.81%	71.81%
ah. Pidilite C-Techos Walling Ltd	India	60.00%	60.00%
ai. Tenax Pidilite India Pvt Ltd	India	70.00%	70.00%
aj. Pidilite Adhesives Pvt Ltd (refer Note 56c)	India	100.00%	100.00%

* Pidilite MEA Chemicals LLC, BSSL, ICA, PGPPL, and PGPML are subsidiaries of the Group even though the Group has 49%, 49%, 50%, 50% and 50% ownership interest and voting rights in the subsidiaries respectively. However, based on the relevant facts and circumstances, control and management of these entities lie with the Group. The Group has the power to direct the relevant activities of these entities and therefore controls these entities.

** Nina Lanka Construction Technologies (Pvt) Ltd (Nina Lanka) is a 100% subsidiary of Nina Percept Private Limited and Pidilite Lanka (Pvt) Ltd

*** Nina Percept (Bangladesh) Pvt Ltd (Nina Bangladesh) is a 100% subsidiary of Nina Percept Private Limited and Pidilite Speciality Chemicals Bangladesh Pvt Ltd (PSCB)

During the previous year, on completion of winding up procedures, Pidilite Grupo Puma Private Limited (w.e.f. 27th October 2021) and Pidilite C-Techos Private Limited (w.e.f. 1st February 2022) were struck off by Registrar of Companies.

(₹ in crores)

53 Taxes			
1. Deferred Tax			
Particulars	As at 31 st March 2023	As at 31 st March 2022	
Deferred Tax Assets (net)	(20.15)	(21.28)	
Deferred Tax Liabilities (net)	398.15	398.45	
TOTAL	378.00	377.17	

a 2022-23

Deferred tax (assets) / liabilities in relation to:					
Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Foreign Currency Translation	Closing Balance
Property, Plant and Equipment & Intangible Assets	450.83	(4.10)	-	0.79	447.52
FVTPL financial assets	4.29	(3.03)	4.33	0.01	5.60
Other Provisions	(9.31)	-	-	(0.68)	(9.99)
Allowance for Doubtful Debts	(24.13)	(0.83)	-	(0.21)	(25.17)
Provision for Employee Benefits	(19.82)	(3.16)	0.48	-	(22.50)
Share issue and buy-back costs	(1.11)	1.11	-	-	-
Tax Losses	(23.58)	6.21	-	(0.09)	(17.46)
TOTAL	377.17	(3.80)	4.81	(0.18)	378.00

b 2021-22

Deferred tax (assets) / liabilities in relation to:					
Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Foreign Currency Translation	Closing Balance
Property, Plant and Equipment & Intangible Assets	446.04	5.41	-	(0.62)	450.83
FVTPL financial assets	6.82	(2.53)	-	-	4.29
Other Provisions	(7.99)	(1.39)	-	0.07	(9.31)
Allowance for Doubtful Debts	(20.18)	(3.91)	-	(0.04)	(24.13)
Provision for Employee Benefits	(16.33)	(0.26)	(3.23)	-	(19.82)
Share issue and buy-back costs	(1.78)	0.67	-	-	(1.11)
Tax Losses	(25.14)	1.09	-	0.47	(23.58)
TOTAL	381.44	(0.92)	(3.23)	(0.12)	377.17

2. Income Taxes**a Income Tax recognised in Consolidated Statement of Profit and Loss**

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Current Tax		
In respect of the current year	438.16	407.40
In respect of prior years	0.01	0.54
TOTAL	438.17	407.94
Deferred Tax		
In respect of the current year	(3.80)	(0.92)
Income tax expense recognised in the Consolidated Statement of Profit and Loss	434.37	407.02

(₹ in crores)

b The Income Tax expense for the year can be reconciled to the accounting profit as follows:		
Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Profit before tax (after exceptional items)	1,716.60	1,601.90
Income Tax Rate (%)*	25.17	25.17
Income Tax expense	432.03	403.17
Effect of income that is exempt from taxation	(3.05)	(1.90)
Effect of expenses that are not deductible in determining taxable profit	10.35	8.95
Effect of lower rate of tax	(0.46)	(0.72)
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax liabilities	0.60	0.04
Effect of subsidiary companies taxed at a different rate than the Parent Company	10.00	2.92
Effect of concessions (Deduction u/s 35(iv) for Capital Expenditure)	(5.26)	(1.31)
Others	(9.85)	(4.67)
TOTAL	434.36	406.48
Adjustments recognised in the current year in relation to the current tax of prior years	0.01	0.54
Income tax expense recognised in the Consolidated Statement of profit and Loss	434.37	407.02

* The Tax rate used for the above reconciliation is the corporate tax rate of 25.17% (25.17% for the year ended 31st 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 st March 2023	For the year ended 31 st March 2022
Tax arising on income and expenses recognised in Other Comprehensive Income:		
Re-measurement of Defined Benefit Obligation	(4.81)	3.23
Income Tax recognised in Other Comprehensive Income	(4.81)	3.23

(₹ in crores)

54 Lease			
Impact of Ind AS 116 on the Consolidated Statement of Profit and Loss:			
Particulars		For the year ended 31 st March 2023	For the year ended 31 st March 2022
Interest on lease liabilities (refer Note 38)		13.10	8.92
Depreciation of Right-of-use assets (refer Note 39)		52.53	40.35
Deferred tax (credit)		(3.43)	(0.64)
Impact on the Consolidated Statement of Profit and Loss for the year		62.20	48.63
Expenses related to short term lease incurred during the year (refer Note 40)		36.44	24.62

55 Details of provisions

The Group has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	Opening Balance	Additions	Utilisation	Foreign Currency Translation	Closing Balance
Provision for Warranty Expenses	3.81	0.60	(2.06)	0.01	2.36
	(3.02)	(4.43)	((3.85))	(0.21)	(3.81)
Provision for Others	1.43	0.00	(1.23)	(0.02)	0.18
	(0.67)	(0.99)	-	((0.23))	(1.43)
TOTAL	5.24	0.60	(3.29)	(0.01)	2.54
	(3.69)	(5.42)	((3.85))	((0.02))	(5.24)

Figures in brackets () represents previous year

56 Other Information

- a) Pidilite Ventures Private Limited (formerly known as Madhumala Ventures Pvt Ltd), a wholly owned subsidiary of the Company:
- 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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 the previous year, ICA Pidilite Pvt Ltd, subsidiary of the Company made buy back of shares from the Parent Company and other shareholder. Tax paid on such buy back is debited to Retained Earnings in Consolidated Financials.

- c) During the previous year, the Parent Company has 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 1st April 2022. This being a common control transaction accordingly, no impact on the Consolidated Financial Statements.
- d) During the current year, the Company has paid Dividend of ₹ 10.00 per equity share of ₹ 1 each for the financial year 2021-22.
- e) Pidilite USA Inc, a wholly owned subsidiary of the Parent Company has decided to discontinue the operations of its Sargent Art Division, in a phased manner, over the next year. Revenue from operations and Profit / (Loss) before tax pertaining to Sargent Art Division for the year ended 31st March 2023 is ₹ 128.8 crores and (₹ 5.2 crores) respectively. The above does not constitute a material event to the Group.
- f) During the current year, Plus Call Technical Services LLC, Joint Venture of the Group have been wound up on 31st October 2022.

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

- a) Details of struck off companies with whom the Group 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 st March 2023	As at 31 st 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 Parent and Indian subsidiaries 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 Parent and Indian subsidiaries has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- d) The Parent and Indian subsidiaries 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 Parent and Indian subsidiaries has not traded or invested in crypto currency or virtual currency during the year.
- g) The Parent and Indian subsidiaries 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 Parent and its subsidiaries, associates and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have 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 Parent or any of such subsidiaries, associates and joint venture 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 except as disclosed in Note 56(a).

58 Approval of financial statements

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

59 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in crores)

Name of the entity	Net assets, i.e., Total Assets - Liabilities		Share of Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit and Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated total Comprehensive Income	Amount
Pidilite Industries Limited	82.24	6,123.80	91.86	1,184.02	434.61	141.01	100.28	1,325.03
Indian Subsidiaries								
Bhimad Commercial Co Pvt Ltd	0.02	1.48	-	0.06	-	-	0.00*	0.06
Building Envelope Systems India Ltd	0.07	5.53	(1.22)	(15.66)	-	-	(1.19)	(15.66)
Fevicol Company Ltd	0.00*	0.29	-	(0.01)	-	-	(0.00)*	(0.01)
Hybrid Coatings	0.09	6.71	(0.80)	(10.29)	(0.03)	(0.01)	(0.78)	(10.30)
Pidilite Ventures Private Limited (formerly known as Madhumala Ventures Pvt Ltd) (Madhumala)	2.58	191.97	-	0.05	39.45	12.80	0.97	12.85
Nina Percept Private Limited	1.48	110.42	3.53	45.48	(3.76)	(1.22)	3.35	44.26
Pagel Concrete Technologies Pvt Ltd	-	0.07	-	-	-	-	-	-
ICA Pidilite Pvt Ltd	1.40	104.34	(4.26)	(54.96)	(0.31)	(0.10)	(4.17)	(55.06)
Pidilite C-Techos Walling Ltd	0.02	1.14	(0.04)	(0.46)	-	-	(0.03)	(0.46)
Pidilite Grupo Puma Manufacturing Ltd	0.33	24.80	(0.14)	(1.79)	-	-	(0.14)	(1.79)
Pidilite Litokol Pvt Ltd	0.35	26.04	(0.25)	(3.25)	-	-	(0.25)	(3.25)
Tenax Pidilite India Pvt Ltd	0.42	31.34	(2.51)	(32.29)	-	-	(2.44)	(32.29)
Foreign Subsidiaries								
Pidilite Bamco Ltd	0.69	51.07	0.44	5.61	5.71	1.85	0.56	7.46
Bamco Supply and Services Ltd	0.06	4.55	0.14	1.82	0.58	0.19	0.16	2.01
Pidilite MEA Chemicals LLC	0.87	65.10	6.67	85.96	16.71	5.42	6.92	91.38
Pidilite Chemical PLC	(0.00)*	(0.00)*	-	-	(0.22)	(0.07)	(0.01)	(0.07)
Pidilite Industries Egypt SAE	0.27	20.03	1.25	16.02	37.48	12.16	2.13	28.18
Pidilite Industries Trading (Shanghai) Co Ltd	0.00*	0.25	(0.07)	(0.96)	0.03	0.01	(0.07)	(0.95)
Pidilite Innovation Centre Pte Ltd	0.14	10.11	(0.50)	(6.38)	0.89	0.29	(0.46)	(6.09)
Pidilite International Pte Ltd	0.41	30.45	(1.27)	(16.40)	(415.91)	(134.94)	(11.45)	(151.34)
Pidilite Lanka (Pvt) Ltd	0.36	26.45	1.21	15.60	26.67	8.65	1.84	24.25
Pidilite Middle East Ltd	0.00*	0.02	(0.01)	(0.16)	(29.57)	(9.59)	(0.74)	(9.75)
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	1.40	104.32	4.23	54.45	(13.69)	(4.44)	3.78	50.01
Pidilite USA Inc	1.54	114.60	(0.89)	(11.53)	(11.40)	(3.70)	(1.15)	(15.23)
PIL Trading (Egypt) LLC	0.04	3.30	0.36	4.48	8.77	2.84	0.55	7.32
PT Pidilite Indonesia	0.04	2.74	(0.05)	(0.65)	(0.46)	(0.15)	(0.06)	(0.80)
Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	0.52	38.80	(0.02)	(0.25)	(3.85)	(1.25)	(0.11)	(1.50)
Nina Lanka Construction Technologies (Pvt) Ltd	0.01	0.64	0.06	0.79	(1.62)	(0.52)	0.02	0.27
Nebula East Africa Pvt Ltd	0.01	0.53	-	-	(0.03)	(0.01)	(0.00)	(0.01)
Pidilite Ventures Ltd	0.13	9.48	-	0.02	0.22	0.07	0.01	0.09
Pidilite East Africa Limited	0.09	6.69	0.57	7.31	0.55	0.18	0.57	7.49
Nina Percept (Bangladesh) Pvt Ltd	0.00*	0.21	-	(0.02)	-	-	(0.00)	(0.02)
Non-Controlling Interest	3.14	233.64	1.21	15.62	9.18	2.98	1.41	18.60
Aapkapainter Solutions Pvt Ltd (Associate)	0.19	13.840	(0.28)	(3.60)	-	-	(0.27)	(3.60)
Vinyl Chemicals (India) Ltd (Associate)	0.62	46.290	1.12	14.48	-	-	1.10	14.48
Plus Call Technical Services LLC (Joint Venture) (Refer Note 41A)	-	-	-	-	-	-	-	-
Kaarwan Eduventures Private Limited (Associate)	0.05	3.55	(0.02)	(0.20)	-	-	(0.02)	(0.20)
Climacrew Private Limited (Associate)	0.00*	0.15	(0.03)	(0.34)	-	-	(0.03)	(0.34)
Buildnext Construction Solutions Pvt Ltd (Associate)	0.29	21.43	(0.19)	(2.45)	-	-	(0.19)	(2.45)
Finemake Technologies Private Limited (Associate)	0.13	9.75	(0.10)	(1.25)	-	-	(0.09)	(1.25)
TOTAL	100.00	7,445.92	100.00	1,288.87	100.00	32.45	100.00	1,321.32

* denotes amount less than ₹ 50,000

INFORMATION ON SUBSIDIARY COMPANIES

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) in Form AOC-1

(₹ in crores)

Name of entity	Date of acquisition / incorporation of subsidiary	Reporting period (FY)	Reporting Currency	Exchange Rates as at year end	Share Capital (includes Share application Money)	Reserves & Surplus	Total Assets	Total Liabilities	Investments (except in case of subsidiaries)	Turnover	Profit / (Loss) Before Taxation	Provision For Tax (including Deferred Tax)	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding*
Pidilite International Pte Ltd	29.12.2004	31.03.2023	USD	82.17	230.78	(1.21)	229.67	0.10	-	-	10.14	2.42	7.72	-	100.00%
Pidilite Middle East Ltd	18.05.2005	31.03.2023	AED	22.37	232.17	(112.83)	119.43	0.10	-	-	(0.16)	-	(0.16)	-	100.00%
Pidilite MEA Chemicals (LLC)	28.06.2005	31.03.2023	AED	22.37	0.67	(182.43)	149.42	331.17	-	178.58	3.99	-	3.99	-	49.00%
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	29.12.2005	31.03.2023	Taka	0.77	27.17	71.61	139.79	41.01	-	187.99	11.41	4.45	6.96	-	100.00%
Pidilite Bamco Ltd	27.02.2006	31.03.2023	Baht	2.40	8.41	15.76	32.47	8.30	-	52.04	8.45	1.56	6.89	-	100.00%
PT Pidilite Indonesia	01.03.2006	31.03.2023	IDR	0.01	6.83	(4.05)	2.80	0.03	-	-	0.07	0.01	0.06	-	100.00%
Pidilite USA Inc	12.05.2006	31.03.2023	USD	82.17	121.45	(7.12)	123.97	9.63	-	128.77	(7.65)	1.96	(9.61)	-	100.00%
Pidilite Innovation Center Pte Ltd	20.12.2006	31.03.2023	SGD	61.81	6.15	5.41	17.72	6.16	-	5.30	1.91	0.03	1.88	-	100.00%
Pidilite Industries Egypt - SAE	18.10.2007	31.03.2023	EGP	2.66	29.29	(15.28)	28.42	14.41	-	45.15	(6.80)	0.17	(6.97)	-	100.00%
Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	10.05.2005	31.03.2023	BRL	16.13	119.84	(81.06)	87.55	48.77	-	129.20	(0.33)	-	(0.33)	-	100.00%
Bamco Supply and Services Limited	22.04.2008	31.03.2023	Baht	2.40	0.24	9.00	9.89	0.65	-	7.73	0.85	0.14	0.71	-	49.00%
PIL Trading (Egypt) LLC	27.07.2009	31.03.2023	EGP	2.66	1.44	(3.41)	5.66	7.62	-	8.12	(0.44)	(0.02)	(0.42)	-	100.00%
Pidilite Industries Trading (Shanghai) Co Ltd	22.11.2010	31.03.2023	RMB	11.95	1.15	0.73	1.98	0.10	-	1.07	0.33	-	0.33	-	100.00%
Pidilite Chemical PLC	10.12.2014	31.03.2023	Birr	1.52	2.71	(2.72)	0.03	0.04	-	-	-	-	-	-	100.00%
Pidilite Ventures LLC	08.08.2018	31.03.2023	USD	82.17	8.63	0.85	9.49	0.01	6.72	-	0.02	-	0.02	-	100.00%
Nebula East Africa Pvt Ltd	09.09.2015	31.03.2023	KES	0.62	0.31	0.20	1.44	0.94	-	1.68	(0.04)	-	(0.04)	-	100.00%
Pidilite Lanka (Pvt) Ltd	07.08.2015	31.03.2023	LKR	0.25	22.00	10.21	44.41	12.21	-	57.92	13.25	2.97	10.28	-	76.00%
Nina Lanka Construction Technologies (Pvt) Limited	20.02.2017	31.03.2023	LKR	0.25	0.40	0.42	2.30	1.48	-	1.83	0.63	0.12	0.52	-	72.70%
Pidilite East Africa Limited	12.02.2019	31.03.2023	KES	0.62	10.79	(2.01)	16.17	7.39	-	28.98	(0.34)	0.04	(0.37)	-	55.00%
Nina Percept (Bangladesh) Pvt Ltd	29.01.2020	31.03.2023	Taka	0.77	0.34	(0.04)	0.33	0.03	-	-	(0.02)	-	(0.02)	-	71.81%
Fevicol Company Limited	28.07.1979	31.03.2023	INR	-	0.27	2.05	2.32	-	0.28	-	0.04	0.01	0.03	-	100.00%
Pidilite Ventures Private Limited (formerly known as Madhumala Ventures Pvt Ltd)	01.06.1989	31.03.2023	INR	-	0.28	240.42	245.02	4.33	240.91	-	0.08	0.03	0.05	-	100.00%
Bhimad Commercial Company Pvt Ltd	01.06.1989	31.03.2023	INR	-	0.01	1.47	1.51	0.03	-	-	0.09	0.03	0.06	-	100.00%
Pageel Concrete Technologies Pvt Ltd	24.01.2007	31.03.2023	INR	-	0.10	(0.43)	-	0.33	-	-	-	-	-	-	80.00%
Building Envelope Systems India Ltd	07.09.2012	31.03.2023	INR	-	8.35	16.56	25.77	0.86	-	18.31	2.49	0.84	1.65	-	60.00%
Nina Percept Private Limited	30.03.2015	31.03.2023	INR	-	1.18	81.69	321.45	238.58	-	288.00	(10.31)	(2.77)	(7.54)	-	74.58%
ICA Pidilite Pvt Ltd	20.11.2015	31.03.2023	INR	-	6.66	257.77	371.54	107.11	-	351.79	43.67	11.01	32.67	-	50.00%
Pidilite C-Techos Walling Ltd	05.03.2020	31.03.2023	INR	-	1.82	(0.78)	1.94	0.91	-	0.47	(0.83)	-	(0.83)	-	60.00%
Pidilite Litokol Pvt Ltd	07.10.2019	31.03.2023	INR	-	2.60	42.25	48.26	3.40	-	3.49	(0.21)	(0.04)	(0.18)	-	60.00%
Pidilite Grupo Puma Manufacturing Ltd	13.01.2020	31.03.2023	INR	-	1.84	39.33	57.38	16.21	-	-	(5.29)	0.03	(5.32)	-	50.00%
Tenax Pidilite India Private Limited	28.05.2020	31.03.2023	INR	-	0.60	45.18	58.39	12.62	-	35.53	3.56	0.84	2.72	-	70.00%

% of holding and voting power either directly or indirectly through subsidiary as at 31st March 2023.

Name of Subsidiaries which have been liquidated, merged or sold during the year: Pidilite Adhesives Pvt Ltd (PAPL) and Cipy Polyurethanes Pvt Ltd (CIPY) (Refer Note 56c).

INFORMATION ON ASSOCIATES

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies)

(₹ in crores)

Name of Associates	Vinyl Chemicals (India) Ltd	Aapkapainter Solutions Private Limited	Kaarwan Eduventures Private Limited
1 Latest audited Balance Sheet Date	31 st March 2023	31 st March 2023	31 st March 2023
2 Share of Associate held by the Company at the year end			
• Number	74,51,540	8,380	406
• Amount of Investment in Associate	1.18	20.37	3.75
• Extent of Holding %	40.64%	47.67%	28.88%
3 Description of how there is significant influence	Associate	Associate	Associate
4 Reason why Associate is not consolidated	refer Note 2.5	refer Note 2.5	refer Note 2.5
5 Networth attributable to Shareholding as per latest audited Balance Sheet	46.05	17.22	0.89
6 Profit / (Loss) for the year			
(i) Considered in Consolidation	14.48	(3.59)	(0.20)
(ii) Not Considered in Consolidation	21.17	(3.94)	(0.69)

(₹ in crores)

Name of Associates	Climacrew Private Limited	Buildnext Construction Solutions Pvt Ltd	Finemake Technologies Private Limited
1 Latest audited Balance Sheet Date	31 st March 2023	31 st March 2023	31 st March 2023
2 Share of Associate held by the Company at the year end			
• Number	4,94,900	50,474	5,483
• Amount of Investment in Associate	0.49	23.89	11.00
• Extent of Holding %	33.33%	24.13%	32.20%
3 Description of how there is significant influence	Associate	Associate	Associate
4 Reason why Associate is not consolidated	refer Note 2.5	refer Note 2.5	refer Note 2.5
5 Networth attributable to Shareholding as per latest audited Balance Sheet	0.00*	15.51	2.27
6 Profit / (Loss) for the year			
(i) Considered in Consolidation	(0.34)	(2.45)	(1.25)
(ii) Not Considered in Consolidation	(0.69)	(7.71)	(2.62)

* denotes amount less than ₹ 50,000

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 : 8th May 2023

Pidilite Industries Limited
Registered Office:
Regent Chambers, 7th Floor,
Jamnalal Bajaj Marg,
208 Nariman Point,
Mumbai 400 021.

www.pidilite.com



NOTICE

NOTICE is hereby given that the **54th ANNUAL GENERAL MEETING** of the Members of the Company will be held on Thursday, 10th August 2023 at 3.00 p.m. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the audited standalone financial statements of the Company for the financial year ended 31st March 2023 together with the reports of Board of Directors and the Auditors' thereon; and
 - b. the audited consolidated financial statements of the Company for the financial year ended 31st March 2023 together with the report of the Auditors' thereon.
2. To declare Dividend on equity shares.
3. To appoint a Director in place of Shri A N Parekh (DIN: 00111366), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Sudhanshu Vats (DIN: 05234702), who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution** for appointment of Statutory Auditors of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Audit Committee and the Board of Directors, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of the 54th Annual General Meeting (AGM) until the conclusion of the 59th AGM of the Company, on such remuneration as may be mutually agreed upon between the board of directors and the statutory auditors."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, matters and things, as may be necessary and expedient for the purpose of giving effect to this resolution."

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, Schedule V read with other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), and pursuant to the

recommendation of Nomination and Remuneration Committee, approval of the members of the Company be and is hereby accorded for re-appointment of Shri M B Parekh (DIN: 00180955) as the Whole Time Director (designated as Executive Chairman) for a further period of 5 years with effect from 1st August 2023 on the terms and conditions and payment of remuneration as set out in the Explanatory Statement attached to the Notice."

"RESOLVED FURTHER THAT Shri M B Parekh shall be designated as the Executive Chairman or such other designation as may be approved by the Board of Directors from time to time, the same not being inconsistent with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time)."

"RESOLVED FURTHER THAT Shri M B Parekh shall have substantial powers of management and be in charge of general management of the Company within the provisions of Articles of Association but subject to superintendence, control and direction of the Board of Directors."

"RESOLVED FURTHER THAT Shri M B Parekh will be a non-rotational Director and shall not be liable to retire by rotation during his term."

"RESOLVED FURTHER THAT Shri M B Parekh shall be entitled to reimbursement of all expenses incurred for the purpose of business of the Company and shall not be entitled to any sitting fees for attending meetings of the Board of Directors and Committee(s) thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to vary and/or modify the terms and conditions of re-appointment and remuneration and perquisites payable to Shri M B Parekh so as not to exceed the limits specified in Schedule V and other applicable Sections of the Act or any statutory modifications thereof as may be agreed to by the Board of Directors and Shri M B Parekh."

"RESOLVED FURTHER THAT the total remuneration by way of salary, perquisites, allowances and others payable to Shri M B Parekh, Executive Chairman in any Financial Year shall not exceed 5% of the Net Profit of that Financial Year calculated as per the applicable provisions, of the Act."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors."

7. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, Schedule V read with other applicable provisions, if any, of the Companies Act, 2013 ('Act') and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any

statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of Nomination and Remuneration Committee, approval of the members of the Company be and is hereby accorded for the re-appointment of Shri A B Parekh (DIN: 00035317), as a Whole Time Director (designated as Executive Vice Chairman) of the Company, for a further period of 5 years with effect from 1st August 2023, whose period of office shall be liable to determination by retirement of Directors by rotation, on the terms and conditions and payment of remuneration as set out in the Explanatory Statement attached to the Notice."

"RESOLVED FURTHER THAT Shri A B Parekh, the Whole Time Director will work under the superintendence, control and direction of the Board of Directors."

"RESOLVED FURTHER THAT Shri A B Parekh, the Whole Time Director shall be entitled to reimbursement of all expenses incurred for the purpose of business of the Company and shall not be entitled to any sitting fees for attending meetings of the Board of Directors and Committee(s) thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to vary and/or modify the terms and conditions of re-appointment and remuneration and perquisites payable to Shri A B Parekh so as not to exceed the limits specified in Schedule V and other applicable Sections of the Act or any statutory modifications thereof as may be agreed to by the Board of Directors and Shri A B Parekh."

"RESOLVED FURTHER THAT the total remuneration by way of salary, perquisites, allowances and commission payable to Shri A B Parekh, Whole Time Director, in any Financial Year shall not exceed 5% of the Net Profit of that Financial Year calculated as per the applicable provisions of the Act."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors."

8. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), a sum not exceeding 1% p.a. of the net profits of the Company, calculated in accordance with the provisions of Sections 197 and 198 of the Act be paid by way of commission to and

distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole Time Directors of the Company) in such amounts, subject to such ceiling/s and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year for a period of 5 years commencing 1st April 2023."

9. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors M/s. V J Talati & Co., Cost Accountants, (Registration No. R00213) appointed by the Board of Directors of the Company, on the recommendation of Audit Committee, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2024, be paid the remuneration as set out in the explanatory statement annexed to the Notice convening this meeting and the same is hereby ratified and approved."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai
Date : 8th May 2023

MANISHA SHETTY
COMPANY SECRETARY

Registered Office:
Regent Chambers, 7th floor,
Jamnalal Bajaj Marg,
208, Nariman Point,
Mumbai 400 021.
Tel : 91 22 2835 7000
E-mail : investor.relations@pidilite.co.in
Website: www.pidilite.com
CIN : L24100MH1969PLC014336

Notes:

1. The Ministry of Corporate Affairs (the MCA) has, vide its circular dated 28th December 2022 read with relevant circulars issued by Securities and Exchange Board of India (the SEBI) has permitted the holding of the Annual General Meeting (AGM/ Meeting) through Video Conferencing ("VC") or other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 54th Annual General Meeting ("the AGM") of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate members are requested to send to the Company a scanned (PDF/JPG Format) certified copy of the Board Resolution/Authorisation authorizing their representative to attend and vote on their behalf through remote voting at investor.relations@pidilite.co.in. The said Resolution/Authorisation shall also be sent to the Scrutinizer by email through its registered email address to pidilite.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
4. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
5. A statement pursuant to Section 102(1) of the Act, setting out all material facts relating to item nos. 5 to 9 of the Notice is annexed herewith and the same should be taken as part of this Notice.
6. Notes given in the Notice to the extent applicable also forms part of the Explanatory Statement.
7. Members seeking any information with regard to the accounts, inspection of documents or any matter to be placed at the AGM, are requested to write to the Company on or before 31st July 2023 through email on queries_documents@pidilite.com. The same will be replied by the Company suitably.
8. Since the AGM will be held through VC / OAVM, the Route Map of the venue of AGM is not annexed to this Notice.
9. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.pidilite.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL <https://www.evoting.nsdl.com>.
10. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. In accordance with the provisions of Regulation 36(3) of SEBI Listing Regulations and applicable provisions of Secretarial Standard-2, a brief profile of Shri A N Parekh, Shri Sudhanshu Vats, Shri M B Parekh and Shri A B Parekh, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of committees of directors, their shareholding and relationships between directors inter se and other information, is set out and the same forms part of this Notice.
12. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 28th July 2023 to Thursday, 10th August 2023 (both days inclusive) for the purpose of payment of dividend on equity shares and the AGM. The Record date will be Thursday 27th July 2023 for determining entitlement of members for payment of dividend for the financial year ended 31st March 2023.
13. A. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are required to submit their PAN as well as bank details to their Depository Participants and Members holding shares in physical form shall submit their PAN as well as bank details to the Company/ TSR Consultants Private Limited, the Company's Registrar & Share Transfer Agents ("Company's R & T Agents").
B. As per Regulation 40 of the SEBI Listing Regulations and SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, as amended, securities of listed companies can be transferred only in dematerialized form, in view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's R & T Agents for assistance in this regard.
C. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 and 25th May 2022 has mandated the listed companies to issue securities in dematerialized form only while processing certain prescribed service requests. Accordingly, the members are requested to make service request by submitting a duly filled and signed Form No. ISR-4, the format of which is available on the Company's website at www.pidilite.com and on the website of Company's R & T Agents at www.tcplindia.co.in. Members are requested to note that any service request would only be processed after the folio is KYC Compliant.
14. The Members are requested to inform of changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC, etc., immediately to:
 - (i) Company's R & T Agents in prescribed Form No. ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 in case of shares held in Physical Form; or
 - (ii) Depository Participants (DP) in case of shares held in Electronic Form.

15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
16. Members can avail nomination facility in terms of extant legal provisions. In this regard, on request, the necessary Form SH-13 can be obtained from the Company's R & T Agents. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are also available on the website of the Company at www.pidlilite.com.
17. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs, in case the shares are held by them in electronic form and with Company's R & T Agents in case the shares are held by them in physical form.
18. Shareholders may note that under the provisions of the Income-tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct Tax at Source ("TDS") at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income-tax Act, 1961.
 - A) For Resident Shareholders, TDS shall be deducted under Section 194 of the Income-tax Act, 1961 at 10% (Ten percent) on the amount of Dividend declared and paid by the Company during financial year 2023-24 provided PAN is registered by the Shareholder. If PAN is not registered or PAN is not linked with Aadhar or specified person under Section 206AB of the Income-tax Act, 1961, TDS would be deducted @ 20% (Twenty percent). However, no tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during financial year 2023-24 does not exceed ₹ 5,000/-. In cases where the shareholder furnishes valid Form 15G (applicable to any person other than a Company or a Firm or HUF)/ valid Form 15H (applicable to an Individual above the age of 60 years) Nil/ lower TDS Certificate issued by the Income tax department, no TDS shall be deducted provided that the eligibility conditions are being met.
 - B) For Non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income-tax Act, 1961 at the rates in force. As per the relevant provisions of the Income-tax Act, 1961, the withholding tax shall be at the rate of 20% (Twenty percent) (plus applicable surcharge and education cess) on the amount of Dividend payable to them. However, as per Section 90 of the Income-tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the

Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Copy of Tax Residency Certificate ("TRC") for the period of 1st April 2023 to 31st March 2024 or 1st January 2023 to 31st December 2023 obtained from the tax authorities of the country of which the Shareholder is resident.
- Self declaration in Form No. 10F if all the details required in this form are not mentioned in the TRC. If the shareholder have PAN in India, Form No. 10F have to be e-filed online through Income-tax portal.
- Self-attested copy of the PAN Card allotted by the Indian Income Tax authorities.
- Self-Declaration certifying the following points:
 - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2023-24;
 - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
 - v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2023-24.





As per Finance Act, 2021, Section 206AB of the Income-tax Act, 1961 has been inserted effective from 1st July 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section. However, in case a non-resident shareholder or a non-resident Foreign Portfolio/ Foreign Institutional Investor, higher rate of tax as mentioned under Section 206AB of the Income-tax Act, 1961 shall not apply if such non-resident does not have a permanent establishment in India.

- C) All shareholders are requested to check / update their correct name, PAN, address, residential status, etc. from/to your broker / DP Agent.
- D) Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by Non-Resident shareholder.
- E) Accordingly, in order to enable us to determine the appropriate TDS/withholding tax rate applicable, we request you to provide these details and documents as mentioned above before 25th July 2023.
- F) Kindly note that the aforementioned documents are required to be submitted at <https://tcpl.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 25th July 2023 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained post 25th July 2023. It may be

further noted that in case the income-tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

- G) The soft copy of TDS certificate can be emailed to you at your registered e-mail ID in accordance with the provisions of the Income-tax Act, 1961 after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend. Further, you can download Form No. 26AS from the Income tax Portal after login through your PAN and can check TDS deduction details on dividend from Form No. 26AS.
- H) Separate email communication is being sent to the shareholders informing the said change in the Income-tax Act, 1961 as well as relevant procedure to be adopted by the shareholders for availing the applicable tax rate.
19. A. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed /unpaid dividend up to the financial year ended 31st March 1994 have been transferred to the General Revenue Account of the Central Government. Those Members who have so far not claimed their dividends for the said periods may claim the same by submitting an application in the prescribed form to the Registrar of Companies, Maharashtra.
- B. The Company has transferred unclaimed/unpaid dividend (including the Interim Dividend declared during the Financial Year 2001-2002) in respect of Financial Years ended 31st March 1995 to 31st March 2015 and interim dividend for financial year 2015-16 to the Investor Education and Protection Fund (IEPF).
- C. Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), both of which were made applicable with effect from 7th September 2016, also contain similar provisions for transfer of such amounts to IEPF. Accordingly, all unclaimed/unpaid dividend, as well as the principal redemption amount of preference shares, as applicable, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the IEPF established by the Central Government. No claim shall be entertained against the Company for the amounts so transferred.
- D. As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more as referred to in the said section read with the relevant Rules, have been transferred to the IEPF Demat Account.
- E. The Company has sent notice to all the Members whose final dividends for the financial year ending 31st March 2016 are lying unpaid/unclaimed against their name. Members are requested to claim the same. As mentioned in the said notice, in case the dividends are not claimed by 31st August 2023, necessary steps will be initiated by the Company to transfer the shares and dividend held by the concerned Members to IEPF, without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.
- F. In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5.
- G. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 10th August, 2022 (date of last AGM) on the website of the Company (www.pidilite.com) and also on the Ministry of Corporate Affairs website.
- Members who have not yet encashed their Dividend Warrants for the years ended 31st March 2016 to 31st March 2022 are requested to contact the R & T Agents, M/s. TSR Consultants Pvt. Ltd., Unit: Pidilite Industries Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400083.
20. In March 2008, some of the members of Vinyl Chemicals (India) Limited (VCIL) were allotted 6% Secured Redeemable Preference Shares of ₹ 10/- each (Preference Shares) by the Company pursuant to the Scheme of Demerger of VAM Manufacturing Unit of VCIL into the Company. The said Preference Shares were redeemed on 5th September 2008 and the Company had despatched Preference Dividend-cum-Redemption Warrants to all Preference Shareholders without surrender of the Preference Share Certificates. The unclaimed preference shares redemption amount and the dividend pertaining to the same have been transferred to IEPF and hence no claim shall lie in respect thereof against the Company.
21. **Voting through electronic means**
- I. In compliance with provisions of Section 108 of the Act and Rules issued thereunder and Regulation 44 of SEBI Listing Regulations, Members are provided with the facility to cast their vote by electronic means through the remote e-voting platform as well as e-voting on the date of AGM has been provided by National Securities Depository Limited (NSDL) on all resolutions set out in this Notice. Resolutions passed by the Members through e-voting is/are deemed to have been passed, as if they have been passed at the AGM.
- II. The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- III. The details of the process and manner for remote e-voting are explained herein below:
- Step 1: Access to NSDL e-voting**
- A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**
- In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest or www.cdslindia.com and click on login icon and New System Myeasi Tab. After successful login of Easi/Easiest, the user will also be able to see the e-Voting Menu. The Menu will have links of Evoting Service Provider (ESP) i.e. NSDL portal. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab to register. Alternatively, the user can directly access e-Voting page by providing Demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or ESP name i.e. NSDL and you will be redirected to ESP website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Note: Members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free nos.: 022-4886 7000 and 022-2499 7000.
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33.

B. Login Method for e-Voting and joining virtual meeting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Login to NSDL e-voting website?

- i. **Step 1 - Visit the e-Voting website of NSDL.**
Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/ Member" section.
- iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a. For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- v. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'
 - (ii) If your email ID is not registered, please follow instructions mentioned below in this notice.
 - vi. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
 - vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - viii. Now, you will have to click on "Login" button.
 - ix. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- iii. Select "EVEN" of the Company.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

- vi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the Depositories/Company for procuring User ID and Password for e-Voting for the resolutions set out in this Notice:

Shareholders/members may send a request to evoting@nsdl.co.in for procuring User ID and Password for e-Voting by providing below mentioned documents:

1. In case shares are held in physical mode please provide folio no., name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card) and Aadhaar (self-attested scanned copy of Aadhaar Card).
2. In case shares are held in demat mode, please provide DP ID Client ID (16 digit DP ID + Client ID or 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card) and Aadhaar (self-attested scanned copy of Aadhaar Card). If you are an individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at note Step 1.A 'Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode'.

Process for registration of email id for obtaining Annual Report and updation of bank account mandate for receipt of dividend:

Physical Holding	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies Share (Capital and Debentures) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares/ debentures/bonds, etc., held in physical form	Form ISR-4

The forms for updating the above details are available at Company's website <https://www.pidilite.com/investors/shareholders-corner/>

Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.
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THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM remains same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

General Guidelines for shareholders

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pidilite.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 4886 7000 and 022 2499 7000 or send a request at evoting@nsdl.co.in.
- iv. Any person, holding shares in physical form and non-individual shareholders who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 3rd August 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 4886 7000 and 022 2499 7000. In case of

Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e 3rd August 2023 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

- v. The remote e-voting period shall commence on Sunday, 6th August 2023 at 9.00 a.m. and would end on Wednesday, 9th August 2023 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form as on 3rd August 2023 (cut-off date) may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the Shareholder, the shareholder shall not be allowed to change/modify it subsequently or cast the vote again.
- vi. The voting rights of Shareholders shall be in proportion to the share in the paid up equity share capital of the Company as on 3rd August 2023, the cut-off date. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- A. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- B. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- C. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- D. Members are advised to join the Meeting using stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches and disturbance during the meeting.
- E. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or call on 022 4886 7000 and 022 2499 7000 or contact Ms. Prajakta Pawle– NSDL at evoting@nsdl.co.in.

- F. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at queries_documents@pidilite.com from 1st August 2023 to 4th August 2023. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
- 22. Shri P N Parikh, Practising Company Secretary (Membership No. FCS 327 CP No.1228) or failing him, Shri. Mitesh Dhabliwala (Membership No. FCS 8331 CP No. 9511) or failing him, Smt. Sarvari Shah (Membership No. FCS 9697 CP No. 11717) have been appointed as the 'Scrutinizer' to scrutinize remote e-voting process and also e-voting at the AGM in a fair and transparent manner.
- 23. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first scrutinise the votes cast at the AGM, thereafter unlock the votes cast through remote e-voting and shall make not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- 24. The Results alongwith the Scrutinizer's Report shall be placed on the Company's website www.pidilite.com and on the website of NSDL within 48 hours of conclusion of the 54th AGM of the Company and communicated to BSE Limited and National Stock Exchange of India Limited.

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013 (the 'Act')

Item No. 5

The Members of the Company at the 49th Annual General Meeting (AGM) held on 30th August 2018 had approved the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants, as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of said AGM till the conclusion of the 54th AGM. They will complete their present term on conclusion of this AGM.

The Board of Directors of the Company ("the Board"), at its meeting held on 8th May 2023 has, considering the experience and expertise and on the basis of recommendation of the Audit Committee, proposed to the Members of the Company appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), as Statutory Auditors of the Company in place of M/s Deloitte Haskins & Sells LLP, Chartered Accountants, for a term of 5 (five) consecutive years from the conclusion of 54th AGM till the conclusion of the 59th AGM on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors, from time to time.

M/s. B S R & Co., LLP is a Chartered Accountant firm having strong presence in major cities of the country. M/s. B S R & Co., LLP is engaged in statutory audits of some of the large companies in various sectors.

M/s. B S R & Co. LLP, Chartered Accountants have provided their consent under Section 139 of the Companies Act, 2013 for appointment as Statutory Auditors along with a certificate stating that their appointment will be as per the criteria as specified under Section 141(3) of the Companies Act, 2013.

The proposed remuneration to be paid to the Auditors for the financial year 2023-24 is ₹ 1.25 Crores (Rupees One Crore Twenty Five Lakhs Only). The said remuneration excludes applicable taxes and out of pocket expenses.

The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Auditors for the financial year 2023-24 and the remuneration paid to the Outgoing Auditors for the financial year 2022-23.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise), in this resolution.

The Board recommends this resolution for approval by the members.

Item No. 6

The present term of Shri M B Parekh as Whole Time Director is valid upto 31st July 2023. The Board of Directors (the Board) at their meeting held on 8th May 2023, have re-appointed Shri M B Parekh as a Whole Time Director designated as Executive Chairman with substantial powers of the management for a further period of 5 years with

effect from 1st August 2023 on the following terms and conditions, based on the recommendation of Nomination and Remuneration Committee:

A. Basic Salary:

Salary of ₹ 13,36,037/- (Rupees Thirteen Lakhs Thirty Six Thousand Thirty Seven Only) per month with first increment due on 1st April 2024. The increment will be decided by the Board and be subject to a ceiling of 15% p.a. of the salary. Subsequent increments will become due on 1st April every year.

B. Special Allowance:

₹ 8,01,622/- (Rupees Eight Lakh One Thousand Six Hundred Twenty Two only) per month. The amount shall be determined by the Board from time to time but shall not exceed the amount equivalent to annual salary.

C. Perquisites/ Benefits/ Allowances:

₹ 26,95,049/- (Rupees Twenty Six Lakhs Ninety Five Thousand Forty Nine only) per annum.

i. Residential Accommodation:

House Rent Allowance (HRA) ₹ 4,00,811/- (Rupees Four Lakhs Eight Hundred Eleven only) per month.

The Company shall provide rent free furnished accommodation to Shri M B Parekh or shall give HRA equivalent to 30% of the salary or shall provide combination of both.

ii. Contribution to Provident Fund, payment of Superannuation/ Gratuity:

a. Contribution to Provident Fund as per rules of the Company.

b. Shri M B Parekh will be entitled to Superannuation benefit as per rules of the Company. In lieu of Superannuation as per Rules of the Company, the Company may purchase Deferred Annuity Policy from Life Insurance Corporation of India or other institutions. Alternately, the Company shall make similar payment for any Pension Scheme.

c. Shri M B Parekh will be entitled to Gratuity payment as per rules of the Company.

iii. Other Perquisites/ Allowances:

Following Perquisites/ Allowances shall not exceed an amount equivalent to the annual salary:

a. Reimbursement of gas, electricity, water.

b. Furnishings/ Furnitures/ Equipments and Home Appliances.

c. Reimbursement of travel and stay expenses for proceeding on leave once a year in respect of self and family including all expenses in connection with the travel and stay for self and family.

d. Reimbursement of membership fees / subscription for 2 clubs in India.

e. Medical and Personal Accident Insurance.

f. Other Allowances as may be approved by the Board from time to time.

- iv. Following perquisites / benefits over and above the ceiling prescribed in (C)(iii) above:
 - a. Company's car/s with driver/s and/or other suitable conveyance facilities.
 - b. Telephone and other communication facilities at residence.
 - c. Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalisation for self and family (Family shall mean spouse, children and parents).
 - d. Encashment of unavailed earned leave as per rules of the Company.

Perquisites shall be evaluated as per Income Tax Rules where applicable.

Shri M B Parekh, aged 76 years, is a qualified Chemical Engineer [B.Chem. Engg. (Bom), M.S. Chem. Engg. (USA)] and has over 52 years of experience. Last remuneration drawn by Shri M B Parekh is as approved by the members earlier. In accordance with the provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 a brief profile of Shri M B Parekh is given as an annexure to this Notice and forms part of this explanatory statement.

Shri M B Parekh is a fit and proper person for the post of Whole Time Director. He has guided the Company through decades of diversification and growth. The terms and conditions of his re-appointment are fair and reasonable. It would be in the interest of the Company to continue to avail services of Shri M B Parekh as Whole Time Director.

The Members' approval is required for the above under Schedule V and other applicable provisions of the Companies Act, 2013 (Act). Shri M B Parekh is also the Chairman and Managing Director of M/s. Vinyl Chemicals (India) Limited (VCIL) drawing remuneration from VCIL.

The above may be treated as a written memorandum, setting out the terms of re-appointment of Shri M B Parekh, under section 190 of the Act.

Shri M B Parekh and his relative Shri A B Parekh are interested in this resolution.

Save and except above, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise), in any way, in this resolution.

A special resolution is proposed as per the provisions of Section 196(3) of the Act and the Board recommends this special resolution for approval by the members.

Item No. 7

The present term of Shri A B Parekh as Whole Time Director is valid upto 31st July 2023. The Board of Directors (the Board) at their meeting held on 8th May 2023, have re-appointed Shri A B Parekh as Whole Time Director designated as Executive Vice Chairman for a further period

of 5 years with effect from 1st August 2023 on the following terms and conditions, based on the recommendation of Nomination and Remuneration Committee:

A. Salary:

Salary of ₹ 5,72,586/- (Rupees Five Lakh Seventy Two Thousand Five Hundred Eighty Six Only) per month with first increment due on 1st April 2024. The increment will be decided by the Board and be subject to a ceiling of 15% p.a. of the salary. Subsequent increments will become due on 1st April every year.

B. Commission:

Shri A B Parekh shall be entitled to commission of such amount, to be determined by the Board from time to time based on the net profits of the Company subject to overall ceiling laid down in Section 197 and 198 of the Companies Act, 2013.

C. Special Allowance:

₹ 3,43,552/- (Rupees Three Lakh Forty Three Thousand Five Hundred Fifty Two only) per month. The amount shall be determined by the Board from time to time but shall not exceed the amount equivalent to annual salary.

D. Perquisites/Benefits/ Allowances:

₹ 13,14,027/- (Rupees Thirteen Lakhs Fourteen Thousand Twenty Seven only) per annum.

i. Residential Accommodation:

House Rent Allowance (HRA) ₹ 1,71,776/- (Rupees One Lakh Seventy One Thousand Seven Hundred Seventy Six only) per month.

The Company shall provide rent free furnished accommodation to Shri A B Parekh or shall give HRA equivalent to 30% of the salary or shall provide combination of both.

ii. Contribution to Provident Fund, payment of Superannuation/ Gratuity as per the rules of the Company.

iii. Other Perquisites/ Allowances:

Following Perquisites/ Allowances shall not exceed an amount equivalent to the annual salary:

- a. Reimbursement of gas, electricity, water.
- b. Furnishings/ Furnitures/ Equipments and Home Appliances.
- c. Reimbursement of travel and stay expenses for proceeding on leave once a year in respect of self and family including all expenses in connection with the travel and stay for self and family.
- d. Reimbursement of membership fees / subscription for 2 clubs in India.
- e. Medical and Personal Accident Insurance.
- f. Other Allowances as may be approved by the Board from time to time.

- iv. Following perquisites / benefits over and above the ceiling prescribed in (D)(iii) above:
- Company's car/s with driver/s and/or other suitable conveyance facilities.
 - Telephone and other communication facilities at residence.
 - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalisation for self and family (Family shall mean spouse, children and parents).
 - Encashment of unavailed earned leave as per rules of the Company.

Perquisites shall be evaluated as per Income Tax Rules where applicable.

Shri A B Parekh, aged 65 years, is a B.Chem (Engg.), M.B.A (USA) having experience of over 41 years. Last remuneration drawn by Shri A B Parekh is as approved by the members earlier. In accordance with the provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, a brief profile of Shri A B Parekh is given as an annexure to this Notice and forms part of this explanatory statement.

Shri A B Parekh is a fit and proper person for the post of Whole Time Director. The terms and conditions of his re-appointment are fair and reasonable. It would be in the interest of the Company to continue to avail services of Shri A B Parekh as Whole Time Director.

The Members approval is required for the above under Schedule V and other applicable provisions of the Companies Act, 2013 (Act).

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri A B Parekh under section 190 of the Act.

Shri A B Parekh and his relative Shri M B Parekh are interested in this resolution.

Save and except above, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise), in any way, in this resolution.

A special resolution is proposed as per the provisions of Section 196(3) of the Act as he will be attaining the age of 70 years during his tenure as a Whole Time Director. The Board recommends this special resolution for approval by the members.

Item No. 8

Section 197 read with Schedule V of the Companies Act, 2013 (Act) permits payment of remuneration to the Non-Executive Directors of a Company by way of commission not exceeding 1% per annum of the net profits of the Company, if members of the Company approves such payment by passing a Special Resolution.

Considering the knowledge, experience and expertise of the Non-Executive Directors on corporate matters, it is appropriate that the Non-Executive Directors be compensated adequately for the services rendered by them to the Company.

It is, therefore, proposed to renew the Special Resolution passed earlier on 30th August 2018 for a further period of 5 years from 1st April 2023 for payment of commission not exceeding 1% of the net profits of the Company for each financial year calculated in accordance with the provisions of the Act and subject to further appropriate ceiling/s which shall be paid and distributed amongst the Non-Executive Directors of the Company in accordance with the decision of the Board. Such payment of commission will be in addition to the sitting fees paid for attending Board/Committee meetings. In case of inadequacy of profits or losses in any financial year, it is proposed to pay remuneration to the Non-Executive Directors as per the provisions of Section II of Part II of Schedule V of the Act.

All the Directors of the Company except Shri M B Parekh, Executive Chairman, Shri A B Parekh, Executive Vice Chairman, Shri Bharat Puri, Managing Director, Shri Sudhanshu Vats, Deputy Managing Director, Shri Joseph Varghese, Director-Operations and Shri Sandeep Batra, Director-Finance may be deemed to be interested or concerned (financially or otherwise) in this resolution to the extent of the commission that may be paid to the Non-Executive Directors of the Company.

A special resolution is proposed as per the provisions of Section 197(1) of the Act and the Board recommends this special resolution for approval by the members.

Item No. 9

The Board, on the recommendation of Audit Committee, has approved the appointment and remuneration of an amount not exceeding ₹ 1.88 Lakhs (Rupees One Lakh Eighty Eight Thousand Only), plus applicable taxes, for the financial year ending 31st March 2024 payable to the Cost Auditor M/s. V J Talati & Co., Cost Accountants to conduct the audit of the cost records of the Company for the aforesaid financial year. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board, has to be ratified by the Members of the Company.

The Board recommends the Ordinary Resolution, as set out in Item No. 9 of the Notice, for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested (financially or otherwise) in this resolution.

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai
Date : 8th May 2023

MANISHA SHETTY
COMPANY SECRETARY

Registered Office:
Regent Chambers, 7th floor,
Jamnalal Bajaj Marg,
208, Nariman Point,
Mumbai 400 021.
Tel : 91 22 2835 7000
E-mail : investor.relations@pidilite.co.in
Website : www.pidilite.com
CIN : L24100MH1969PLC014336

Additional information on Directors seeking election at the Annual General Meeting

[under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]:

Resolution/Item No	3	4	6	7
Name of Director	Shri A N Parekh	Shri Sudhanshu Vats	Shri M B Parekh	Shri A B Parekh
Age	51 years	55 years	76 years	65 years
Date of first appointment on the Board	1 st July 2005	18 th May 2022	31 st August 1972	26 th June 1985
Qualification	B. S. Chem. Engg. (U.S.A)	MBA from Indian Institute of Management – Ahmedabad and NIT Kurukshetra	Chemical Engineer [B.Chem. Engg. (Bom), M. S. Chem. Engg. (USA)]	B. S. Chem. Engg. (USA), M.B.A (USA)
Experience (including expertise in specific functional area) / Brief Resume	For details, please refer to the Corporate Governance Report		For details, please refer to the Explanatory statement attached to the AGM Notice	
Terms and Conditions of appointment/ re-appointment	Whole-time Director designated as Executive Vice Chairman appointed for a period of 5 years liable to retire by rotation	Whole Time Director designated as Deputy Managing Director appointed for a period of 5 years liable to retire by rotation	Whole Time Director designated as Executive Chairman appointed for a period of 5 years not liable to retire by rotation	Whole Time Director designated as Executive Vice Chairman appointed for a period of 5 years liable to retire by rotation
Remuneration last drawn (FY 2022-2023)	For details, please refer to the Corporate Governance Report			
Remuneration proposed to be paid	As approved by the members at the Annual General meeting held on 10 th September 2020	As approved by the members at the Annual General meeting held on 10 th August, 2022	As per the resolution at Item No. 6 of the Notice convening this Meeting read with explanatory statement thereto	As per the resolution at Item No. 7 of the Notice convening this Meeting read with explanatory statement thereto
Other Companies in which he/ she is a Director excluding Section 8 companies and Private Companies	1. Nina Percept Pvt. Ltd. (Deemed Public Company) 2. Pidilite Ventures Pvt. Ltd. (Formerly known as Madhumala Ventures Pvt. Ltd.) (Deemed Public Company) 3. Solstice Business Solutions Pvt. Ltd. (Deemed Public Company)	1. Pidilite Grupo Puma Manufacturing Ltd. 2. Tata Play Ltd.	1. Vinyl Chemicals (India) Ltd. 2. Fevicol Company Ltd. 3. Kalva Marketing and Services Ltd. 4. Excel Industries Ltd.	1. Vinyl Chemicals (India) Ltd. 2. Fevicol Company Ltd. 3. Parekh Marketing and Services Ltd. 4. Building Envelope Systems India Ltd.
Chairperson/ Membership of the Statutory Committee(s) of Board of Directors of the Company	For details, please refer to the Corporate Governance Report	Nil	For details, please refer to the Corporate Governance Report.	

Resolution/Item No	3	4	6	7
Name of Director	Shri A N Parekh	Shri Sudhanshu Vats	Shri M B Parekh	Shri A B Parekh
Chairperson/ Membership of the Committee(s) of Other Boards excluding Section 8 companies and Private Companies	1. Nina Percept Pvt. Ltd. (Deemed Public Company): Member of Committee: • Audit Committee • Nomination & Remuneration Committee	1. Tata Play Ltd.: Member of Committee: • Nomination & Remuneration Committee • Stakeholders Relationship Committee	1. Vinyl Chemicals (India) Ltd. Member of Committee: • Audit Committee • Corporate Social Responsibility Committee 2. Excel Industries Ltd. Member of Committee: • Corporate Social Responsibility Committee	1. Vinyl Chemicals (India) Ltd. Member of Committee: • Stakeholders Relationship Committee 2. Parekh Marketing Ltd. Chairman of Committee: • Corporate Social Responsibility Committee Member of Committee: • Audit Committee • Nomination & Remuneration Committee
Names of the Listed entities from which the Director has resigned in past 3 years	Nil	1. EPL Ltd. Date of Cessation: 31 st August 2021)	Nil	Nil
In case of Independent Director, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	Not Applicable			
Number of Meetings of the Board attended during the year	For details, please refer to the Corporate Governance Report.			
Shareholding in the Company as on 31 st March 2023	30,76,918 Equity Shares	Nil	5,15,51,286 Equity Shares	4,74,33,489 Equity Shares
Relationship with other Directors, Manager or Key Managerial Personnel, if any	Related to Shri N K Parekh, Non-Executive Director of the Company	None	Related to Shri A B Parekh, Executive Vice Chairman of the Company	Related to Shri M B Parekh, Executive Chairman of the Company