



years of building bonds

# Company Information

## Board of Directors

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B K Parekh	Chairman
S K Parekh	Vice Chairman
M B Parekh	Managing Director
N K Parekh	Joint Managing Director
H K Parekh	Director (Upto 22.10.2008)
R M Gandhi	Director
N J Jhaveri	Director
Bansi S Mehta	Director
Ranjan Kapur	Director
Yash Mahajan	Director
Bharat Puri	Director
D Bhattacharya	Director (wef 26.2.2009)
A B Parekh	Whole-Time Director
A N Parekh	Whole-Time Director
V S Vasani	Whole-Time Director

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### Corporate Office

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

### Registered Office

Regent Chambers, 7<sup>th</sup> Floor  
Jamnalal Bajaj Marg  
208, Nariman Point  
Mumbai 400 021

### Registrar & Transfer Agent

TSR Darashaw Limited  
6-10, Haji Moosa Patrawala Ind. Estate  
20, Dr. E Moses Road, Mahalaxmi  
Mumbai 400 011

### President

#### & Company Secretary

P C Patel

### Solicitors & Advocates

Wadia Ghandy & Co

### Auditors

Haribhakti & Co

### Bankers

Indian Overseas Bank  
Corporation Bank  
ICICI Bank  
ABN-AMRO Bank N. V.

# Management Discussion & Analysis - 2009

Pidilite Industries Limited on a stand-alone basis achieved 12% growth in gross sales. Earnings before depreciation, interest, tax and foreign exchange loss declined by 6.4%, profit before tax (PBT) declined by 27.2% and profit after tax (PAT) declined by 22.3% on a stand-alone basis.

The profitability of the Company in the current year was affected by high material costs in first three quarters of the year, depreciation of the Indian Rupee and slowdown in sales growth due to economic conditions in the second half of the year.

The Company's sales have grown at a CAGR of 21% over last five years.

On a consolidated basis, Pidilite gross sales grew by 14% , PBT declined by 38.6% and PAT declined by 35.5%. Overseas Subsidiaries incurred higher losses in the current year due to the difficult economic scenario for most part of the year.

## Performance by Industry Segment

### >> CONSUMER AND BAZAAR PRODUCTS

Branded Consumer and Bazaar Products Segment contributed to 73% of the total sales of the Company and grew by 13.6%.

Sales of branded Adhesives and Sealants grew by 10.8% and contributed 50% to the total sales of the Company. Construction and Paint Chemicals grew by 24.3% and Art Materials and other products grew by 11%.

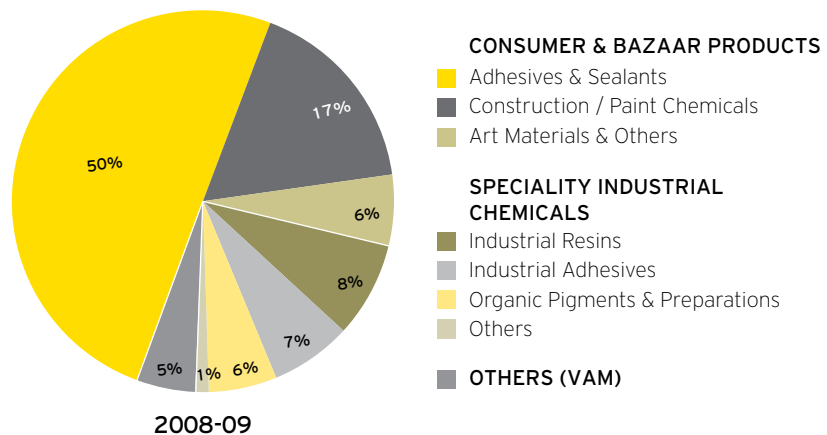
The growth rates for the year were lower than previous years mainly due to difficult economic conditions.

The Consumer and Bazaar Products sales have grown at a CAGR of 20% over the last 5 years.

Exports of Consumer and Bazaar products grew by 16% to Rs 854 million and have grown at a CAGR of 44% over last 5 years.

Profit before interest and tax for the Consumer and Bazaar segment increased by 3.8%.

## BUSINESS SEGMENTS %



**>> SPECIALITY INDUSTRIAL CHEMICALS**

Speciality Industrial Chemicals contributed 22% to the total sales of the Company and grew by 13.8%.

Exports of Speciality Industrial Chemicals grew by 39% to Rs 977 million. The Company achieved this growth due to new product development, focused activities and application development.

Profit before interest and tax for the Speciality Industrial Chemicals segment grew by 5.36% .

**>> OTHER SEGMENT**

This segment consists of the Vinyl Acetate Monomer manufacturing unit merged into the Company effective 1<sup>st</sup> April 2007.

This segment had revenue of Rs 1031 million as compared to revenue of Rs 1154 million in the previous year. Profit before interest and tax declined by 45.5%.

The profitability of this segment largely depends on global prices of raw material and finished goods. The conditions in the current year were less favourable than previous year which impacted the performance.

**New Products**

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New Products launched during last year

The Company has started expanding its range of adhesives and sealants used for building construction and interior decoration. The range which was so far mostly focussed on making furniture has now been expanded to include adhesives for fixing tiles, marble, granite, etc. on various surfaces, adhesives for fixing wall papers and adhesive for laying wooden floors. More such adhesives and sealants will be introduced in the coming years to cater to the expanding building construction and interior decoration market.

Our offering in the waterproofing segment has also been expanded to include Dr. Fixit waterbar for sealing construction joints in RCC structure, Dr. Fixit Roofkote and Roofseal which are bituminous waterproofing products for terraces and Dr. Fixit Safeguard which is suitable for internal waterproofing of the walls of potable water tanks.

A new offering for consumers is Fevicol Glue Drop which is a double sided instant bond glue in a dot form. This product has multiple uses in households, offices and handicraft segment. Fine Art Colours have been introduced to provide professional artists with high quality colours.



# Fevicol ranked No. 1 most trusted brand in the household care segment

BRAND EQUITY, THE ECONOMIC TIMES, 11<sup>TH</sup> JUNE 2008

## Customer Relations



The Company continued to take several initiatives to improve awareness of its products and brands, increase consumption of its products and strengthen relationship with customers, influencers and end-users.

- >> The **25<sup>th</sup> issue** of **Fevicol Furniture Book** was released during the year. The very popular series has had a total print run of over 7 million and has found great acceptance amongst carpenters, interior decorators and home owners.
- >> **Dr. Fixit Institute** of Structural, Protection and Rehabilitation started a **Healthy Construction Lecture Series** to increase awareness of the Global Best Practices in this field.
- >> A **toll free number** was introduced for professionals like Architects, Engineers and Applicators to provide assistance in solving construction related problems on the site.
- >> **Pidilite Greenprint** was launched as an initiative to provide a range of products to Architects and Engineers working on green buildings.
- >> A new initiative **"Pidilite World"** Distributor was launched to recognize and to receive feedback from important distributors of the Company.
- >> A news letter of the dealers **"Saathi"** was launched during the year.
- >> The Annual **International Art & Craft Contest** attracted students from over 5,000 schools in India and ten international locations. The theme of the contest was **"Save Planet Earth"** and was conducted in association with Green Globe Foundation, TERI and UNEP.
- >> In addition to above, the Company continued various other customer relationship activities including Pidilite Award for Excellence to interior design and architecture students, Fevicryl Hobby Ideas Books, Fevicol Champions Club for expert craftsmen and Pidilite Knowledge Lecture series by well known Architects.

## Miscellaneous

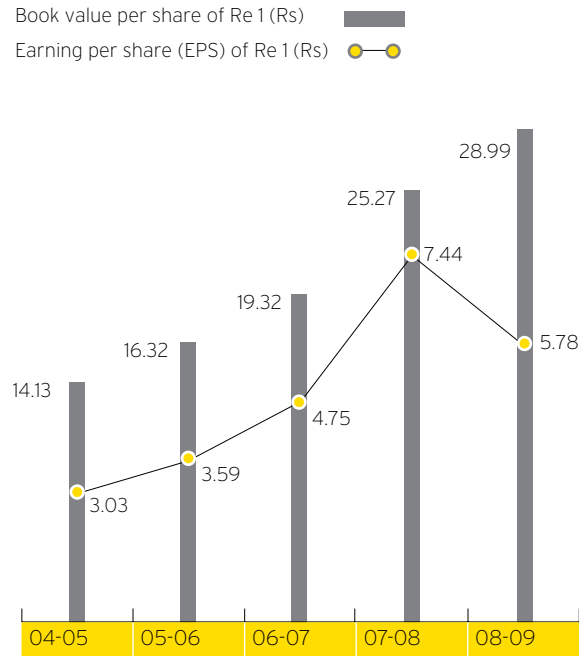
- >> The Company's **net worth** (Equity Capital + Reserves) has grown from Rs 3567 million in 2004-05 to **Rs 7336** million at the end of 2008-09, giving a Compounded Annual Growth Rate (CAGR) of 19.8% .
- >> The market capitalisation of the Company on 31<sup>st</sup> March 2009 was Rs 21374 million and has grown at a **CAGR of 25.9%** since the IPO in 1993.

## Other Matters

The following matters are elaborated upon in the Directors' Report

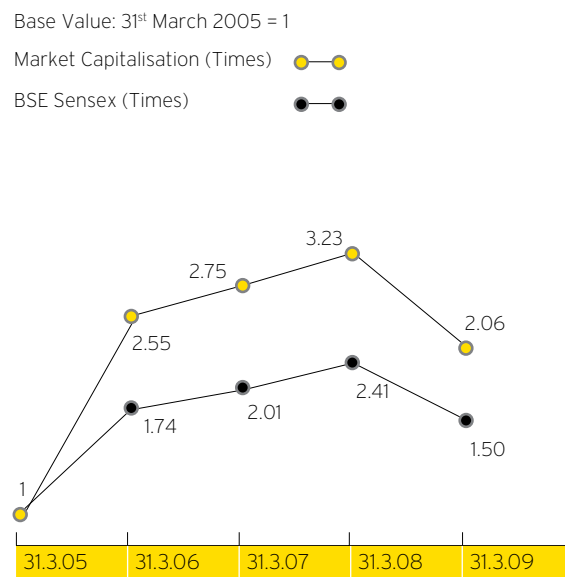
- >> Financial Performance
- >> Industry Structure and Development
- >> Outlook on Opportunities, Threats, Risks and Concerns
- >> Risk and Internal Adequacy
- >> Human Resources

## Book Value per Share and EPS



Book value per share & earning per share for the year 2004-05 has been restated with respect to the revised face value of equity shares of Re 1 each wef 27<sup>th</sup> September 2005

## Growth in Market Capitalisation of Company and BSE sensex since March 31, 2005

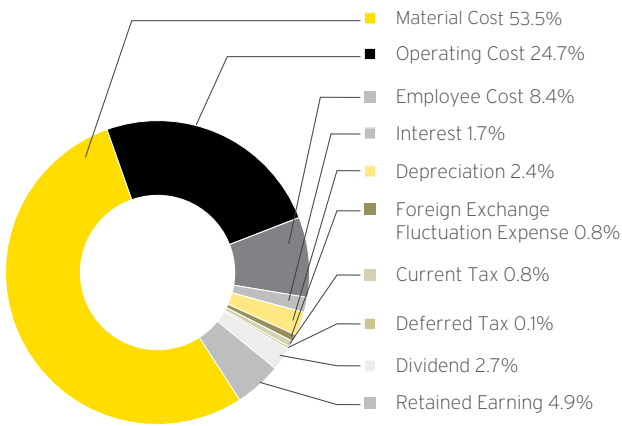


Market price per share at BSE on 31<sup>st</sup> March 2005 has been adjusted with respect to the revised face value of equity shares of Re 1 each wef 27<sup>th</sup> September 2005.

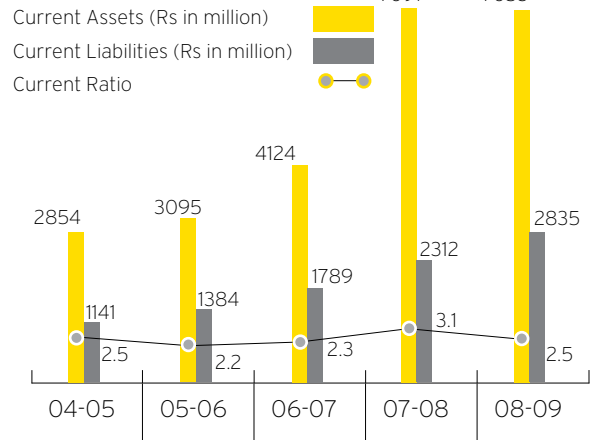


# Financial Charts

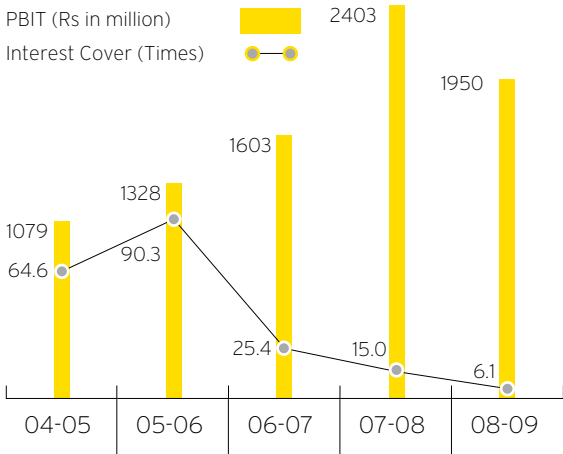
## DISTRIBUTION OF REVENUE (2008-09)



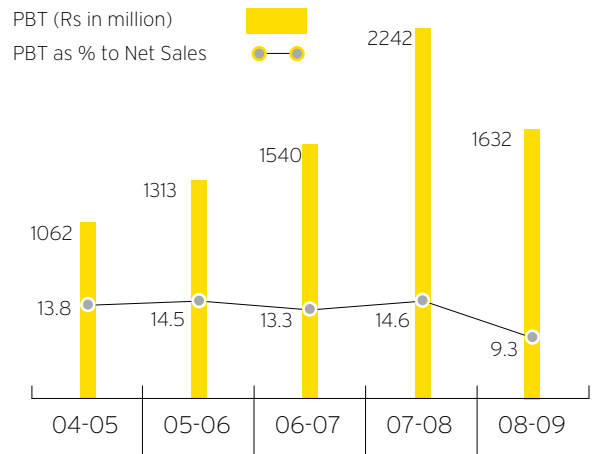
## CURRENT RATIO



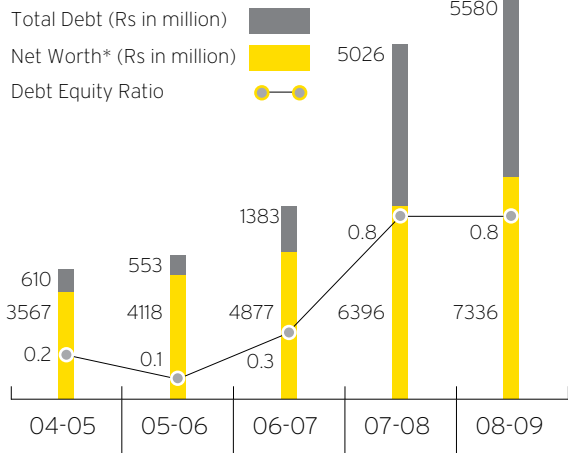
## PBIT & INTEREST COVER



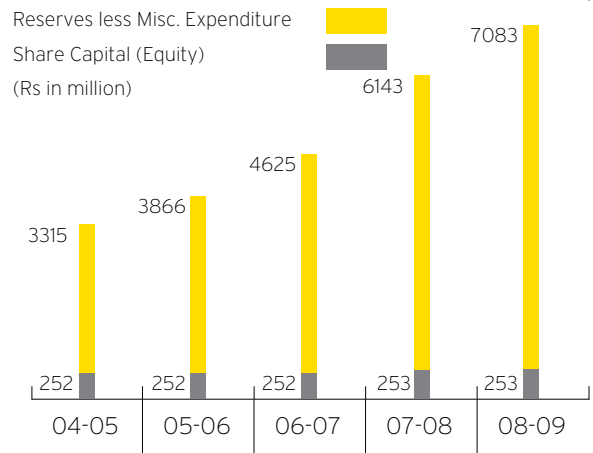
## PBT & PBT AS % OF NET SALES



## DEBT EQUITY RATIO



## VALUE ADDITION TO BUSINESS THROUGH RESERVES



\*Equity Capital + Reserves



# 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 @ 7.1%) + market risk premium (assumed @ 7.5%) x beta variant for the Company (taken at 0.8), 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 Pidilite based on an appropriate mix of short, medium and long term debt, net of taxes (taken at 3% above the risk-free return on long term securities issued by the Government of India).

## Economic Value Added Analysis

Item	2004-05	2005-06	2006-07	2007-08	2008-09
1. Risk Free Return on Long Term GOI Securities	6.7%	7.5%	8.0%	7.9%	7.1%
2. Cost of Equity	12.7%	13.5%	14.0%	13.9%	13.1%
3. Cost of Debt (Post Tax)	6.2%	7.0%	7.3%	7.2%	6.7%
4. Effective Weighted Average Cost of Capital	11.7%	12.6%	12.8%	11.5%	10.3%
Economic Value Added (Rupees in million)					
5. Average Debt	586	581	968	3204	5303
6. Average Equity (Shareholder Funds)	3327	3843	4498	5637 *	6866 *
7. Average Capital Employed (Debt + Equity)	3913	4424	5466	8841 *	12169 *
8. Profit After Tax (as per P&L account)	766	907	1199	1883	1464
9. Interest (as per P&L account, net of Income Tax)	10	10	42	106	210
10. Net Operating Profit After Tax (NOPAT)	776	917	1241	1989	1674
11. Weighted Average Cost of Capital (4 x 7)	458	558	700	1016	1253
12. Economic Value Added (10 - 11)	318	359	541	973	420
13. EVA as a % of Average Capital Employed (12÷7)	8.14%	8.12%	9.90%	11.01%	3.45%

\*Excluding 6% Redeemable Preference Share Capital of Rs 28.75 million issued on 31<sup>st</sup> March 2008 and redeemed on 5<sup>th</sup> September 2008.

### Notes

1. Profit After Tax includes Prior Years' Tax Provision written back.
2. Effects have been given in 10 Years' Financial Performance for above note.
3. Figures in Financial Charts, 10 Years' Financial Performance and EVA are as per the Annual Report of respective years, except where stated otherwise.

# 10 Years Financial Performance

(Rupees in million)

Highlights	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	CAGR %
<b>Operating Results</b>											
Sales and Other Income	4706	5269	5772	6678	7647	8998	10617	13081	17248	19313	16.98
Manufacturing & Other Expenses	3838 @	4373	4774	5521	6458 §	7649 §	9005 §	11186 §	14489 §	16730	17.77
Operating Profit	868	896	998	1157	1189	1349	1612	1895	2759	2583	12.87
Interest (Net)	51	70	42	30	18	17	15	63	161	318	22.49
Depreciation	116	165	190	225	255	270	274	302	385	472	16.86
Profit from Ordinary Activities	701	661	766	902	916	1062	1323	1530	2213	1793	11.00
Foreign Exchange Fluctuation - Expense/(Income)	-	-	-	-	-	-	10 !!	(10) !!	(29) !!	161	-
Profit before Tax	701	661	766	902	916	1062	1313	1540	2242	1632	9.84
Current Tax	225	182	165	295	294	345	409	309	223	150	(4.41)
Deferred Tax	-	-	80	14	8	(13)	17	34	140	18	-
Profit after Tax for the year	476	479	521	593	614	730	887	1197	1879	1464	13.31
Add: Prior Year's Tax Provision written back	-	-	19	-	-	36	20	2	4	-	-
Profit after Tax	476	479	540	593	614	766	907	1199	1883	1464	13.31
Dividend on Equity Shares	114 *	125 *	177	214 *	228 *	288 *	360 *	443 *	518 *	518 *	18.38
Dividend on Preference Shares	-	-	-	-	-	-	-	-	~	1	-
<b>Retained Earning</b>	<b>362</b>	<b>354</b>	<b>363</b>	<b>379</b>	<b>386</b>	<b>478</b>	<b>547</b>	<b>756</b>	<b>1365</b>	<b>945</b>	<b>11.24</b>
<b>Financial Position</b>											
Capital-Equity	126	252	252	252	252	252	252	252	253	253	8.04
Capital-Preference	-	-	-	-	-	-	-	-	29	-	-
	126	252	252	252	252	252	252	252	282	253	8.04
Reserve (Less Revaluation Reserve & Misc. Expenditure)	1687	1915	2079 †	2459 †	2835	3315	3866	4625	6143	7083	17.29
Net Worth	1813	2167	2331	2711	3087	3567	4118	4877	6425	7336	16.80
Borrowings	790	449	443	416 †	562	610	553	1383	5026	5580	24.27
Deferred Tax Liability (Net)	-	-	279 †	293 †	301	288	305	339	423	441	-
<b>Funds Employed</b>	<b>2603</b>	<b>2616</b>	<b>3053</b>	<b>3420</b>	<b>3950</b>	<b>4465</b>	<b>4976</b>	<b>6599</b>	<b>11874</b>	<b>13357</b>	<b>19.93</b>
<b>Fixed Assets#</b>											
Gross Block	2022	2255	2772	3132 †	3541	4203	4811	5554	8444	10166	19.65
Depreciation	576	736	921	1122	1373	1635	1905	2182	2973	3433	21.93
Net Block	1446	1519	1851	2010 †	2168	2568	2906	3372	5471	6733	18.64
Investments in - Overseas Subsidiaries	-	-	-	-	-	30	225	753	1594	2197	-
- Others	229	159	151	148	150	154	134	139	30	210	(0.95)
Net Current Assets	928	938	1051	1262 †	1632	1713	1711	2335	4779	4217	18.32
<b>Total Assets</b>	<b>2603</b>	<b>2616</b>	<b>3053</b>	<b>3420</b>	<b>3950</b>	<b>4465</b>	<b>4976</b>	<b>6599</b>	<b>11874</b>	<b>13357</b>	<b>19.93</b>

@ Includes VRS Payment of Rs 13.2 million

§ Includes VRS Payment of Rs 2.4 million

\* Includes Tax on Dividend

~ Less than Rs 1 million

† Figures were reclassified/regrouped in 2003-04

# Excluding Revalued Assets & Depreciation thereon

!! Included in Other Income/Expenses now reclassified/regrouped

(Rupees in million)

Highlights	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
<b>Funds Flow</b>										
<b>Sources</b>										
Internal Generation	592	644	810	832	877	1023	1201	1536	2335	1949
Increase in Capital & Reserve (Net) on Amalgamation	123	-	-	-	-	-	-	-	197	-
Increase in Loans	251	-	-	-	146	47	-	830	3643 ^	554
Decrease in Investment - Others	-	70	7	3	-	-	21	-	109	-
Decrease in Working Capital	-	-	-	-	-	-	1	-	-	563
Decrease in Miscellaneous Expenditure	-	-	-	-	-	2	2	2	3	-
<b>Total</b>	<b>966</b>	<b>714</b>	<b>817</b>	<b>835</b>	<b>1023</b>	<b>1072</b>	<b>1225</b>	<b>2368</b>	<b>6287</b>	<b>3066</b>
<b>Applications</b>										
Decrease in Preference Capital on redemption	-	-	-	-	-	-	-	-	-	29
Repayment of Loans	-	341	8	19	-	-	57	-	-	-
Capital Expenditure (Net)	568 @	238	523 §	384 #	413	669 †	613 ‡	768	2484 ~	1734
Investments in										
- Overseas Subsidiaries	-	-	-	-	-	30	195	528	841	603
- Others	41	-	-	-	2	4	-	5	-	181
Dividend	114	125	177	214	228	288	360	443	518	519
Increase in Working Capital	243	10	109	218	370	81	-	624	2444 μ	-
Increase in Miscellaneous Expenditure	-	-	-	-	10	-	-	-	-	-
<b>Total</b>	<b>966</b>	<b>714</b>	<b>817</b>	<b>835</b>	<b>1023</b>	<b>1072</b>	<b>1225</b>	<b>2368</b>	<b>6287</b>	<b>3066</b>
<b>Ratios</b>										
Return on Average Net Worth % (RONW) (PAT divided by Average Net Worth)	30.1	24.1	24.0	23.5	21.2	23.0	23.6	26.7	33.4 *	21.3 *
Return on Average Capital Employed % (ROCE) (PBIT divided by Average Funds Employed**)	33.5	28.0	30.0	31.6	27.6	27.6	30.0	29.3	27.2 *	16.0 *
Long Term Debt/Cash Flow	0.4	0.1	0.1	0.3	0.2	0.2	0.2	0.4	1.2	2.4
Gross Gearing % (Debt as a percentage of Debt plus Equity)	30.3	17.1	16.0	13.3	15.4	14.6	11.8	22.1	44.0	43.2
Current Ratio (Current Assets divided by Current Liabilities)	2.5	2.6	2.3	2.6	3.0	2.5	2.2	2.3	3.1	2.5
Assets Turnover (times) (Gross Sales divided by Total Assets)	1.8	2.0	1.9	1.9	1.9	2.0	2.1	2.0	1.4	1.4

@ Includes Cost of Brands Acquired Rs 365.6 million

§ Includes Cost of Brand Acquired Rs 87.3 million

# Includes Cost of Brands Acquired Rs 90.8 million

† Includes Cost of Brand Acquired Rs 133.7 million

‡ Includes Cost of Brands Acquired Rs 17.8 million

~ Includes Cost of Brands, Patents and Trademarks Acquired Rs 517.1 million

^ Includes Proceeds of FCCB bonds Rs 1594.4 million

μ Includes unutilised proceeds of FCCB bonds Rs 1102.4 million

\* Excluding 6% Redeemable Preference Share Capital of Rs 28.75 million issued on 31<sup>st</sup> March 2008 and redeemed on 5<sup>th</sup> September 2008.

\*\* Excluding Deferred Tax Liability (Net)

# Directors' Report

To

The Members

Your Directors take pleasure in presenting the Fortieth Annual Report together with Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2009.

## Financial Results

	(Rupees in million)	
	2008-09	2007-08
Gross Turnover	19074	17024
Turnover, Net of Excise	17611	15353
Profit Before Tax	1632	2242
Current Year's Tax	150	223
Profit After Current Year's Tax	1482	2019
Deferred Tax	18	140
Profit After Current and Deferred Tax	1464	1879
Add: Prior Year Tax Provision written back	-	4
Profit After Tax	1464	1883
Profit Brought Forward	720	525
Profit available for appropriation	2184	2408
<b>Appropriations</b>		
Proposed Dividend on Equity Shares	443	443
Dividend on Preferences Shares	1	*
Tax on Dividend	75	75
Transfer to Capital Redemption Reserve	29	-
Transfer to Debenture Redemption Reserve	257	70
Transfer to General Reserve	600	1100
Total	1405	1688
Balance Carried to Balance Sheet	779	720
	2184	2408

\* less than Rs 1 million

## Financial Performance

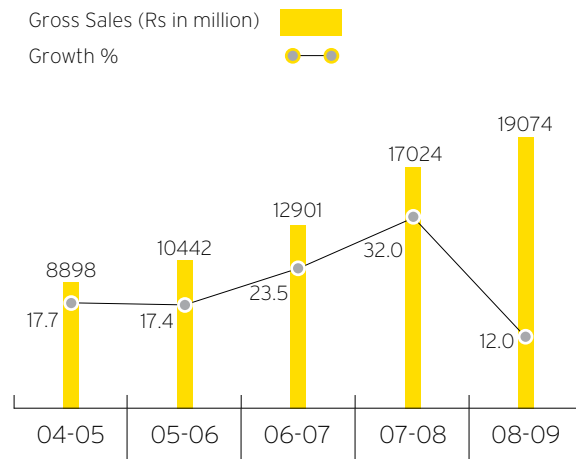
The Operating Profit and Net Profit, for the year at Rs 2583 million and Rs 1464 million declined by 6.4% and 22.1% respectively. Income Tax for the current year at Rs 150 million (including Rs 28 million for Fringe Benefit Tax) is lower than Rs 223 million (including Rs 34 million for Fringe Benefit Tax) in the previous year.

In the last year's report, the Company had highlighted significant increases in prices of raw materials, packing materials and freight charges and their likely adverse impact on margins of most of our products. During the period April to December 2008 the Company witnessed steep increases in input costs and this coupled with the depreciation of the Indian Rupee and the changed economic environment, has affected the year's performance.

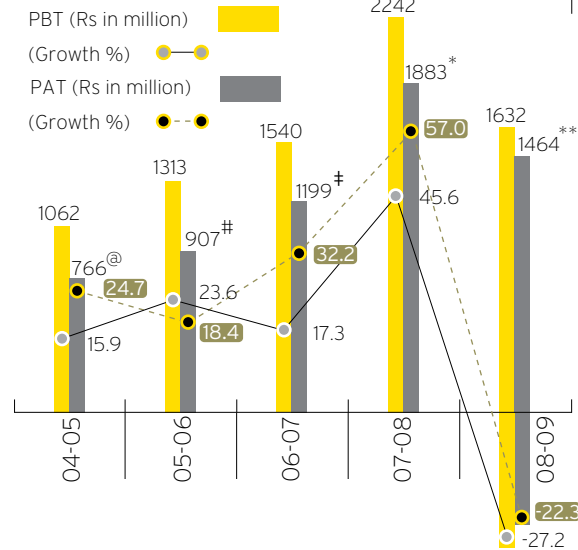
The Company has exercised the option permitted under the amendment to AS 11 and accordingly dealt with foreign exchange losses by adjustments

to carrying value of depreciable assets and amortisation of other differences. Accordingly, the Company has capitalised a sum of Rs 235 million and adjusted the carrying value of the depreciable fixed assets and a further sum of Rs 165 million will be amortised over the next two years.

### GROSS SALES & GROWTH %



### PBT, PAT & GROWTH (YOY)



<sup>@</sup> After deferred tax credit of Rs 13 million and prior year's tax provision written back of Rs 36 million

<sup>#</sup> After deferred tax of Rs 17 million and prior year's tax provision written back of Rs 20 million

<sup>‡</sup> After deferred tax of Rs 34 million and prior year's tax provision written back of Rs 2 million

<sup>\*</sup> After deferred tax of Rs 140 million and prior year's tax provision written back of Rs 4 million

<sup>\*\*</sup> After deferred tax of Rs 18 million and prior year's tax provision written back of Rs nil.

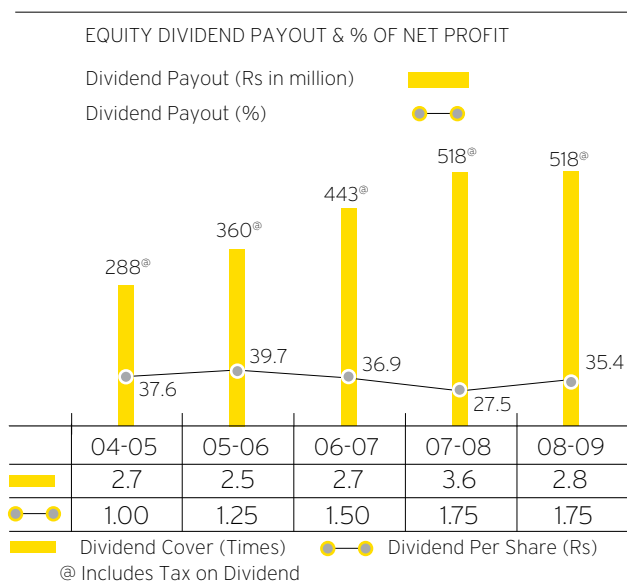
## Dividend

The Directors recommend the payment of a dividend of Rs 1.75 per equity share of Re 1 each (previous year Rs 1.75 per equity share of Re 1 each), amounting to Rs 442.9 million (previous year - Rs 442.9 million) out of the current year's profit, on 253.1 million Equity Shares of Re 1 each (previous year 253.1 million equity shares of Re 1 each). The dividend for the current year will be free of tax in the hands of shareholders. The dividend payout amount has grown at a CAGR of 15.78% during the last 5 years.

## Term Finances

In December 2008, the Company issued Secured Redeemable Non-Convertible Debentures (NCDs) aggregating Rs 1500 million to Banks/Insurance Companies/Mutual Funds on private placement basis for general corporate purposes.

In terms of the Scheme of Demerger of the Vinyl Acetate Monomer (VAM) Manufacturing unit of Vinyl Chemicals (India) Ltd. (VCIL) into the Company, the Company had, inter alia, allotted 28,74,805 6% Cumulative Redeemable Preference Shares of Rs 10 each treated as fully paid on 31<sup>st</sup> March 2008 to the shareholders of VCIL (excluding Pidilite for the shares held by the Company). These shares have been redeemed by the Company on 5<sup>th</sup> September 2008.



Dividend per share for the year 2004-05 has been restated with respect to the revised face value of equity shares of Re 1 each wef 27<sup>th</sup> September 2005

## Capital Expenditure

The overall expenditure during the year was Rs 1734 million. Out of this approximately Rs 614 million was spent on fixed assets for various manufacturing units, offices, laboratories and warehouses. The expenditure on the Synthetic Elastomer Project was approximately Rs 1120 million.

## Investment in Subsidiaries

During the year, Investment of Rs 602.6 million was made in overseas subsidiaries.

## Synthetic Elastomer Project

The process of dismantling and shipping the plant and machinery from France has been completed. All the equipment has arrived at the project site at Dahej (SEZ). Detailed engineering work as well as refurbishment of plant and machinery is under progress.

## Manufacturing Plants

During the year, one new facility for manufacture of Construction Chemicals was set up at Kala-amb, Himachal Pradesh.

## Foreign Currency Convertible Bonds (FCCB)

During the previous financial year, the Company had raised US \$ 40 million through issue of Zero Coupon Foreign Currency Convertible Bonds.

The Company has so far repurchased in 2 tranches Bonds of face value of US \$ 1.1 million in February 2009 and US \$ 1.7 million in April 2009, as these were available at attractive discounts. The Bonds so purchased have been cancelled and extinguished.

## Subsidiaries - Overseas Subsidiaries

The Company has 13 overseas subsidiaries (4 direct and 9 step-down) including those having significant manufacturing and selling operations in USA, Brazil, Thailand, Singapore and Dubai.

Pidilite International Pte. Ltd. (PIPL), a wholly owned subsidiary of the Company has acquired the remaining 25% equity shares of Chemson Asia Pte. Ltd. from other shareholders at a cost of Singapore Dollars 437,500.

With this acquisition, Chemson Asia Pte. Ltd. has become a wholly owned subsidiary of PIPL.

Total revenue from overseas subsidiaries for the year 2008-09 stood at Rs 2339 million, up by 15% over the previous year.

The overseas subsidiaries faced adverse market conditions due to economic slowdown. In addition, they also had to face steep increase in input cost during the first half of the year as well as negative impact due to foreign exchange fluctuations. In view of this, subsidiaries continue to make losses and have taken several measures to improve sales and reduce cost.

After a review it was decided to close down Nebula Trading, UAE, a step-down subsidiary as it was not found viable. Also the activities in two step-down subsidiaries namely, PT Pidilite Indonesia and Pidilite South East Asia Ltd. have been significantly curtailed.

The Company is in the process of completing the construction of plants for manufacturing Adhesives in Bangladesh and Egypt. Both these plants are expected to go on stream during the 1<sup>st</sup> half of financial year 2009-10. The total capital investment for the two plants is about Rs 200 million and bulk of this expenditure has already been incurred.

The total investment in overseas subsidiaries as on 31<sup>st</sup> March 2009 stands at Rs 2196.7 million.

A statement pursuant to Section 212 of the Companies Act, 1956, relating to subsidiaries in India and abroad, is attached hereto.

### **Consolidated Accounts**

In accordance with the requirements of Accounting Standards AS 21 (read with AS 23) issued by the Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its subsidiaries are annexed to this Annual Report. Additionally, a statement giving prescribed particulars of information, in aggregate for each subsidiary, is attached.

By letter No. 47/193/2009-CL-III, of 2009, the Company has obtained from the Government of India, Ministry of Corporate Affairs, New Delhi, under Section 212 of the Companies Act, 1956, an exemption from annexing to this Report, the Annual Reports of Subsidiary Companies for the year ended on 31<sup>st</sup> March 2009. Accordingly, the

Annual Reports of the Subsidiary Companies are not annexed to this Report. Members desiring to have a copy of audited Annual Accounts of the above subsidiaries may write to the Company Secretary at the Registered Office of the Company and they will be provided with the same upon such a request. Annual Accounts of these Subsidiary Companies will also be kept for inspection of the Members at the Registered Office of the Company as well as at the Registered Office of the Subsidiary Companies.

### **Directors**

Effective from 22<sup>nd</sup> October 2008 Shri H K Parekh resigned from the Board of Directors. Your Directors place on record their sincere appreciation of the valuable contribution made by him during his tenure on the Board.

In accordance with the Articles of Association of the Company, Shri Bansi S Mehta, Shri Ranjan Kapur, Shri B K Parekh and Shri S K Parekh, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

Shri D Bhattacharya has been appointed as an Additional Director of the Company with effect from 26<sup>th</sup> February 2009 and he holds office up to the conclusion of the ensuing Annual General Meeting. A notice in writing, with requisite deposit has been received from a member proposing Shri D. Bhattacharya as a candidate for the office of Director.

### **Directors' Responsibility Statement**

Your Directors confirm that:

- in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- the Directors 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 31<sup>st</sup> March 2009 and of the profit of the Company for that year;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company



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and for preventing and detecting fraud and other irregularities; and

- the Directors have prepared the Annual Accounts on a going concern basis.

### **Corporate Governance**

Reports on Corporate Governance and Management Discussion and Analysis, in accordance with Clause 49 of the Listing Agreements with Stock Exchanges, along with a certificate from M/s M M Sheth & Co, Practising Company Secretaries, are given separately in this Annual Report.

### **Auditors**

Members are requested to re-appoint M/s Haribhakti & Co, Chartered Accountants, as Auditors of the Company and also for its branches/depots/C&F depots for the current year and to fix their remuneration.

### **Cost Auditor**

The Company has received the approval of the Central Government for the appointment of M/s. V. J. Talati & Co. as Cost Auditor to conduct cost audit for the financial year 2009-10.

### **Conservation of Energy, Technology Absorption, etc.**

The particulars under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are attached to this Report as Annexure I.

### **Industry Structure and Development**

There is no material change in the industry structure as was reported in the last year.

The Company operates under two major business segments i.e. Branded Consumer & Bazaar Products and Speciality Industrial Chemicals.

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

Speciality Industrial Chemicals segment covers products such as Industrial Adhesives, Synthetic Resins, Organic Pigments, Pigment Preparations, Surfactants, etc. and caters to various industries like packaging, textiles, paints, printing inks, paper, leather, etc.

In both the above business segments, there are a few medium to large companies with national presence, and a large number of small size companies that are active regionally. There is growing presence of multinationals in many of the segments in which the Company operates. The share of imports is less than 10% of domestic volumes in most of the product segments.

The "Other" segment covers manufacture and sale of VAM. Our Company is the only manufacturer of VAM in the country with an installed capacity of 30,000 MT per annum. Due to the global demand supply situation, import of VAM is, at times, a viable option as compared to in-house manufacture.

### **Current Year Outlook**

During the last year the Company's profitability was affected by high cost of inputs in the first half of the year and economic slowdown in the second half.

Although the operating margins are expected to improve during the current year due to reduction in input cost, the outlook on demand remains uncertain.

The Company's major subsidiaries are in USA, Brazil, UAE and Thailand. The economic scenario in these countries is also uncertain. However, overseas subsidiaries have reduced operating costs and are expected to reduce losses in the current year.

### **Outlook on Opportunities, Threats, Risks and Concerns**

The economic slowdown in India and abroad is likely to affect the Company's outlook for the next year. There are uncertainties around the overall economic growth rate and in particular in segments in which the Company operates.

Due to the wide portfolio of products and good market share in many segments the Company is expected to perform reasonably well in spite of these difficulties. The Company is taking a fresh look at various businesses and

making changes wherever necessary taking into account the current scenario.

Most of the overseas subsidiaries are small in size and are prone to get affected significantly by the local economic scenario in which they operate. Suitable steps are being taken to make these Companies stronger.

The Company's plant for manufacture of Vinyl Acetate Monomer may face difficulty in maintaining economic viability and also may not get adequate supplies of Ethylene, due to constraint faced by suppliers.

The Company's business has good opportunities in many segments and geographies and the Company continues to put focus on exploiting these opportunities.

### **Risk and Internal Adequacy**

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

The Company has appointed Internal Auditors who audit the adequacy and effectiveness of internal controls laid down by the management and suggest improvements. For overseas subsidiaries, this is being done by their Statutory Auditors.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports, adequacy of internal controls and risks management.

### **Human Resources**

Various initiatives have been taken to strengthen human resources of the Company. A new performance management system has been designed with the involvement of all employees. Implementation of this system with greater clarity on roles and responsibilities as well as key result areas of all employees will be implemented during the next year. The management structure of all the main divisions has been revamped with select recruitments at senior levels.

A special event - "Smriti-Milan" - was organised by inviting retired employees as well as families of employees who had passed away, to express our sincere appreciation for

the valuable contribution made by these employees for the growth of the Company.

The total number of employees as on 31<sup>st</sup> March 2009 was 4138.

A statement of particulars pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report as Annexure II. As per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report, together with Accounts, is being sent to the Shareholders of the Company, excluding the statement of particulars of employees under Section 217(2A) of the Act. Members desiring to have a copy of the same may write to the Company Secretary at the Registered Office of the Company and they will be provided with the same upon such a request.

### **Appreciation**

The Directors place on record their appreciation of the efficient services rendered by the employees of the Company at all levels.

FOR AND ON BEHALF OF THE BOARD

Mumbai  
Date: 29<sup>th</sup> June 2009

**B K PAREKH**  
CHAIRMAN

## Corporate Social Responsibility 2008-09

The Company continued to consolidate on existing projects and added significant new initiatives in areas of health care, education and rural development. The Hanumant Hospital, Gram Nirman Samaj and Mahuva Education Trust continued to make a strong contribution to society.

### Rural Development



Calf born by Artificial Insemination technique



Water Resource Management- Check Dam Projects

Under the Water Resources Management Scheme, 180 works including construction of new check dams, repairing and recharging existing dams, farm ponds and canals and recharging of wells, etc. were completed during the year. Under Cattle Development Programme two treatment camps for animals were conducted where 3,800 sick animals were treated and 1,300 artificial inseminations carried out for improving the cattle breed.

Under Indira Awas Yojana, five awas were completed during the year for the rural poor. 80 bio-gas plants were installed under energy saving programme and 300 solar cookers sold at a subsidised rate to households.

Night school classes for illiterate children and women were conducted during the year, which had a regular attendance of at least 50. 45 Libraries for children were established at primary schools of the rural area.

Gram Nirman Samaj has prepared and forwarded to the concerned authorities 1,600 applications on behalf of the rural poor. This service enables the beneficiary to receive the due benefits under the various Government Welfare Schemes.

### Education



Chairman at School Function, Kalsar

The enrolments in Parekh College increased to 1,800 in the year for various courses in Art, Science, Information Technology and Business Administration. Chairman Shri B K Parekh's vision to provide the latest technology and advanced courses to rural students continues to guide the development of the Trust.

The Science City conducted the annual Gujarat Science Olympiad with participation increasing to 600 schools and 50,000 participants.

A Memorandum of Understanding was signed between the Gujarat Energy Development Agency, the Bureau of Energy Efficiency, Govt. of India and the Science City to conduct an annual essay writing contest in 10 districts.

The Gujarat State level Energy Conservation Essay Writing Contest 2008 was conducted in 300 schools with 12,000 participants. The 50 finalists visited the Science City and the winners were awarded solar cookers and solar lanterns.

The Children's Studio, Science Park, Energy Park and Planetarium will stimulate the imagination of students and enable learning through experiments and activities that go beyond classroom teaching. The project is expected to be completed by September 2009.

## Healthcare



During the past year Hanumant Hospital has increased its reach and treated 78,000 outpatients, performed 1,700 surgeries, successfully handled 410 emergency cases and 185 deliveries. New medical equipments like central ICU with ventilators and Blood Gas Analysers were installed. Nursing School and a Club House for hospital staff and their families were added.



Fifteen Speciality Medical Camps and six educational training programmes for the medical fraternity were conducted. An Advanced Trauma Life Support (ATLS) course, organised in collaboration with Hinduja Hospital, Mumbai was attended by 58 doctors of Mahuva and surrounding areas.

This year a "Jan Sanjivani Scheme" has been launched for the benefit of patients who cannot afford treatment.



Hanumant Hospital runs a Rubella Vaccination Center in collaboration with PNR Society of Bhavnagar and conducts vaccination camps at different places. The Society and Hanumant Hospital have jointly established a Rehabilitation Center for specially challenged children where 175 children are enrolled.

680 destitute were identified and enrolled free of charge under Sanjivani Scheme who will be provided free treatment throughout the year.

In collaboration with Indian Red Cross Society, nutritional kits are being distributed free to 100 destitute every month.



# Annexure I

To The Report of the Directors 2008-2009

Statement containing particulars pursuant to the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 forming part of the report of the Directors.

## A CONSERVATION OF ENERGY

### a Energy Conservation Measures taken

1. Process Optimisation and time cycle reduction
2. Right-sizing of motors and installation of Variable Frequency Drives
3. Improving efficiency in utility generation

### b Additional Investments and Proposals, if any, being implemented for reduction of Consumption of Energy.

1. Waste heat utilisation
2. Optimising the operation of air compressors
3. Reduction in processing time

### c) Impact of measures of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

1.00 Lac kwh Electricity and 118 MT of Fuel Oil are expected to be saved annually by above measures.

### d) Total energy consumption and energy consumption per unit of production

As per Form A

## FORM A

### Disclosure of particulars with respect to Conservation of Energy

#### A. Power and Fuel Consumption / Generation

		Year ended 31 <sup>st</sup> March 2009	Year ended 31 <sup>st</sup> March 2008
<b>1. Electricity</b>			
a. Purchased			
Units	'000 kwh	1,62,38	1,50,62
Total amount	Rs in million	89.66	75.07
Rate Unit (Average)	Rs	5.52	4.98
b. Own Generation			
Through Diesel Generator			
Units	'000 kwh	5,02	2,84
Units per litre of diesel oil	Kwh	2.65	2.45
Cost / Unit	Rs / kwh	14.23	14.23
c. Windmill Generation			
Units	'000 kwh	84,39	85,63
Total Credit	Rs in million	35.03	23.86
Rate / Unit (Average)	Rs	4.15	2.79
<b>2. Coal</b>			
Quantity	MT	7,562	5,840
Total Amount	Rs in million	26.94	27.80
Average Rate	Rs '000 /MT	3.56	4.76

**A. Power and Fuel Consumption / Generation**

<b>3. Natural Gas</b>		<b>Year ended 31<sup>st</sup> March 2009</b>	<b>Year ended 31<sup>st</sup> March 2008</b>
Quantity	'000 SCM	21,93	7,78
Total Amount	Rs in million	29.77	9.69
Average Rate	Rs /SCM	13.58	12.46
<b>4. Fuel Oil</b>			
Quantity	MT	20,54	32,20
Total Amount	Rs in million	49.77	64.36
Average Rate	Rs '000 /MT	24.23	19.99

**B. Consumption per unit of production**

It is not feasible to furnish information in respect of consumption per unit of production.

**B] TECHNOLOGY ABSORPTION**

Efforts made in technology absorption:  
(as per Form B)

**FORM B****Disclosure of particulars with respect to Technology Absorption****RESEARCH & DEVELOPMENT (R & D)****1. Specific areas in which R & D is carried out by the Company**

R & D programmes are carried out towards development of new products, improvement of the existing products and processes falling under the category of Synthetic Resins, Adhesives, Sealants, Pigments and Pigment Dispersions, Intermediates, Surfactants, Art Materials, Coatings, Fabric Care Products, Construction Chemicals, Maintenance Chemicals, Emulsion Polymers, Vinyl Acetate Monomer etc.

**2. Benefits derived as a result of the above R & D**

Increase in sales due to product improvements and introduction of new products; reduction in cost due to process improvements and cycle time reduction.

**3. Future Plan of Action**

Future R&D efforts will continue along similar lines, as at present.

**4. Expenditure on R & D**

(Rs in million)

	<b>Year ended 31<sup>st</sup> March 2009</b>	<b>Year ended 31<sup>st</sup> March 2008</b>
i) Capital	5.23	3.54
ii) Recurring	77.81	66.33
Total	83.04	69.87
iii) Total R&D Expenditure as a Percentage of total turnover	0.43	0.41



## 5. Technology Absorption, Adaptation and Innovation

- i) Technologies, Process developed by our R&D Department are being continuously absorbed and adopted on a commercial scale.
- ii) Benefits derived as a result of the above efforts :  
Improvement in products and processes.
- iii) Information regarding Technology imported during the last 5 years :  
No technology imported during last 5 years.

## C] FOREIGN EXCHANGE EARNINGS & OUTGO

### f) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

Export earnings during 2008-09 have shown an increase of Rs 381 million over 2007-08.

We have strengthened the sales and distribution arrangement in many countries and also introduced new products.

### g) Total foreign exchange used and earned

(Rs in million)

	Year ended 31 <sup>st</sup> March 2009	Year ended 31 <sup>st</sup> March 2008
Foreign exchange earned	1,823	1,442
Foreign exchanged used *	2,831	2,657

- \* Out of the above, exchange used for import of materials which are either not manufactured in India and/ or not easily available in India, amounted to Rs 2,181 million for the year ended 31<sup>st</sup> March 2009 (Previous year Rs 2,146 million).



# Auditors' Report

To the Members of Pidilite Industries Limited

We have audited the attached Balance Sheet of **Pidilite Industries Limited** as at 31<sup>st</sup> March 2009, the Profit and Loss Account for the year ended on that date and also Cash Flow statement attached thereto.

The financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- I. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) Order 2004, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 (hereinafter referred to as the Act), on the basis of such checks of the books and records as we considered appropriate and the information and explanations given to us during the course of the audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- II. Further to our comments in the Annexure referred to in paragraph I above, we report that:
  - a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose 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 examinations of those books;
  - c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) in our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March 2009 and taken on record by the Board of Directors of the Company, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements read together with Notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2009,
  - (ii) in case of Profit and Loss Account, of the profit of the Company for the year ended on that date and
  - (iii) in case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For HARIBHAKTI & CO  
Chartered Accountants

CHE TAN DESAI  
Partner  
Membership No. 17000

Place: Mumbai  
Date: 20<sup>th</sup> May 2009

# Annexure to Auditors' Report

31<sup>st</sup> March 2009

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  2. We are informed that the fixed assets have been physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, physical verification was carried out and no material discrepancy was noticed on such verification.
  3. During the year, the Company has not disposed off a substantial part of fixed assets.
  4. The management has physically verified the stocks of stores, spares, raw materials, packing materials and finished goods. In our opinion, the frequency of verification is reasonable. In respect of inventories lying with third parties, these have been confirmed by them.
  5. The procedures of physical verification of stock followed by the management are reasonable and adequate in relation to size of the Company and nature of its business.
  6. On the basis of our examination of the records of the Company, we are of the opinion that the Company has maintained proper records of inventories and the discrepancies between the physical stocks and the book stocks, noticed on physical verification, as mentioned in paragraph 4, not being material, were properly dealt with.
  7. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. In view of this, clauses iii(b),(c) and (d) are not applicable to the Company and hence, not reported upon.
  8. During the year, the Company has not taken any loans, secured or unsecured, from the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. In view of this, clause iii(f) and (g) are not applicable to the Company and hence, not reported upon.
  9. There is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services.
- There is no continuing failure to correct major weaknesses in internal control system.
10. On the basis of our examination of relevant records and on the basis of representation received from the management, particulars of contracts or arrangements that need to be entered in the register in pursuance of Section 301 of the Act have been so entered.
  11. On the basis of our examination of the books of account, relevant information and explanations and representations as provided by the Company, the transactions exceeding Rs 5 lacs made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
  12. The Company has not accepted any deposits under the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
  13. The function of internal audit, as explained, is being carried out by outside professionals, which in our opinion, is commensurate with its size and nature of its business.
  14. We are informed that maintenance of cost records has been prescribed by the Central Government under clause (d) of sub section (1) of Section 209 of the Act with respect to production of Synthetic Resins. We are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made detailed examination of the records with a view to determine whether they are accurate and complete.
  15. According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on Management representations, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date it became payable.

16. According to the information and explanations given to us and also based on the Management's Representation, there have been no disputed dues of Income Tax, Sales Tax, Wealth tax, Service Tax, Custom Duty, Excise Duty and Cess that have not been deposited on account of any dispute as at the Balance Sheet date, except the following:

Name of the Statute	Amount (Rs in Million)	Forum where dispute pending
Sales Tax Act		
Sales Tax in various states for various years	60.60	Deputy Commissioner of Sales Tax
Sales Tax in various states for various years	17.31	Sales Tax Tribunal
Central Excise Act	4.16	CESTAT
Income Tax Act for AY 2008-09	21.02	Commissioner of Income Tax (Appeals)

17. The Company has neither accumulated losses as at 31<sup>st</sup> March 2009, nor it has incurred any cash losses either in the financial year under audit and in the immediately preceding financial year.
18. According to the records of the Company, it has not defaulted in repayment of dues to financial institutions or banks or to debenture holders.
19. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
20. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to it.
21. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
22. In our opinion, and accordingly to the information and explanations given to us, the conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions, are prima facie, not prejudicial to the interest of the Company.
23. During the year, the Company has not taken any term loans.
24. On the basis of review of utilisation of funds which is based on overall examination of the balance sheet of the Company and related information as made available to us and as represented to us by the Management, no funds raised on short-term basis have been used for long-term purpose.
25. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
26. As informed to us, The Company has created the security/charge for the debentures issued during the year.
27. The Company has not raised any money by public issue during the year.
28. As per the information and explanations given to us and on the basis of examination of records, no fraud on or by the Company has been noticed or reported during the year, except a fraud of Rs 16.64 million on the company committed by ex-employee in respect of dues from debtors.

For HARIBHAKTI & CO  
Chartered Accountants

CHETAN DESAI  
Partner  
Membership No. 17000

Place: Mumbai  
Date: 20<sup>th</sup> May 2009

# Balance Sheet

As at 31<sup>st</sup> March 2009

(Rs in million)

	Schedule	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>I. SOURCES OF FUNDS</b>			
<b>1. Shareholders' Funds</b>			
a. Capital	1	253.07	281.82
b. Reserves and Surplus	2	7083.08	6142.99
		7336.15	6424.81
<b>2. Loan Funds</b>			
a. Secured Loans	3	2593.09	1904.27
b. Unsecured Loans	4	2987.05	3121.71
		5580.14	5025.98
<b>3. Deferred Tax Liability (Net)</b>		440.87	422.90
<b>TOTAL</b>		<b>13357.16</b>	<b>11873.69</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>	5		
a. Gross Block		7778.35	6814.83
b. Less : Depreciation		3432.81	2973.48
c. Net Block		4345.54	3841.35
d. Capital work in progress		2387.47	1629.32
		6733.01	5470.67
<b>2. Investments (Net)</b>	6	2407.10	1623.69
<b>3. Current Assets, Loans and Advances</b>	7		
a. Inventories		2288.93	2655.44
b. Sundry Debtors		2413.03	2238.43
c. Cash and Bank Balances		1270.76	1485.50
d. Other Current Assets		211.15	32.41
e. Loans and Advances		868.93	860.48
		7052.80	7272.26
Less : Current Liabilities and Provisions	8		
a. Liabilities		2241.16	1895.12
b. Provisions		594.59	597.81
		2835.75	2492.93
<b>Net Current Assets</b>		<b>4217.05</b>	<b>4779.33</b>
<b>TOTAL</b>		<b>13357.16</b>	<b>11873.69</b>
<b>Notes forming part of the Accounts</b>	12		

AS PER OUR ATTACHED REPORT OF EVEN DATE

For HARIBHAKTI & CO.  
Chartered Accountants

CHETAN DESAI  
Partner

Mumbai  
Date : 20<sup>th</sup> May 2009

FOR AND ON BEHALF OF THE BOARD

B K PAREKH  
Chairman

S K PAREKH  
Vice Chairman

P C PATEL  
President & Secretary

M B PAREKH  
Managing Director

# Profit and Loss Account

For The Year Ended 31<sup>st</sup> March 2009

(Rs in million)

	Schedule	2008-09	2007-08
<b>INCOME</b>			
Sales		19073.50	17023.71
Less : Excise Duty		1462.28	1670.63
Net Sales		17611.22	15353.08
Other Income	9	238.92	253.46
		17850.14	15606.54
<b>EXPENDITURE</b>			
Materials	10	10328.35	8430.82
Other Expenses	11	5417.62	4547.91
Depreciation		472.16	385.05
		16218.13	13363.78
<b>Profit before Taxation</b>		1632.01	2242.76
<b>Income Tax Expense</b>			
Current Tax		182.45	248.94
Less : MAT Credit Entitlement		59.90	60.15
		122.55	188.79
Deferred Tax		17.96	140.38
Fringe Benefit Tax		27.71	34.05
		168.22	363.22
<b>Profit for the year</b>		1463.79	1879.54
Prior year Tax Provision written back (Net)		-	3.99
Balance brought forward from previous year		720.27	525.16
<b>Profit available for appropriation</b>		2184.06	2408.69
Dividend on Preference Share Capital		0.75	-
Proposed Dividend on Equity Share Capital		442.87	442.87
Corporate Tax on Dividend		75.38	75.27
		519.00	518.14
Transfer to Capital Redemption Reserve		28.75	-
Transfer to Debenture Redemption Reserve		257.18	70.28
Transfer to General Reserve		600.00	1100.00
<b>Balance carried to Balance Sheet</b>		779.13	720.27
<b>Earnings per share: (Refer note 14 of Schedule 12)</b>			
Basic (Rs)		5.78	7.44
Diluted (Rs)		5.65	7.38
Face Value of Share (Re)		1.00	1.00
<b>Notes forming part of the Accounts</b>	12		

AS PER OUR ATTACHED REPORT OF EVEN DATE

For HARIBHAKTI & CO.  
Chartered Accountants

CHETAN DESAI  
Partner

Mumbai  
Date : 20<sup>th</sup> May 2009

P C PATEL  
President & Secretary

FOR AND ON BEHALF OF THE BOARD

B K PAREKH  
Chairman

S K PAREKH  
Vice Chairman

M B PAREKH  
Managing Director

# Schedule

Numbers 1 to 12 annexed to and forming part of the Balance Sheet as at 31<sup>st</sup> March 2009 and Profit and Loss Account for the year ended 31<sup>st</sup> March 2009

(Rs in million)

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 1 SHARE CAPITAL</b>		
<b>Authorised</b>		
39,00,33,999 Equity Shares of Re 1 each	390.03	390.03
50,00,000 6% Cumulative Redeemable Preference Shares of Rs 10 each	50.00	50.00
2,50,00,000 Unclassified Shares of Re 1 each	25.00	25.00
<b>TOTAL</b>	<b>465.03</b>	<b>465.03</b>
<b>Issued, Subscribed and Paid-up</b>		
25,30,61,306 Equity Shares of Re 1 each, fully paid-up (Notes 1 to 3)	253.06	253.06
Nil (28,74,805) 6% Cumulative Redeemable Preference Shares of Rs 10 each, fully paid-up (Note 4)	-	28.75
Bonus Shares Issue Suspense Account (Note 5)	0.01	0.01
<b>TOTAL</b>	<b>253.07</b>	<b>281.82</b>
NOTES: Out of the above		
1. 74,75,880 Equity Shares of Re 1 each have been issued for consideration other than cash pursuant to various schemes of amalgamation during earlier years.		
2. 22,64,14,340 Equity Shares of Re 1 each have been allotted as fully paid-up Bonus Shares by way of capitalisation of General Reserve, Securities Premium Account and Capital Redemption Reserve.		
3. The equity shares of the face value of Rs 10 each were sub-divided into ten equity shares of the face value of Re 1 each w.e.f. 27 <sup>th</sup> September 2005.		
4. 6,67,306 Equity shares of Re 1 each and 28,74,805 6% Cumulative Redeemable Preference Shares of Rs 10 each have been issued as fully paid-up pursuant to the Scheme of Demerger of VAM Manufacturing Unit of Vinyl Chemicals (India) Ltd. into the Company and also repaid during the year.		
5. Bonus Shares Issue Suspense Account pertains to issue of 6,000 fully paid-up Bonus Shares pending settlement of dispute for title of shares.		
<b>SCHEDULE 2 RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	3.37	3.37
<b>Capital Redemption Reserve</b>		
Balance as per last Balance Sheet	-	-
Add: Transferred from Profit and Loss Account	28.75	28.75
<b>Cash Subsidy Reserve</b>		
Balance as per last Balance Sheet	9.47	9.47
<b>Special Reserve</b>		
Balance as per last Balance Sheet	1.19	1.19
<b>Debenture Redemption Reserve</b>		
Balance as per last Balance Sheet	70.28	-
Add : Transferred from Profit and Loss Account	257.18	70.28
	327.46	70.28
<b>General Reserve</b>		
Balance as per last Balance Sheet	5338.41	4088.21
Add : Transferred on Demerger of VAM unit of Vinyl	-	167.92
Less : Earlier Years' Liability of Gratuity & Leave Encashment	-	17.72
Less : Earlier year's Foreign Exchange [Refer Note 10 Schedule 12]	4.70	-
Add : Transferred from Profit and Loss Account	600.00	1100.00
	5933.71	5338.41
Profit and Loss Account	779.13	720.27
<b>TOTAL</b>	<b>7083.08</b>	<b>6142.99</b>

(Rs in million)

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 3 SECURED LOANS</b>		
Working Capital Loans from Banks (including Working Capital Demand Loan) (Note.1)	296.86	975.68
750 ( Nil) 11.9% Secured Redeemable Non Convertible Debentures of Rs.1000000 Each (Note.2)	750.00	-
750 ( Nil) 10.2% Secured Redeemable Non Convertible Debentures of Rs.1000000 Each (Note.2)	750.00	-
Term Loans from Banks (Note.3)	796.23	928.59
<b>TOTAL</b>	<b>2593.09</b>	<b>1904.27</b>

1. Working Capital Loans from Banks are secured by way of first charge on the stock of Raw Materials, Finished Goods, Packing Material, Stock in Process, Bills Receivable and Book Debts and by way of second charge on the entire Plant and Machinery of the Company including Stores and Spares. Further, these loans are secured by way of an Equitable Mortgage on the Land and Building of the Company's unit at Kondivita, Mumbai.
2. Secured Redeemable Non Convertible Debentures are secured by way of mortgage and charge ( by First pari passu charge) on the immovable property in Gujarat and all movable properties of the Company.  
750 Secured Redeemable Non Convertible Debentures with interest @ 11.9% p.a. will be redeemed at par on 5<sup>th</sup> December 2013.  
750 Secured Redeemable Non Convertible Debentures with interest @ 10.2% p.a. will be redeemed at par on 19<sup>th</sup> December 2011.
3. Term Loan from Banks is secured by way of hypothecation of all movable Plant and Machinery of the Company.

<b>SCHEDULE 4 UNSECURED LOANS</b>		
Interest free Sales Tax loan from Government of Maharashtra	354.32	355.52
Foreign Currency Loan from Banks	-	471.79
Foreign Currency Convertible Bonds (US \$ 38.9 million (40 million) Zero Coupon Convertible Bonds due in 2012) (During the year Company has bought back bonds of US \$ 1.1 million)	1982.73	1594.40
Commercial Paper & Others	650.00	700.00
<b>TOTAL</b>	<b>2987.05</b>	<b>3121.71</b>

Amount due within one year Rs 653.74 million (Rs 1171.79 million)



**SCHEDULE 5 FIXED ASSETS**

(Rs in million)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As at 1.4.2008	Transfer from VCIL	Additions / Adjustments	Deductions / Adjustments	As at 31.3.2009	As at 1.4.2008	Transfer from VCIL	Provided during the year	Deductions / Adjustments	As at 31.3.2009	As at 31.3.2008	
<b>Intangible Assets</b>												
- Goodwill	70.40	-	-	-	70.40	62.75	-	5.61	-	68.36	2.04	7.65
- Copyrights, Trademarks, etc.	788.00	-	0.70	-	788.70	441.75	-	75.88	-	517.63	271.07	346.25
Freehold Land	112.80	-	14.25	-	127.05	-	-	-	-	-	127.05	112.80
Leasehold Land	76.96	-	0.07	-	77.03	5.02	-	0.78	-	5.80	71.23	71.94
Buildings	1218.30	-	131.10	-	1349.40	223.04	-	38.43	-	261.47	1087.93	995.26
Plant and Machinery	4008.85	-	752.71	9.37	4752.19	2052.96	-	310.60	(3.31)	2360.25	2391.94	1955.89
Furniture and Fixtures	302.87	-	56.70	0.23	359.34	96.31	-	23.07	-	119.38	239.96	206.56
Vehicles	193.21	-	29.25	16.85	205.61	63.58	-	16.10	(9.48)	70.20	135.41	129.63
<b>Capital Expenditure on Scientific Research</b>												
- Buildings	1.48	-	-	0.04	1.44	0.94	-	0.05	(0.04)	0.95	0.49	0.54
- Plant and Machinery	37.07	-	5.23	-	42.30	23.55	-	1.45	-	25.00	17.30	13.52
- Furniture and Fixtures	3.07	-	-	-	3.07	1.76	-	0.19	-	1.95	1.12	1.31
<b>Assets given on Lease</b>												
Plant and Machinery	1.82	-	-	-	1.82	1.82	-	-	-	1.82	-	-
Total	6814.83	-	990.01	26.49	7778.35	2973.48	-	472.16	(12.83)	3432.81	4345.54	3841.35
Previous Year	5207.06	818.08	827.14	37.45	6814.83	2182.15	428.18	385.05	21.90	2973.48		
Capital work in progress including capital advances												
											2387.47	1629.32
<b>TOTAL</b>											<b>6733.01</b>	<b>5470.67</b>

(Rs in million)

		As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 6 LONG TERM INVESTMENTS</b>			
I.	In Equity Shares (Fully paid)		
	a. Quoted		
	Trade :		
	• 7,451,540 Equity Shares of Re 1 each of Vinyl Chemicals (India) Ltd.	11.79	11.79
	Others:		
	• 3,594 (Nil) Equity Shares of Rs 10 each of Hindustan Adhesives Ltd.	0.09	-
	• 14,400 Equity Shares of Rs 10 each of Hindustan Organic Chemicals Ltd.	0.72	0.72
	• 837 Equity Shares of Rs 10 each of Reliance Industries Ltd.	0.77	0.77
	• (earlier : 4,188 Equity Shares of Rs 10 each of Indian Petrochemicals Corporation Ltd.)		
	• 222,542 Equity Shares of Rs 10 each of Indian Overseas Bank Ltd.	2.96	2.96
	• 61,900 Equity Shares of Rs 10 each of Menon Pistons Ltd.	4.38	4.38
	<b>TOTAL - I (a)</b>	<b>20.71</b>	<b>20.62</b>
	[Market Value Rs 35.34 million (Rs 36.56 million)]		
	b. Unquoted (Fully paid)		
	Trade :		
	In Subsidiary Companies :		
	• 50,000 Equity Shares of Rs 10 each of Fevicol Company Ltd.	0.50	0.50
	• 13,637,959 (9,394,147) Equity Shares of Pidilite International Pte Ltd.	599.99	407.54
	• 23,651,213 (13,746,235) Equity Shares of Pidilite Middle East Ltd.	281.02	158.04
	• 29,983,000 (24,608,000) Equity Shares of Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	682.62	553.90
	• 14,380,000 (10,660,000) Equity Shares of Pidilite USA Inc	629.92	474.60
	• 2,250 ( Nil) Equity shares of Pidilite Industries Egypt	3.00	-
	• 24,000 (Nil) Equity Shares of Pidilite South East Asia Ltd.	0.15	-
	• 75,000 Equity Shares of Pagel Concrete Technologies Pvt Ltd.	6.42	6.42
	• 10,000 Equity Shares of Bhimad Commercial Co Pvt Ltd.	0.17	0.17
	• 10,000 Equity Shares of Madhumala Traders Pvt Ltd.	0.17	0.17
	Others :		
	• Nil (3,594) Equity Shares of Rs 10 each of Hindustan Adhesives Ltd.	-	0.09
	• 200,200 Equity Shares of Rs 10 each of Enjayes Spices & Chemicals Oil Ltd.	5.29	5.29
	• 121,300 Equity Shares of Rs 10 each of Pal Peugeot Ltd.	1.21	1.21
	• 2,275 Equity Shares of Re 1 each of Himalaya House Co-op Society Ltd. (Cost Rs 2275)	-	-
	• 628 Equity Shares of Rs 100 each of Jawahar Co-op Industrial Estate Ltd.	0.06	0.06
	• 40 Equity Shares of Rs 50 each of Regent Chambers Premises Co-op Society Ltd. (Cost Rs 2000)	-	-
	• 25 Equity Shares of Rs 10 each of New Usha Nagar Co-op Housing Society Ltd. (Cost Rs 250)	-	-
	• 10 Equity Shares of Rs 100 each of Taloja CETP Co-op Society Ltd. (Cost Rs 1000)	-	-
	<b>TOTAL - I (b)</b>	<b>2210.52</b>	<b>1607.99</b>
II.	In Units of Mutual Fund (Unquoted)		
	Long Term		
	• 400 Units of Rs 70000 each of Infinity Venture India Fund (Partly redeemed)	1.89	1.89
	Short Term		
	• 17,268,327 Units of Prudential ICICI Flexible Income Plan -Daily Dividend Option	182.59	-
	<b>TOTAL - II</b>	<b>184.48</b>	<b>1.89</b>
	<b>TOTAL : I (a) + I (b) + II</b>	<b>2415.71</b>	<b>1630.50</b>
	Less: Diminution in value of Investments	8.61	6.81
	<b>TOTAL</b>	<b>2407.10</b>	<b>1623.69</b>

Previous year's figures are indicated in brackets only when there is a change.

**SCHEDULE 6** (Contd....)

Investments purchased and sold during the year other than shown above :	(Units) Purchased	(Units) Sold
Units of Birla Cash Plus Dividend Option Institutional Plan	129,223,414	129,223,414
Units of Birla Cash Plus Short Term fund	14,029,263	14,029,263
Units of Prudential ICICI Flexible Income Plan -Daily Dividend Option	61,761,469	44,493,142

(Rs in million)

		As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 7 CURRENT ASSETS, LOANS AND ADVANCES</b>			
<b>A. Current Assets</b>			
a. Inventories			
(As valued and certified by the Management)			
Consumable Stores and Spares, etc.	20.19		32.75
Raw Materials	848.35		1025.42
Goods in Process	140.75		147.15
Finished Goods	987.81		1105.35
Traded Goods	167.21		136.02
Packing Materials	124.62		208.75
		2288.93	2655.44
b. Sundry Debtors (Unsecured)			
Over six months -			
Considered good	171.54		9.46
Considered doubtful	73.50		9.18
Others, Considered good	2241.49		2228.97
	2486.53		2247.61
Less : Provision for doubtful debts	73.50		9.18
		2413.03	2238.43
c. Cash and Bank Balances			
Cash and Cheques on Hand	175.45		199.13
Remittances in Transit	0.24		5.93
Bank Balances :			
With Scheduled Banks :			
In Current Accounts	1093.64		482.97
In Fixed Deposit Accounts	1.40		797.44
Others :			
In Fixed Deposit with Municipal Co-op.Bank Ltd.	0.03		0.03
[Maximum outstanding during the year			
Rs 0.03 million (Rs 0.03 million)]			
		1270.76	1485.50
d. Other Current Assets			
Interest Receivable	-		1.69
Foreign Currency Monetary item Translation			-
Difference Account (Refer Note 10 of Schedule 12)	164.43		
Claims Receivable	46.72		30.72
		211.15	32.41
<b>B. Loans and Advances</b>			
(Unsecured, considered good)			
Advances recoverable in cash or in kind or for			
value to be received	299.61		333.85
Advance Payment of Taxes (Net of Provisions)	17.99		119.71
MAT Credit Entitlement	120.05		60.15
Loans and Advances to Staff	55.05		58.37
Loans and Advance to Subsidiaries	175.15		101.48
Deposits	85.40		68.72
Balances with Central Excise Department	115.68		118.20
		868.93	860.48
<b>TOTAL</b>		<b>7052.80</b>	<b>7272.26</b>

(Rs in million)

		As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 8 CURRENT LIABILITIES AND PROVISIONS</b>			
A.	Current Liabilities		
	Acceptances	27.17	32.61
	Sundry Creditors (Refer Note : 2 of Schedule 12)		
	Small and Medium Enterprises	160.84	54.30
	Others	364.87	613.92
		525.71	668.22
	Dealers' Deposits	294.23	238.99
	Investor Education and Protection Fund shall be credited by the following to the extent required as and when necessary :		
	Unclaimed Dividends & Preference Share Capital	10.22	3.95
	Other Liabilities	1383.83	951.35
		2241.16	1895.12
B.	Provisions		
	For Gratuity	7.63	19.48
	For Leave encashment	68.83	60.19
	Dividends:		
	Proposed Dividend	442.87	442.87
	Corporate Tax on Dividend	75.26	75.27
		518.13	518.14
		594.59	597.81
	<b>TOTAL</b>	<b>2835.75</b>	<b>2492.93</b>

(Rs in million)

		2008-09	2007-08
<b>SCHEDULE 9 OTHER INCOME</b>			
	Interest received - (Gross) [Tax deducted at source Rs 0.04 million (Rs 1.89 million)]	10.56	18.94
	Insurance Claim Received	0.28	5.25
	Dividend received		
	On Trade Investments	1.06	
	On Units of Mutual Fund	8.16	12.57
	Export Incentives	46.58	35.95
	Profit on sale of Fixed Assets	4.62	14.52
	Foreign Exchange Fluctuation	-	29.10
	Miscellaneous	167.66	137.13
	<b>TOTAL</b>	<b>238.92</b>	<b>253.46</b>

(Rs in million)

			2008-09	2007-08
<b>SCHEDULE 10 MATERIALS</b>				
<b>A</b>	<b>Raw Materials consumed</b>			
	Opening Stock	1025.42		671.65
	Add : Purchases	7084.37		6632.11
		8109.79		7303.76
	Less : Closing Stock	848.35		1025.42
			7,261.44	6278.34
<b>B</b>	<b>Packing Materials consumed</b>			
	Opening Stock	208.75		157.48
	Add : Purchases	2072.90		1816.93
		2281.65		1974.41
	Less : Closing Stock	124.62		208.75
			2,157.03	1765.66
<b>C</b>	<b>Cost of Traded Goods</b>			
	Opening Stock	136.02		125.98
	Add : Purchases	817.12		638.83
		953.14		764.81
	Less : Closing Stock	167.21		136.02
			785.93	628.79
<b>D</b>	<b>(Increase) / Decrease in Stocks</b>			
	Closing Stock			
	Goods in Process	140.75		147.15
	Finished Goods	987.80		1105.35
		1128.55		1252.50
	Less :			
	Opening Stock			
	Goods in Process	147.15		76.44
	Finished Goods	1105.35		934.09
		1252.50		1010.53
			123.95	(241.97)
<b>TOTAL</b>			<b>10,328.35</b>	<b>8430.82</b>

(Rs in million)

		2008-09	2007-08
<b>SCHEDULE 11 OTHER EXPENSES</b>			
Stores and Spares consumed		85.20	97.44
Clearing, Forwarding, Octroi Duty, etc.		770.45	617.43
Power and Fuel		254.22	164.09
Water Charges		15.23	16.21
Employees' Emoluments :			
[Refer Notes 1 (vii), 6 and 7 of Schedule 12]			
Salaries, Wages, Bonus, Allowances, etc.	1478.99		1181.45
Contribution to Provident and Other Funds	102.52		78.70
Welfare Expenses	48.94		42.98
		1,630.45	1303.13
Rent		117.14	91.62
Rates and Taxes		19.44	7.02
Insurance		30.01	30.24
Licence fees		1.39	0.84
Repairs :			
Buildings	22.63		14.77
Machinery	40.43		28.64
Others	24.76		21.43
		87.82	64.84
Directors' Fees		0.15	0.24
Advertisement and Publicity		492.38	637.84
Legal, Professional and Consultancy fees		244.16	188.52
Communication Expenses		59.08	58.97
Printing and Stationery		27.39	26.00
Travelling and Conveyance Expenses		317.44	306.81
Bad Debts		0.58	0.53
Provision for Doubtful Debts		64.32	8.44
Processing and Packing Charges		313.55	345.13
Bank Charges		69.02	45.11
Commission and Brokerage		37.81	18.73
Miscellaneous expenses		244.76	252.27
Scientific Research and Development Expenditure		16.62	18.56
[Refer Notes 1(v) of Schedule 12]			
Remuneration to Auditors			
Audit Fees	1.69		1.88
For Other Services	0.89		1.43
		2.58	3.31
Donations		31.19	57.07
Diminution in value of Investments		1.80	-
[Refer Notes 1(vi) of Schedule 12]			
Foreign Exchange Fluctuation		160.70	-
[Refer Note 10 of Schedule 12]			
Loss on Fixed Assets Sold / Discarded		4.95	9.67
Interest			
On Term Loan	72.91		37.78
On Debentures	50.20		-
Others	194.68	-	122.92
		317.79	160.70
<b>TOTAL</b>		<b>5,417.62</b>	<b>4547.91</b>



## SCHEDULE 12 NOTES ON ACCOUNTS

### 1 Significant Accounting Policies:

#### i. General

The financial statements are prepared under the historical cost convention, on the basis of a going concern and as per applicable Indian Accounting Standards. The Company follows mercantile system of accounting and recognises income and expenditure on accrual basis.

#### ii. Revenue Recognition

- i. Income from sale of goods is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold.
- ii. Interest income is recognised on accrual basis.
- iii. Claims which are not of material nature / Insurance Claim, Octroi Duty, Customs Duty, etc. are accounted for when no significant uncertainties are attached to their eventual receipt.

#### iii. Fixed Assets, Depreciation and Impairment Loss

- a. Fixed Assets are stated at cost of acquisition or construction, reduced by accumulated depreciation.
- b. Preoperative expenditure during construction period / trial run : Direct expenses as well as clearly identifiable indirect expenses incurred on the projects during the period of construction are capitalised along with the respective assets.
- c. The Company provides depreciation as under :
  1. For assets acquired up to 30<sup>th</sup> June 1987, on Straight Line Method (SLM) basis, except certain assets for which Written Down Value (WDV) basis is adopted at rates equivalent to the rates specified in the Income-Tax Act, 1961.
  2. For assets acquired after 30<sup>th</sup> June 1987 and before 31<sup>st</sup> March 1993, on SLM basis at rates specified in Schedule XIV of the Companies Act, 1956.
  3. For assets acquired after 31<sup>st</sup> March 1993, on SLM basis as per new rates prescribed under Schedule XIV vide notification no. GSR 756 (E) dated 16<sup>th</sup> December 1993 issued by the Department of Company Affairs.
  4. The Company provides prorata depreciation for additions made during the year except for each asset costing Rs 5,000 or less, for which depreciation has been provided at hundred percent.
  5. The Goodwill acquired by the Company is amortised over a period of 5 years on SLM basis.
  6. The Copyrights, Trademarks, Technical Know-how, etc. acquired by the Company are amortised over a period of 10 years on SLM basis.
- d. In case, the recoverable amount of the fixed assets is lower than its carrying amount, provision is made for the impairment loss.

#### iv. Method of Valuation of Inventories

- a. Raw Materials and Packing materials are valued at cost on weighted average basis.
- b. Finished goods, including traded goods and work in process are valued at lower of cost and net realisable value. Cost (arrived at on weighted average) for this purpose includes direct materials, direct labour, excise duty and appropriate overheads including freight costs up to the ports in respect of finished goods meant for exports.
- c. Consumable stores and spares are valued at lower of cost or net realisable value, as estimated by the management.
- d. Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for.

#### v. Research and Development Expenditure

- a. Capital Expenditure is shown separately in Fixed Assets.
- b. Revenue expenses including depreciation, except expenditure specifically shown, are charged to respective heads of accounts.

## SCHEDULE 12 NOTES ON ACCOUNTS

vi. Investments

- a. Long Term Investments are stated at cost. In case there is a diminution of permanent nature in value of Investments (other than long term strategic investment), the same is provided for.
- b.
  - i. Quoted current investments are stated at the lower of cost and market value.
  - ii. Unquoted current investments are stated at the lower of cost and fair value where available.
- c. Cost of each investment is arrived at on the basis of the average carrying amount of the total holding of that investment.

vii. Retirement Benefits

- a. Contribution to Provident, Superannuation and Family Pension funds are funded as a percentage of salary/wages.
- b. Gratuity liability is funded as per group gratuity scheme of Life Insurance Corporation of India.
- c. Leave encashment liability is provided for on the basis of actuarial valuation as at the year end.

viii. Transactions in foreign currencies

- a. Transactions are recorded at the exchange rates prevailing on the date of transaction.
- b. Foreign currency designated assets and liabilities are restated at the year end rates and the resultant gain or loss is taken to Profit and Loss Account, except in respect of fixed assets which is being capitalised (refer schedule 12 note 10)

ix. Income Tax

Provision for current tax is made on the basis of relevant provisions of the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is virtual/reasonable certainty that these would be realised in future.

x. Provisions, Contingent Liabilities and Contingent Assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material are disclosed by way of notes to accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

- xi. The Company is entitled to sell sales tax deferment benefits under Maharashtra Energy Development Agency (Windmill Projects) Package Scheme of Incentives under the Bombay Sales Tax Act, 1959. Shortfall in the realisation of sale of such benefits to third parties are charged fully in the year of sale.

2. The company does not have any time during the year amount due to small and medium enterprises (SME) which is outstanding for more than 45 days. Further no interest is paid/payable to such SME creditors. The above information and that given in Schedule 8 "Current Liabilities and Provisions" regarding small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Rs in million)

		As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 12 NOTES ON ACCOUNTS</b>			
<b>3.</b>	<b>Contingent liabilities not provided for:</b>		
i.	Guarantees given by Banks in favour of Government and others	56.02	69.77
ii.	Guarantees given by Company	565.30	396.50
iii.	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Customs (under appeal)	112.25	115.62
iv.	Claims against the company not acknowledges as debts.	76.07	-
<b>4.</b>	<b>Estimated amount of contracts, net of advances, remaining to be executed on capital account and not provided for</b>	101.81	149.88
<b>5.</b>	<b>The net amount of exchange differences (credited)/debited to Profit &amp; Loss Account</b>	160.70	(29.10)
<b>6.</b>	<b>Remuneration to Directors:</b> (Includes benefits which are debited to respective expenses)		
a.	Remuneration	41.45	35.47
b.	Commission	42.75	57.61
c.	Provident Fund Contribution	2.24	1.79
d.	Other Perquisites	2.90	3.89
<b>7.</b>	<b>Computation of Net Profit for Commission Payable to Directors in accordance with Section 198 of the Companies Act, 1956.</b>		
	<b>Profit as per Profit and Loss Account before provision for taxation and commission to directors.</b>	1674.76	2300.37
	Add: Directors' remuneration	41.45	35.47
	Contribution to Provident Fund	2.24	1.79
	Other Perquisites	2.90	3.89
		46.59	41.15
		1721.35	2341.52
	Less : Profit/(Loss) on sale of investments	-	(1.20)
	Profit/(Loss) on sale of fixed assets	(0.33)	6.05
	<b>Net Profit for the year for the purpose of Directors' Commission</b>	<b>1721.68</b>	<b>2336.67</b>
	Commission payable to Directors		
a.	Managing Director, Joint Managing Director and Wholetime Directors	40.20	55.21
b.	Others	2.55	2.40
		42.75	57.61

(Rs in million)

		As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>8.</b>	<b>Sundry debtors include amount due from :</b>		
	Company as per Section 370 (1B) of the Companies Act, 1956 : Parekh Marketing Limited	114.97	104.11
9.	The borrowing cost on Foreign Currency Convertible Bonds / ECB of Rs 87.09 million has been capitalised during the year.		
10.	Earlier, the Company dealt with the difference ( gain / loss) in respect of Foreign currency transactions in compliance with AS 11 prescribed by the Central Government pursuant to Section 211 (3C) of the Companies act,1956, by recognising the same as part of the profit or loss. Following the issue of the notification no G.S.R.225 (E) dated 31 <sup>st</sup> March 2009 by the Central Government optionally permitting the modification in such treatment retrospectively from 7 <sup>th</sup> December, 2006, the Company has exercised the option permitted there under to treat such differences relating to assets as adjustments in the carrying value of such depreciable assets and amortise other differences of a specified nature over the term of the relative item. Accordingly, the Company has reversed a sum of Rs 235.29 million, charged as an expense / loss earlier and adjusted the carrying value of relative depreciable fixed assets and a further sum of Rs 164.81 million as so amortisable and the effect thereof is reflected in the financial year ended on 31 <sup>st</sup> March 2009.		
	Further for earlier period, the exchange gain of Rs 4.70 millions has also been adjusted in a similar manner with corresponding debit to general reserve		

**SCHEDULE 12 NOTES ON ACCOUNTS**
**11. Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of part II of Schedule VI to the Companies Act, 1956: Details of licenced capacity, installed capacity, production and sales of the goods manufactured:**
**i. DETAILS OF THE GOODS MANUFACTURED/SALES/STOCKS**

Class of Goods <sup>A</sup>	Licenced Capacity*	Installed Capacity* Approx.	Opening Stock (Qty)	Opening Stock (Rs in million)	Production Meant for Sale (Qty)	Sales <sup>B</sup> (Qty)	Sales <sup>B</sup> (Rs in million)	Closing Stock (Qty)	Closing Stock (Rs in million)
Dyestuffs									
<b>M.T.</b>	<b>3900</b>	<b>3144</b>	<b>2349</b>	<b>173.04</b>	<b>18952<sup>C</sup></b>	<b>18939</b>	<b>1682.46</b>	<b>2362</b>	<b>184.54</b>
	(3900)	(2520)	(2302)	(205.02)	(22693)	(22646)	(1396.03)	(2349)	(173.04)
<b>K.L.</b>			<b>662</b>	<b>113.65</b>	<b>5580<sup>D</sup></b>	<b>5647</b>	<b>1135.35</b>	<b>595</b>	<b>79.86</b>
			(564)	(90.66)	(5490)	(5392)	(1024.24)	(662)	(113.65)
Chemicals									
<b>M.T.</b>	<b>341115</b>	<b>239380</b>	<b>10373</b>	<b>523.34</b>	<b>133931<sup>E</sup></b>	<b>134685</b>	<b>11108.45</b>	<b>9619</b>	<b>453.30</b>
	(307439)	(208860)	(7838)	(393.71)	(144784)	(142249)	(10401.11)	(10373)	(523.34)
<b>K.L.</b>	<b>34260</b>	<b>28740</b>	<b>2781</b>	<b>251.86</b>	<b>29458<sup>F</sup></b>	<b>29408</b>	<b>3460.89</b>	<b>2831</b>	<b>227.35</b>
	(34260)	(21654)	(2478)	(208.19)	(25785)	(25482)	(2989.16)	(2781)	(251.86)
Others Nos. Lac									
			<b>100</b>	<b>43.47</b>	<b>2225<sup>G</sup></b>	<b>2227</b>	<b>511.47</b>	<b>98</b>	<b>42.75</b>
			(91)	(36.51)	(1338)	(1329)	(421.06)	(100)	(43.47)
Traded Goods									
				<b>136.02</b>			<b>1073.04</b>		<b>167.20</b>
				(125.98)			(777.60)		(136.02)
				<b>1241.38</b>			<b>18971.66</b>		<b>1155.00</b>
				(1060.07)			(17009.20)		(1241.38)

\* This being technical matter, is as certified by the Management and relied upon by Auditors.

A Class of Goods is based on main classification given in the Industries (Development and Regulation) Act, 1951.

B Excluding Resale of Raw Materials / Packing Materials Rs 101.84 million (Rs 14.51 million)

C Includes 16621 Tonnes (20255 Tonnes) produced in the factory of third party.

D Includes 3775 KL (5411 KL) produced in the factory of third party.

E Includes 34723 Tonnes (52922 Tonnes) produced in the factory of third party.

F Includes 4243 KL (3851 KL) produced in the factory of the third party.

G Includes 2219 Nos Lac (1338 Nos Lac) produced in the factory of the third party.

Figures in bracket indicate previous year's figures.

**SCHEDULE 12 NOTES ON ACCOUNTS**

ii. a. Value of Imported and Indigenous Raw Materials consumed and percentage thereof:				
	2008-09 Rs in million	2007-08 Rs in million	2008 -09 %	2007-08 %
Imported	2550.69	2677.01	35.56	42.74
Indigenous	4621.47	3586.82	64.44	57.26
	7172.16 *	6263.83 *	100.00	100.00
ii. b. Consumption of Raw Materials		2008-09		2007-08
	Quantity MT	Value Rs in million	Quantity MT	Value Rs in Million
Vinyl Acetate Monomer	10354	723.19	12768	757.67
Miscellaneous		6448.97		5506.16
(None of which individually account for more than 10% of total consumption)				
		7172.16 *		6263.83 *

Notes:

\* Net of Resale of Raw Materials Rs 89.28 million (Rs 14.51 million)

(Rs in million)

		2008-09	2007-08
iii. C.I.F. Value of Imports:			
Raw Materials		2181.09	2145.96
Capital Goods		36.50	74.79
Others		311.93	219.93
		2529.52	2440.68
iv. Expenditure in Foreign Currency :			
Foreign Travel		27.18	27.01
Professional Fees		113.96	70.07
Interest		16.03	17.56
Others		144.77	101.39
		301.94	216.03
iv. Earnings in Foreign Exchange:			
FOB Value of Exports		1819.53	1441.86
Others		3.60	-
		1823.13	1441.86

**SCHEDULE 12 NOTES ON ACCOUNTS**
**12. Segment reporting**

## INFORMATION ABOUT BUSINESS SEGMENTS

(Rs in million)

Business Segments	Consumer & Bazaar Products	Industrial Products	Others	Total
<b>REVENUE</b>				
External Sales	13864.50 (12202.60)	4177.65 (3667.52)	1031.35 (1153.59)	19073.50 (17023.71)
Inter Segment Revenue (at cost plus 10%)	19.12 (22.23)	349.16 (351.49)	610.25 (435.02)	978.53 (808.74)
<b>Total Revenue</b>	<b>13883.62</b> (12224.83)	<b>4526.81</b> (4019.01)	<b>1641.60</b> (1588.61)	<b>20052.03</b> (17832.45)
<b>RESULTS</b>				
Segment Results	2546.09 (2453.21)	531.15 (504.20)	92.78 (170.30)	3170.02 (3127.71)
Unallocated Corporate Expenses				1412.86 (943.09)
Unallocated Corporate Income				172.86 (187.33)
<b>Operating Profit</b>				<b>1930.02</b> (2371.95)
Interest Expenses				317.79 (160.70)
Interest / Dividend Income				19.78 (31.51)
Income Tax (Provision for Taxation and Deferred Taxation )				168.22 (363.22)
<b>Net Profit</b>				<b>1463.79</b> (1879.54)
<b>OTHER INFORMATION</b>				
Segment Assets	5153.63 (4895.12)	1898.45 (1901.63)	499.46 (612.87)	7551.54 (7409.62)
Unallocated Corporate Assets				8641.37 (6776.05)
<b>Total assets</b>				<b>16192.91</b> (14185.67)
Segment Liabilities	1244.70 (902.61)	477.54 (379.29)	187.29 (151.63)	1909.53 (1433.53)
Unallocated Corporate Liabilities				6965.23 (6327.33)
<b>Total liabilities</b>				<b>8874.76</b> (7760.86)
Capital Expenditure	516.37 (530.79)	97.86 (121.27)	8.97 (403.44)	623.20 (1055.50)
Unallocated Corporate Capital Expenditure				1098.51 (1406.82)
Depreciation	247.23 (188.03)	73.34 (61.20)	41.02 (40.70)	361.60 (289.93)

**SCHEDULE 12** NOTES ON ACCOUNTS

## INFORMATION ABOUT GEOGRAPHICAL SEGMENTS

(Rs in million)

GEOGRAPHICAL SEGMENTS	India		Other Countries		Total	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Sales Revenue	17157.90	15490.97	1915.60	1532.74	19073.50	17023.71
Carrying amount of Segment Assets	15283.40	13648.62	618.26	537.05	16192.91	14185.67
Additions to Fixed Assets and Intangible Assets	1721.71	2462.32	1.99	-	1723.70	2462.32

Notes:

## SEGMENT INFORMATION

**Business Segment**

The Company is operating into three business segments: Consumer & Bazaar Products, Industrial Products and Others. This segmentation is based around customers.

Consumer & Bazaar Products consist of mainly Adhesives, Sealants, Art Materials and Construction Chemicals.

Industrial Products consists of Organic Pigments, Industrial Resins and Industrial Adhesives.

Others consist of VAM manufacturing unit of Vinyl Chemicals (India) Ltd. demerged into the Company wef 1st April 2007.

**Geographical Segment**

For the purpose of geographical segment the sales are divided into two segments : Sales within India and Sales to other countries.

**13. Deferred Taxation:**

Out of the net deferred tax liability of Rs 440.86 million as at 31<sup>st</sup> March, 2009, the major components of deferred tax balances are set out below:

(Rs in million)

	Upto 31 <sup>st</sup> March 2008	During the year 2008-09	Carried as at 31 <sup>st</sup> March 2009
Deferred Tax Liability			
i) Difference between Accounting and Tax Depreciation (Cumulative)	454.85	51.27	506.12
Deferred Tax Assets			
i) Leave Salary & Others	31.95	33.31	65.26
<b>B. Net Deferred Tax Liability</b>	<b>422.90</b>	<b>17.96</b>	<b>440.86</b>

The above working of deferred tax is based on assessment orders where assessments are complete and on return of income in other cases.



## SCHEDULE 12 NOTES ON ACCOUNTS

### 14. Earnings Per Share

(Rs in million)

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
Weighted Average no of shares used in computing Basic Earnings per share	253067306	253067306
Add Weighted average Potential no of equity shares that could arise on exercise of option on Zero Coupon Convertible Bonds from 16 <sup>th</sup> Jan 2008 to 1 <sup>st</sup> December 2012	5981577	1966214
Weighted Average no of shares used in computing Diluted Earnings per share	259048883	255033520
Net Profit after tax and Preference dividend and Tax on it (Rs in million)	1462.91	1883.53
Basic Earnings Per Share * (Rs)	5.78	7.44
Diluted Earnings Per Share * (Rs)	5.65	7.38

\* Equity shares of face value of Re 1 each

### 15. a) Particulars of Unhedged foreign currency Exposure as at Balance Sheet Date

Particulars	Amount
Export Debtors	Rs.593.5 millions (USD 10.68 millions, Euro 0.6 millions, GBP 0.1 millions, THB 1.1 millions, Zar 0.05 millions) Previous Year Rs.521.2 millions (USD 11.29 millions, Euro 0.9 millions, GBP 0.2 millions)
Creditors	Rs 104.10 millions (USD 2.05 millions, Euro 0.09 millions) Previous Year Rs 74.16 millions (USD 1.73 millions, Euro 0.33 millions)
Loans	Rs.2515.8 millions (USD 50.2 millions ) Previous Year Rs.2744.8 millions (USD 66.98 millions, Euro 1.2 millions, GBP 0.03 millions)

### 15. b) Details of Forward Contract outstanding as at the End of Year

Currency	No. of Contracts	Buy Amount	Purpose
USD	3	5.67 millions	ECB loans for purchase of Assets and overseas Investments.
USD	5	1.25 millions	Import of Raw Materials.

**SCHEDULE 12** NOTES ON ACCOUNTS**16. Related Party Disclosures**

Related Party Disclosures as required by AS-18, "Related Party Disclosures", are given below:

i	Relationships:	
a.	Parekh Marketing Ltd.	Significant Influence
b.	Vinyl Chemicals (India) Ltd.	Substantial Interest in Voting Power (Associate)
c.	Kalva Marketing and Services Ltd.	Significant Influence
d.	Nitin Enterprises	Controlling Interest
e.	Fevicol Company Ltd.	100% Subsidiary
f.	Bhimad Commercial Co Pvt Ltd.	100% Subsidiary
g.	Madhumala Traders Pvt Ltd.	100% Subsidiary
h.	Page1 Concrete Technologies Pvt Ltd.	75% Subsidiary
i.	Pidilite International Pte Ltd.	100% Subsidiary
j.	Pidilite Middle East Ltd.	100% Subsidiary
k.	Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	100% Subsidiary
l.	Pidilite USA Inc	100% Subsidiary
m.	Jupiter Chemicals (LLC)	100% Subsidiary of wholly owned subsidiary
n.	Nebula Trading FZE	Wound up wef 11 <sup>th</sup> January 2009
o.	P.T. Pidilite Indonesia	100% Subsidiary of wholly owned subsidiaries
p.	Pidilite Speciality Chemicals Bangladesh Pvt Ltd.	100% Subsidiary of wholly owned subsidiaries
q.	Pidilite Innovation Centre Pte Ltd.	100% Subsidiary of wholly owned subsidiaries
r.	Pidilite Industries Egypt - SAE	100% Subsidiary of wholly owned subsidiaries
s.	Chemson Asia Pte Ltd.	100% Subsidiary of wholly owned subsidiary
t.	Pidilite Bamco Ltd.	75% Subsidiary of wholly owned subsidiary
u.	Pidilite South East Asia Ltd.	100% Subsidiary of wholly owned subsidiary
v.	Bamco Supply Services Ltd.	49% Subsidiary of wholly owned subsidiary and having significant influence

ii	Key Management Personnel :
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Sarva Shri M B Parekh - Managing Director, N K Parekh - Jt Managing Director, A B Parekh and A N Parekh - Whole Time Directors, Shri V. S. Vasani - Whole Time Director
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iii	Other Directors
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Sarva Shri B K Parekh, S K Parekh, R M Gandhi, N J Jhaveri, B S Mehta, R Kapoor, Y Mahajan, B Puri and D. Bhattacharya
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**SCHEDULE 12 NOTES ON ACCOUNTS**

 iv. Transactions with Related Parties during the year ended 31<sup>st</sup> March 2009 are as follows :

(Rs in million)

Nature of Transaction	Re-muneration to Directors	Parekh Marketing Ltd.	Vinyl Chemicals (India) Ltd.	Kaiva Marketing and Services Ltd.	Nitin Enterprises	Bhimad Commercial Co Pvt Ltd.	Madhumala Traders Pvt Ltd.	Pageel Concrete Technology Pvt Ltd.	Pidlilite International Pte Ltd.	Pidlilite Middle East Ltd.	Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda
a. Sales and Related Income		505.90 (1829.58)	Nil (Nil)	Nil (Nil)	1.06 (0.19)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	14.02 (Nil)
b. Other Income (including Electricity Generation)		Nil (0.47)	Nil (Nil)	Nil (0.03)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.10 (Nil)
c. Purchases and Other Related Services		Nil (Nil)	707.12 (681.14)	Nil (Nil)	83.70 (3.37)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
d. Remuneration to Directors:											
- Sitting Fees	0.15 (0.24)										
- Managing Director/Jt Managing Director	66.44 (71.02)										
- Whole Time Directors	20.36 (25.34)										
- Commission to Non Executive Directors	2.40 (2.40)										
e. Investment in Share Capital		Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (0.17)	Nil (0.17)	Nil (Nil)	192.45 (121.88)	122.99 (81.67)	128.71 (531.07)
f. Loans Given/(Taken)		Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (16.50)	Nil (16.50)	Nil (Nil)	Nil (Nil)	Nil (Nil)	54.31 (Nil)
g. Purchase of Fixed Assets		Nil (63.26)	0.53 (Nil)	0.72 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
h. Sale of Fixed Assets		Nil (12.00)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1.46 (Nil)
i. Interest Paid / (Received)		Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	(3.60) (4.49)
j. Reimbursement of expenses made		1.45 (0.78)	7.13 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1.27 (Nil)
k. Reimbursement of expenses received		0.61 (20.69)	0.75 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
l. Provision For Doubtful Debts Made		Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
m. Outstanding Balances :											
- Debtors		114.97 (104.11)	35.60 (Nil)	Nil (Nil)	0.12 (0.19)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	19.34 (6.49)
- Creditors		1.61 (0.25)	64.02 (65.01)	Nil (Nil)	3.93 (3.37)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.54 (Nil)	Nil (Nil)	Nil (Nil)
- Outstanding Payable (Net of receivable)		(113.36) (103.86)	28.42 (65.01)	Nil (Nil)	3.81 (3.18)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.54 (Nil)	Nil (Nil)	(19.34) (6.49)

During the year, loan given to Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda of Rs 68.19 Mil. Converted in to Equity Shares and additional loan given of Rs 123.23Mil. No amounts have been written off or written back during the year in respect of debts due from or to Related Parties.

**SCHEDULE 12 NOTES ON ACCOUNTS**

iv. Transactions with Related Parties during the year ended 31<sup>st</sup> March 2009 are as follows:

Nature of Transaction	Pidilite USA Ltd.	Jupiter Chemicals (L.L.C.)	Nebula Trading FZE	PT Pidilite Indonesia	Pidilite Speciality Chemicals Bangladesh Pvt Ltd.	Pidilite Innovation Centre Pte Ltd.	Pidilite Industries Egypt SAE	Chemson Asia Pte Ltd.	Pidilite Bamco Ltd.	Pidilite South East Asia	Bamco Supply Services Limited	Total
a. Sales and Related Income	Nil (9.48)	4.53 (3.30)	23.57 (56.04)	2.64 (11.95)	1.68 (Nil)	Nil (Nil)	6.62 (Nil)	0.07 (0.23)	0.60 (Nil)	Nil (Nil)	0.56 (Nil)	561.25 (1910.77)
b. Other Income (Including Electricity Generation)	Nil (Nil)	0.56 (Nil)	Nil (Nil)	Nil (Nil)	0.09 (Nil)	Nil (Nil)	0.09 (Nil)	0.27 (Nil)	0.80 (Nil)	Nil (Nil)	Nil (Nil)	1.91 (0.50)
c. Purchases and Other Related Services	11.91 (12.01)	37.35 (Nil)	25.79 (21.86)	12.06 (10.05)	0.34 (9.11)	15.50 (17.99)	Nil (Nil)	4.50 (3.94)	0.16 (0.41)	13.88 (Nil)	Nil (Nil)	912.31 (759.88)
d. Remuneration to Directors: - Sitting Fees												0.15 (0.14)
- Managing Director/Jt Managing Director												66.44 (46.13)
- Whole Time Directors												20.36 (18.04)
- Commission to Non Executive Directors												2.40 (2.00)
e. Investment in Share Capital	155.33 (106.07)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	3.00 (1.17)	Nil (Nil)	Nil (Nil)	0.15 (Nil)	Nil (Nil)	602.63 (842.20)
f. Loans Given/(Taken)	Nil ((120.28))	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	54.31 ((87.28))
g. Purchase of Fixed Assets	Nil (Nil)	0.19 (Nil)	Nil (Nil)	Nil (Nil)	0.52 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1.96 (63.26)
h. Sale of Fixed Assets	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2.47 (Nil)	Nil (Nil)	2.78 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	6.71 (12.00)
i. Interest Paid / (Received)	Nil ((4.17))	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	(3.60) ((8.66))
j. Reimbursement of expenses made	0.44 (Nil)	0.40 (Nil)	0.01 (Nil)	Nil (Nil)	0.17 (Nil)	Nil (Nil)	0.01 (Nil)	Nil (0.06)	2.33 (3.32)	Nil (Nil)	Nil (Nil)	13.21 (4.16)
k. Reimbursement of expenses received	Nil (Nil)	0.71 (0.10)	0.17 (2.08)	Nil (0.17)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.20 (Nil)	0.56 (Nil)	0.75 (Nil)	0.04 (Nil)	3.79 (23.04)
l. Provision For Doubtful Debts Made	Nil (Nil)	Nil (Nil)	Nil (Nil)	10.00 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	10.00 (Nil)
m. Outstanding Balances :												
- Debtors	3.90 (9.48)	30.81 (4.44)	Nil (58.33)	27.68 (27.57)	0.09 (Nil)	Nil (Nil)	6.19 (Nil)	Nil (Nil)	1.57 (Nil)	Nil (Nil)	0.12 (Nil)	240.39 (210.61)
- Creditors	0.38 (Nil)	20.14 (Nil)	(13.65)	6.75 (Nil)	Nil (Nil)	3.48 (17.99)	Nil (3.02)	3.57 (3.02)	0.22 (0.03)	4.56 (Nil)	Nil (Nil)	109.20 (103.32)
- Outstanding Payable (Net of receivable)	(3.52) ((9.48))	(10.67) ((4.44))	(44.68)	(20.93) ((27.57))	Nil (Nil)	3.48 (17.99)	(6.19) (3.02)	3.57 (3.02)	(1.35) (0.03)	4.56 (Nil)	(0.12) (Nil)	(131.10) ((107.29))

During the year, loan given to Puvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda of Rs 68.19 Mil. Converted in to Equity Shares and additional loan given of Rs 123.23Mil

No amounts have been written off or written back during the year in respect of debts due from or to Related Parties.

## SCHEDULE 12 NOTES ON ACCOUNTS

### 17. 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

The Provident Fund and the State Defined Contribution Plans are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the LIC of India. 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 Profit and Loss Account for the year:

(Rs in million)

	2008-09
(i) Contribution to Provident Fund	44.65
(ii) Contribution to Employees' Superannuation Fund	6.99
(iii) Contribution to Employees' State Insurance Scheme	6.81
(iv) Contribution to Employees' Pension Scheme 1995	25.16
<b>(B) Defined Benefit Plans</b>	
(a) Gratuity	
(b) Leave Encashment	
Applicable to certain employees	
Valuations in respect of Gratuity and Leave Encashment have been carried out by LIC & independent actuary respectively, as at the balance sheet date, based on the following assumptions:	
(i) Discount Rate (per annum)	8%
(ii) Rate of increase in Compensation levels	4%

(Rs in million)

	2008-09 Gratuity	2007-08 Gratuity
i. Changes in Present value of Obligation		
a. Opening Present value of Obligation	136.56	104.38
b. Interest Cost	10.93	7.85
c. Past Service Cost	-	-
d. Current Service Cost	11.28	8.69
e. Contributions by Plan participants	-	-
f. Curtailment Cost/(Credit)	-	-
g. Settlement Cost/(Credit)	-	-
h. Benefits Paid	8.07	6.81
i. Actuarial (Gains)/Loss	7.87	(0.87)
j. Amalgamation/ Scheme	-	23.33
k. Closing Present value of Obligation	158.58	136.57
ii. Changes in Fair value of Plan Assets		
a. Opening Present value of Plan Assets	117.08	91.16
b. Expected Return on Plan Assets	11.17	9.88
c. Actuarial (Gain) / Loss	-	-
d. Employer s Contributions	30.76	4.70
e. Employees Contributions (incl. Rs Nil transferred from previous employers)	-	-
f. Benefits Paid	8.07	6.81
g. Amalgamation / Scheme	-	18.16
h. Closing Fair value of Assets	150.95	117.09
iii. Percentage of each category of Plan Assets to total closing fair value of Plan Assets		
a. Bank Deposits (Sp. Dep. Scheme, 1975)	-	-
b. Debt Instruments	-	-
c. Administered by Life Insurance Corporation of India	150.95	117.09
d. Others	-	-
iv. Reconciliation of the Present Value of Defined Present Obligations and the Fair Value of Assets		
a. Closing Present value of Funded Obligation	158.58	136.57
b. Closing Fair value of plan Assets	150.95	117.09
c. Funded (Asset) / Liability recognised in the Balance Sheet	7.63	19.48
d. Closing Present value of Unfunded Obligation	-	-
e. Unrecognised Past Service Cost	-	-
f. Unrecognised Actuarial (Gain) / Loss	-	-
g. Unfunded Net Liability recognised in the Balance Sheet	-	-
v. Amounts recognised in the Balance Sheet		
a. Closing Present value of Obligation	158.58	136.57
b. Closing Fair value of Plan Assets	150.95	117.09
c. (Asset) / Liability recognised in the Balance Sheet	7.63	19.48
vi. Expenses recognised in the Profit and Loss Account		
a. Current Service Cost	11.28	8.69
b. Past Service Cost	-	-
c. Interest Cost	10.93	7.85
d. Expected Return on Plan Assets	11.17	9.88
e. Curtailment Cost / (Credit)	-	-
f. Settlement Cost / (Credit)	-	-
g. Net Actuarial (Gain) / Loss	7.87	(0.87)
h. Employees Contribution	-	-
i. Total Expenses recognised in the Profit and Loss Account	18.91	5.79

18. Figures in bracket indicate previous year's figures.

19. Previous year's figures have been regrouped / rearranged wherever necessary.

**SCHEDULE 12 NOTES ON ACCOUNTS**

**20. Additional information pursuant to the provisions of Part IV of Schedule VI to the Companies Act, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

	2008-09	2007-08
I. Registration Details:		
Registration No.	14336	14336
State Code	11	11
Balance Sheet Date	31.03.2009	31.03.2008
	(Rs in million)	(Rs in million)
II. Capital Raised during the year		
Public Issue	Nil	Nil
Rights Issue	Nil	Nil
Bonus Issue	Nil	Nil
Private Placement/On Amalgamation	Nil	Nil
III. Position of Mobilisation and Deployment of Funds		
Total Liabilities	13357.16	11873.69
Total Assets	13357.16	11873.69
<b>Sources of Funds</b>		
Paid-up Capital	253.07	281.82
Reserves and Surplus	7083.08	6142.99
Secured Loans	2593.09	1904.27
Unsecured Loans	2987.05	3121.71
Deferred Tax Liability (Net)	440.87	422.90
<b>Application of Funds</b>		
Net Fixed Assets	6733.01	5470.67
Investments	2407.10	1623.69
Net Current Assets	4217.05	4779.33
IV. Performance of Company		
Turnover	19073.50	17023.71
Less : Excise duty	1462.28	1670.63
Net Turnover	17611.22	15353.08
Other Income	238.92	253.46
Total Expenditure	16218.13	13363.78
Profit Before Tax	1632.01	2242.76
Profit After Tax	1463.79	1883.53
Earning per Share in Rs.	5.78	7.44
Dividend rate %	175.00	175.00
V. Generic Names of three Principal Products/Services of the Company (as per monetary terms)		
Item Code No.	Product	
(ITC Code)	Description	
3506	ADHESIVES	
3905 + 3906	SYNTHETIC RESINS	
3204	ORGANIC PIGMENTS AND PREPARATIONS BASED ON ORGANIC PIGMENTS	

Signatures to Schedules 1 to 12

FOR AND ON BEHALF OF THE BOARD

B K PAREKH  
Chairman

S K PAREKH  
Vice Chairman

M B PAREKH  
Managing Director

Mumbai  
Date : 20<sup>th</sup> May, 2009

P C PATEL  
President & Secretary

# Cash Flow Statement

For The Year Ended 31<sup>st</sup> March 2009

(Rs in million)

		2008-09	2007-08
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before taxation	1632.01	2242.76
	Adjustment for Depreciation	472.16	385.05
	Additional Provision for Diminution in value of Investments	1.80	-
	Interest paid	317.79	160.70
	Dividend received	(9.22)	(12.57)
	Interest received	(10.56)	(18.94)
	Amortisation of VRS compensation	-	2.43
	(Profit) / Loss on Sale of Assets	0.33	(4.85)
	Foreign Exchange loss on ECB / FCCB	149.73	-
	Bad debts w/off / provision for doubtful debts	64.90	8.97
		<b>986.93</b>	<b>520.79</b>
	Operating Profit before Working Capital changes	<b>2618.94</b>	<b>2763.55</b>
	Working Capital changes :		
	Inventories (inc) / Dec	366.51	(550.62)
	Debtors (Inc) / Dec	(239.50)	(668.38)
	Loans and Advances, etc. (Inc) / Dec	(64.58)	(164.59)
	Current Liabilities Inc / (Dec)	336.56	336.33
		<b>398.99</b>	<b>(1047.26)</b>
	Cash generated from operations	<b>3017.93</b>	<b>1716.29</b>
	Interest received	10.56	18.94
	Interest paid	(317.79)	(160.70)
	Income Tax paid (Net)	(108.44)	(295.72)
		<b>(415.67)</b>	<b>(437.48)</b>
	Net Cash flow from Operating Activities Carried Forward	<b>2602.26</b>	<b>1278.81</b>



# Cash Flow Statement

For The Year Ended 31<sup>st</sup> March 2009

(Rs in million)

		2008-09	2007-08
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(1517.19)	(2110.12)
	Sale of Fixed Assets	13.33	25.67
	Purchase of Investments	(2690.78)	(2127.59)
	Sale of Investments	1905.57	1289.85
	Dividend received	(9.22)	12.57
	Net Cash flow from Investing Activities	(2279.85)	(2909.62)
		322.41	(1630.81)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	(Repayment) / Increase of long term borrowings	(1.20)	31.93
	(Repayment) / Increase of long term borrowings - Bank	(250.00)	602.17
	(Decrease) / Increase in Short term Borrowings - Bank	(728.82)	988.72
	(Repayment) / Increase of Short Term Borrowings - Foreign Currency Loan	(471.79)	105.38
	(Redemption) / Issue of Foreign Currency Convertible Bonds	(43.85)	1,594.40
	(Redemption) / Issue of Preference Shares	(28.75)	-
	(Redemption) / Issue of secured Redeemable Non Convertible Debentures	1,500.00	-
	Dividend paid (Including Dividend Tax, where applicable)	(512.74)	(442.46)
	Net Cash Flow from Financing Activities	(537.15)	2880.14
	Net Increase in Cash and Cash Equivalents	(214.74)	1249.33
	Cash and Cash Equivalents as at 1 <sup>st</sup> April 2008	1485.50	231.70
	Cash and Cash Equivalents acquired under the Scheme	-	4.47
	Cash and Cash Equivalents as at 31 <sup>st</sup> March 2009	1270.76	1485.50
		(214.74)	1249.33
	Purchase of Fixed assets excludes Exchange loss capitalised [Refer note 10 of schedule 12]	-	-

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For HARIBHAKTI & CO.  
Chartered Accountants

CHETAN DESAI  
Partner

Mumbai  
Date : 20<sup>th</sup> May, 2009

P C PATEL  
President & Secretary

B K PAREKH  
Chairman

S K PAREKH  
Vice Chairman

M B PAREKH  
Managing Director

## Statement pursuant to Section 212 of The Companies Act, 1956 relating to Subsidiary Companies

Currency	Names of the subsidiaries								Pidilite USA Inc	
	Fevicol Company Ltd.	Pidilite International Pte Ltd.	Singapore Dollars	Chemson Asia Pte Ltd.	Pidilite Middle East Ltd.	Jupiter Chemicals (L.L.C.)	Pidilite Speciality Chemicals Bangladesh Pvt Ltd.	Pidilite Bamco Ltd.		PT Pidilite Indonesia
	Indian Rs	Singapore Dollars	Singapore Dollars	Singapore Dollars	AED	AED	Taka	Baht	IDR	US Dollars
The financial year of the subsidiary ended on	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009
Holding company's interest	100%	100%	100%	100%	100%	100%	100%	75%	100%	100%
			by Pidilite International Pte Ltd.		by Pidilite Middle East Ltd.	by Pidilite International Pte Ltd. (99%) & Pidilite Middle East Ltd. (1%)		by Pidilite International Pte Ltd.	by Pidilite International Pte Ltd. (99%) & Pidilite Middle East Ltd. (1%)	
Equity Share Capital Including Share application Money	- 0.50	20707884 692.58	1250000 41.81	23651213 327.50	300000 4.15	192830248 142.64	20776818 29.81	8696784900 38.27	14380000 731.39	
Net aggregate Profits or (Losses) for the current financial year since becoming subsidiary, so far as concern the Members of the Holding Company, not dealt with or provided for in the accounts of the Holding Company	- 0.06	(49938) (1.67)	(51032) (1.71)	183178 2.54	(3910911) (54.15)	- -	(13988406) (20.07)	(2659909806) (11.70)	(1768988) (89.97)	
Net aggregate Profits or (Losses) for the previous financial years since becoming subsidiary, so far as concern the members of the Holding Company, not dealt with or provided for in the accounts of the Holding Company	- 0.04	(259009) (7.52)	(624407) (18.12)	(362304) (3.95)	(3679898) (40.11)	72000 0.04	224383 0.29	(1426574002) (6.21)	(3233069) (129.39)	
Additional information u/s 212(5)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

\*\* Became subsidiary of Pidilite International Pte Ltd. during the year.

FOR AND ON BEHALF OF THE BOARD

B K Parekh  
Chairman

S K Parekh  
Vice Chairman

M B Parekh  
Managing Director

P C PATEL  
President & Secretary

Mumbai  
Date : 20<sup>th</sup> May 2009

**Statement pursuant to Section 212 of The Companies Act, 1956 relating to Subsidiary Companies**

Currency	Pidilite Innovation Center Pte Ltd.	Madhumala Traders Pvt Ltd.	Bhimad Commercial Co Pvt Ltd.	Pidilite Industries Egypt - SAE	Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	Pidilite Southeast Asia Ltd.**	Bamco Supply and Services Ltd.**	Pageel Concrete Technologies Pvt Ltd.
	Singapore Dollars	Indian Rs.	Indian Rs.	EGP	Brazilian Reals	Baht	Baht	Indian Rs
The financial year of the subsidiary ended on	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009
Holding company's interest	100% by Pidilite International Pte Ltd.	100%	100%	100% by Pidilite International Pte Ltd. (97%), Pidilite Industries Ltd. (2%) & Pidilite Middle East Ltd. (1%)	100%	100% by Pidilite International Pte Ltd. (97%), Pidilite Industries Ltd. (3%)	49% by Pidilite International Pte Ltd.	75%
Equity Share Capital	Local Currency Indian Rs in million	- 0.10	- 0.10	23183971 209.16	29983700 662.10	4000000 5.74	1000000 1.43	- 1.00
Net aggregate Profits or (Losses) for the current financial year since becoming subsidiary, so far as concern the Members of the Holding Company, not dealt with or provided for in the accounts of the Holding Company	Local Currency Indian Rs in million	- (0.79)	- 7.33	(243053) (2.19)	(9058814) (200.04)	(61697) (0.09)	231279 0.33	- (0.74)
Net aggregate Profits or (Losses) for the previous financial years since becoming subsidiary, so far as concern the members of the Holding Company, not dealt with or provided for in the accounts of the Holding Company	Local Currency Indian Rs in million	(8247) (0.24)	- 0.32	(163345) (1.19)	(1264084) (28.98)	- -	- -	- (0.79)
Additional information u/s 212(5)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

\*\* Became subsidiary of Pidilite International Pte Ltd. during the year.

FOR AND ON BEHALF OF THE BOARD

B K Parekh  
Chairman

S K Parekh  
Vice Chairman

M B Parekh  
Managing Director

Mumbai  
Date : 20<sup>th</sup> May 2009

# Corporate Governance Report

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the following report:

## 1. Company's Philosophy on Code of Governance

The Company is committed to good Corporate Governance and has complied in all material respects with the requirements specified in the Listing Agreement with the Stock Exchanges.

## 2. Board of Directors

During the Financial Year 2008-09, 7 Board Meetings (including one adjourned meeting) were held on 28<sup>th</sup> May 2008 (adjourned to 8<sup>th</sup> July 2008), 23<sup>rd</sup> July 2008, 13<sup>th</sup> August 2008, 22<sup>nd</sup> October 2008, 14<sup>th</sup> November 2008 and 21<sup>st</sup> January 2009.

Details of composition of the Board, category, attendance of Directors at Board Meetings and last Annual General Meeting (AGM), number of other Directorships and Committee Memberships as on 31<sup>st</sup> March 2009 are given below:

Sr. No.	Name	Category	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships held in other Companies(*)	No. of Committee positions held @ in other Companies	
						Memberships	Chairmanships
1	Shri B K Parekh (Chairman)	NED(P)	7	Yes	15	1	-
2	Shri S K Parekh (Vice Chairman)	NED(P)	7	Yes	6	-	-
3	Shri H K Parekh**	NED(P)	4	Yes	N.A	-	-
4	Shri M B Parekh (Managing Director)	ED(P)	6	Yes	9	-	-
5	Shri N K Parekh (Jt.Managing Director)	ED(P)	5	Yes	8	-	-
6	Shri A B Parekh (Wholetime Director)	ED(P)	5	No	9	-	-
7	Shri A N Parekh (Wholetime Director)	ED(P)	5	Yes	12	-	-
8	Shri V S Vasan (Wholetime Director)	ED	3	Yes	-	-	-
9	Shri R M Gandhi	NED (I)	6	Yes	4	2	4
10	Shri N J Jhaveri	NED (I)	4	Yes	14	4	5
11	Shri Bansi S Mehta	NED (I)	7	Yes	16	5	4
12	Shri Ranjan Kapur	NED (I)	5	Yes	13	2	-
13	Shri Yash Mahajan	NED (I)	2	No	3	1	-
14	Shri Bharat Puri ***	NED (I)	2	No	-	-	-
15	Shri D Bhattacharya****	NED (I)	Not Applicable		15	-	2

\* Including Directorships held in Private Limited Companies, Section 25 Companies, Alternate Directorships and Directorships in bodies incorporated outside India.

@ Includes position in Audit Committee and Shareholders / Investors Grievance Committee only.

\*\* Resigned as a Director wef 22<sup>nd</sup> October 2008 \*\*\* Appointed as an Additional Director w.e.f 28<sup>th</sup> May 2008.

\*\*\*\* Appointed as an Additional Director wef 26<sup>th</sup> February 2009.

ED - Executive Director, ED (P) - Executive Director, Promoter, NED (P) - Non-executive Director, Promoter, NED (I) - Non-executive Director, Independent.

Shri B K Parekh, Shri S K Parekh and Shri N K Parekh are related to each other. Shri M B Parekh and Shri A B Parekh are related to each other as well as to Shri B K Parekh. Shri A N Parekh is related to Shri N K Parekh.

### 3. Audit Committee

During the financial year 2008-09, 4 meetings of the Committee were held on 28<sup>th</sup> May 2008, 23<sup>rd</sup> July 2008, 22<sup>nd</sup> October 2008 and 21<sup>st</sup> January 2009.

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

Sr. No.	Name	Designation	Category	No. of Meetings attended
1	Shri Bansi S Mehta	Chairman	NED (I)	4
2	Shri N J Jhaveri	Member	NED (I)	4
3	Shri B K Parekh	Member	NED (P)	4
4	Shri Ranjan Kapur	Member	NED (I)	3

The Managing Director is a permanent invitee to the meetings. The Company Secretary is the Secretary of the Committee. Director- Finance and Chief Financial Officer are invited to attend the meetings. Statutory Auditors and Cost Auditors are invited when required.

The powers and terms of reference of the Committee are as specified in Clause 49 of the Listing Agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956.

### 4. Remuneration of Directors

Although Remuneration Committee (being a non-mandatory requirement) has not been constituted by the Company, all matters relating to review and approval of compensation payable to the Executive and Non-executive Directors are considered by the Board within the overall limits approved by the Members.

Executive Directors' remuneration details for the financial year 2008-09 are given below:

Sr. No.	Name	Salary * (Rs)	Commission Payable (Rs)	Perquisites (Rs)	Total (Rs)	Tenure (No. of years)
1	Shri M B Parekh (Managing Director)	98,80,140	2,70,00,000	59,59,962	4,28,40,102	5
2	Shri N K Parekh (Jt. Managing Director)	49,40,052	60,00,000	32,90,533	1,42,30,585	5
3	Shri A B Parekh (Whole-time Director)	42,34,344	47,00,000	32,41,936	1,21,76,280	5
4	Shri A N Parekh (Whole-time Director)	36,89,652	25,00,000	17,21,996	79,11,648	5
5	Shri V S Vasani (Whole-time Director)	11,59,200	-	39,00,540	50,59,740	2

\* Includes House Rent Allowance

The above figures 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.

Notice period for the Executive Directors is as applicable to the senior employees of the Company. No severance fee is payable to the Executive Directors on termination of employment. The Company does not have a scheme of stock options for the Directors or the employees.

The details of sitting fees paid for attending to the Board/Committee meetings and commission due to the Non-executive Directors for the year ended 31<sup>st</sup> March 2009 are as under:

Sr. No.	Name	Sitting fees (Rs)	Commission Payable (Rs)	Total (Rs)
1	Shri B K Parekh	-	300,000	300,000
2	Shri S K Parekh	-	300,000	300,000
3	Shri H K Parekh	-	168,493	168,493
4	Shri R M Gandhi	33,000	300,000	333,000
5	Shri N J Jhaveri	28,000	300,000	328,000
6	Shri Banshi S Mehta	38,000	300,000	338,000
7	Shri Ranjan Kapur	26,000	300,000	326,000
8	Shri Yash Mahajan	10,000	300,000	310,000
9	Shri Bharat Puri	10,000	252,329	262,329
10	Shri D Bhattacharya	-	27,123	27,123

The Company do engage M/s. Banshi S Mehta & Co., a Chartered Accountants firm in which Shri Banshi S Mehta is a partner for legal/tax advice. The services provided by them are purely of professional nature and the fees paid for such services do not result in any material pecuniary benefit to them and they do not have any material association with the Company. Other Non-executive Directors did not have pecuniary relationships or transactions vis-à-vis the company.

In terms of special resolution passed by the members at Annual General Meeting held on 27<sup>th</sup> August 2008, Non Executive Directors have been paid aggregate commission at a rate not exceeding 1% per annum of the net profit of the Company computed in accordance with section 309(5) of the Companies, Act, 1956 as determined by the Board of Directors, based on consideration of time spent in attending Board meetings, Committee meetings and advice given to the Company as experienced/ expert persons, whenever approached.

The number of shares held by Non Executive Directors as on 31<sup>st</sup> March 2009: Shri R M Gandhi - 35,225; Shri N J Jhaveri - 5,000 ; Shri Ranjan Kapur - Nil ; Shri Banshi S Mehta - 12,358; Shri Yash Mahajan - 4,500, Shri B K Parekh - 29,08,223; Shri S K Parekh -2,29,84,780; Shri Bharat Puri - Nil; Shri D Bhattacharya - Nil

## 5. Shareholders/Investors Grievance Committee

During the year 12 meetings of the Share Transfer Committee were held and 1 meeting of the Shareholders/Investors Grievance Committee was held on 7<sup>th</sup> January 2009 which was attended by Shri R M Gandhi, Shri B K Parekh and Shri S K Parekh.

Details of composition of the Committee is given below:

Sr. No.	Name	Designation	Category
1	Shri R M Gandhi	Chairman	NED (I)
2	Shri B K Parekh	Member	NED (P)
3	Shri S K Parekh	Member	NED (P)

The Committee has the power to look into redressal of shareholders/investors grievance such as non-receipt of shares sent for transfer, non-receipt of declared dividends, non - receipt of Annual Reports etc.

The Secretarial Department of the Company, under the supervision of Shri P C Patel, President & Secretary, (except upto 27<sup>th</sup> May 2008, when Mr. Mandar M Tambe was the Compliance Officer) who is also nominated as the "Compliance Officer" wef 28<sup>th</sup> May 2008 as required by SEBI/Listing Agreement and TSR Darashaw Limited, Registrar & Share Transfer Agents, attend to all shareholders / investors grievances received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies.

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 Darashaw 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 1515 of which only 9 were in the nature of complaints. All the complaints were solved to the satisfaction of shareholders. There were no pending complaints as on 31<sup>st</sup> March 2009. No requests for transfer of shares were pending as on 31<sup>st</sup> March 2009 and no requests for dematerialization of shares were pending for approval as on 31<sup>st</sup> March 2009.

The Company has framed a Code of Internal Procedures and Conduct for Prevention of Insider Trading on the lines of model code specified by SEBI. Shri P C Patel, President & Secretary is the Compliance Officer for the purpose.

## 6. 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
2007-08	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400 021.	27 <sup>th</sup> August 2008 at 11.00 a.m.
2006-07	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400 021.	29 <sup>th</sup> August 2007 at 11.00 a.m.
2005-06	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400 021.	8 <sup>th</sup> August 2006 at 11.00 a.m.

The following Special Resolutions were passed with requisite majority in the previous 3 Annual General Meetings:

### 2007-2008

- Re-appointment of Shri N K Parekh as the Joint Managing Director of the Company and payment of Remuneration under Section 198, 269, 309, 311 and Schedule XIII of the Companies Act, 1956.
- Payment of Commission to Directors (Other than the Managing Director, Joint Managing Director and Whole-time Directors) under Section 309 of the Companies Act, 1956.

### 2006-2007

- Appointment of Ms. Ishita R Amersey, a relative of Director to hold an office or place of profit in Pidilite USA, INC, a subsidiary of the Company under Section 314 of the Companies Act, 1956.
- Issue of Foreign Currency Convertible Bonds for an amount not exceeding US\$ 50 Million (US\$ Fifty Million Only)
- Increase in the Authorised Capital of the Company pursuant to the Scheme of Arrangement of Demerger of VAM unit of Vinyl Chemicals (India) Ltd. into the Company.

### 2005-2006

- Appointment of Shri Sanket S Parekh, a relative of Director to hold an office or place of profit in Pidilite USA, INC, a subsidiary of the Company under Section 314 of the Companies Act, 1956.

No Special Resolution was passed through postal ballot during the last year. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

## 7. Disclosures

- There were no materially significant related party transactions which have potential conflict with the interest of the Company at large.

- 
- The Company has complied with all requirements of the Listing Agreements with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against your 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 applicable mandatory requirements of Clause 49 of the Listing Agreement. Out of the non- mandatory requirements, the Company has adopted the following:

Shri B K Parekh, Non-executive Chairman, is maintaining the office at the Company, at the Company's expense and also allowed reimbursement of the expenses incurred in performance of his duties.

## **8. Means of Communication**

- The quarterly results of the Company are normally published in the following newspapers:  
The Economic Times (English), Maharashtra Times (Marathi) and displayed on the Company's website [www.pidilite.com](http://www.pidilite.com).
- Presentation made to Institutional Investors or to Analyst: None during the year.

## **9. Information relating to Directors**

Information relating to Directors seeking appointment / reappointment as required under clause 49(IV)(G) (i) of the Listing Agreement is given in the Notice of the Annual General Meeting.

## **10. Information for Shareholders**

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

## **11. Declaration by the Managing Director under Clause 49 (1) (D) (ii)**

Declaration by the Managing Director of the Company under Clause 49 (1) (D) (ii) of the Listing Agreement with Stock Exchanges is given below:

"Pursuant to Clause 49 (1)(D) (ii) of the Listing Agreement with Stock Exchanges, I hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March 2009."



# Corporate Governance Compliance Certificate

By Practising Company Secretary

To

**The Members of  
M/s Pidilite Industries Limited**

Co. Regn No: 14336  
Nominal Capital: Rs 46.50 Crore

We have examined relevant records of M/s Pidilite Industries Ltd (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd for the financial year ended 31<sup>st</sup> March 2009. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and informations furnished, we certify that the Company has complied with all the applicable mandatory conditions of the said Clause 49 of the Listing Agreement.

Date: 29<sup>th</sup> June 2009  
Mumbai

For M M SHETH & CO  
Company Secretaries

M M SHETH  
Proprietor  
FCS.1455, CP.729

# Information for Shareholders

## Annual General Meeting

**Day, Date & Time :** Tuesday, 4<sup>th</sup> August 2009 at 11 a.m.

**Venue :** Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400 021.

## Financial Year

1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2010

## Dates of Book Closure

21<sup>st</sup> July 2009 to 4<sup>th</sup> August 2009 (both days inclusive)

## Dividend Payment

Dividend will be paid during the month of August 2009 subject to the approval of the shareholders at the Annual General Meeting.

## Listing of Shares on Stock Exchanges

The equity shares of the Company are listed on the Bombay Stock Exchange Ltd (BSE) and The National Stock Exchange of India Ltd (NSE). The Annual Listing fee for the financial year 2009-10 has been paid to BSE & NSE.

## Stock Codes

Name of the Stock Exchange	Stock Code
The Bombay Stock Exchange Ltd	500331
The National Stock Exchange of India Ltd	PIDILITIND

## Listing of Secured Redeemable Non-Convertible Debentures (NCDs)

The Company has issued NCDs (Series I) aggregating to Rs 750 million and NCDs (Series II) aggregating to Rs 750 million, which are listed at the Wholesale Debt Market segment of The National Stock Exchange of India Ltd. and the Debenture Trustees are IDBI Trusteeship Services Ltd., Asian Building, Ground Floor, 17 R Kamani Marg, Ballard Estate, Mumbai 400 001.

## ISIN for NCDs

NCDs (Series I)	INE318A07015
NCDs (Series II)	INE318A07023

## Market Price Data

Share prices during the financial year 2008-09 at NSE for one equity share of Re 1 each were as under:

Month	Share Price (Rs)	
	High	Low
April 2008	156.00	130.00
May 2008	168.00	135.00
June 2008	148.50	123.30
July 2008	149.00	127.25
August 2008	150.90	136.15
September 2008	144.80	121.00
October 2008	132.90	75.50
November 2008	114.80	83.15
December 2008	118.00	80.40
January 2009	112.80	90.00
February 2009	103.00	75.70
March 2009	90.00	75.70

Share prices during the financial year 2008-09 at BSE for one equity share of Re 1 each were as under:

Month	Share Price (Rs)	
	High	Low
April 2008	155.90	130.30
May 2008	153.90	135.30
June 2008	147.95	127.00
July 2008	149.00	129.00
August 2008	150.50	135.20
September 2008	142.00	119.20
October 2008	132.00	75.15
November 2008	109.85	82.00
December 2008	116.80	87.10
January 2009	114.00	91.00
February 2009	102.00	85.00
March 2009	90.00	79.50

## Stock Performance

The performance of the Company's shares in comparison to BSE sensex is given in the Chart below



## Registrar & Share Transfer Agent

TSR Darashaw Limited  
 Unit: Pidilite Industries Limited  
 6-10, Haji Moosa Patrawala Ind. Estate,  
 20, Dr. E. Moses Road,  
 Mahalaxmi, Mumbai - 400 011  
 Tel: 022-66568484  
 Fax: 022-66568494  
 e-mail: csg-unit@tsrdarashaw.com  
 website: www.tsrdarashaw.com

## Share Transfer System

The Company has delegated the authority to approve shares received for transfer in physical form as under:

No. of shares	Authorisation given to
up to 2,000	TSR Darashaw Limited
up to 10,000	Any one of the Sarva Shri B K Parekh, S K Parekh, M B Parekh, Directors or in their absence, the Company Secretary.
above 10,000	Share Transfer Committee comprising the Directors viz, Sarva Shri B K Parekh, S K Parekh, N K Parekh and R M Gandhi.

Presently the share transfers which are received in physical form are processed and the share certificates duly transferred are returned generally within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

Distribution of Shareholding as on 31<sup>st</sup> March 2009

No. of Equity Shares held	No. of folios	%	No of Shares	%
Up to 5000	27047	97.75	15434673	6.10
5001 - 10000	312	1.13	2311910	0.91
10001 - 20000	134	0.48	1988365	0.78
20001 - 30000	38	0.14	934921	0.37
30001 - 40000	19	0.07	675102	0.27
40001 - 50000	10	0.04	473685	0.19
50001 - 100000	29	0.10	1992395	0.79
100001 and above	81	0.29	229256255	90.59
<b>Total</b>	<b>27670</b>	<b>100.00</b>	<b>253067306</b>	<b>100.00</b>
No. of Shareholders & shares in physical mode	2473	8.94	2935492	1.16
No. of beneficial owners & shares in electronic mode	25197	91.06	250131814	98.84
<b>Total</b>	<b>27670</b>	<b>100.00</b>	<b>253067306</b>	<b>100.00</b>

## Dematerialisation of shares & liquidity

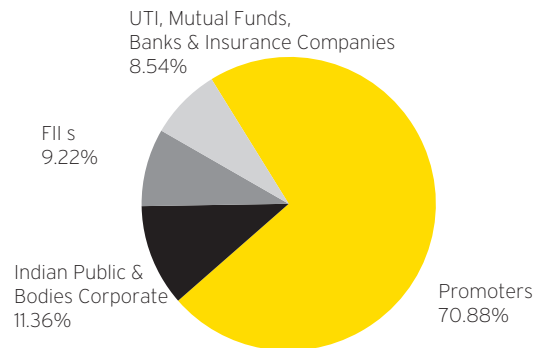
As on 31<sup>st</sup> March 2009, 98.84% of total equity shares of the Company were held in dematerialised form with National Securities Depository Ltd. and Central Depository Services (India) Ltd. The Company's equity shares are required to be compulsorily traded in the dematerialised form. The shares are available for dematerialisation under **ISIN INE318A01026**.

Requests for dematerialisation of shares are processed and generally confirmed within 15 days of receipt.

## Outstanding GDRs/ADRs/Warrants/Convertible Instruments

In December 2007, the Company raised US\$ 40 Million through Zero Coupon Foreign Currency Convertible Bonds. The Bonds have a yield to maturity of 6.75% per annum (calculated on a semi-annual basis) and are redeemable in 2012 i.e after 5 years and 1 day from closing date. The

Shareholding Pattern as on 31<sup>st</sup> March 2009



Bonds are convertible into equity shares of the Company at any time on and after 16<sup>th</sup> January 2008 until 1st December 2012 at a price of Rs 256.035 per share (which represents a premium of 32.73% to the closing price of the equity shares of the Company on the Bombay Stock Exchange Limited as of 23<sup>rd</sup> November 2007) with a fixed rate of exchange on conversion of Rs 39.37 = US\$ 1. If all the bonds were converted, approximately 61,50,722 Equity Shares would be issuable. The Bonds have been issued at par and will be redeemed, if not converted into shares, at 139.37% at par on maturity. As on 31<sup>st</sup> March 2009, after buyback of US\$ 1.1 million Bonds, the outstanding Bonds are US\$ 38.9 million.

The Bonds are listed on the Singapore Exchange Securities Trading Limited and the shares to be issued upon conversion of the Bonds will be listed on the NSE and BSE.

**ISIN for Bonds: XS0330177667**

## Plant Locations in India

Mahad, Panvel, Taloja, Kondivita, Sakinaka (Maharashtra), Vapi, Surat (Gujarat), Daman (Union Territory of India), Kala Amb, Baddi (Himachal Pradesh).

## Address for Correspondence

**Registered Office :** Regent Chambers, 7<sup>th</sup> Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai - 400 021. Tel No : 022-22822708  
Fax No : 022-22043969, Email : pcpatel@pidilite.com

## Corporate Secretarial/Investors' Assistance Department

The Company's Secretarial Department headed by Shri P C Patel, President & Secretary, is situated at the Registered Office mentioned above. Shareholders / Investors may contact Shri P C Patel or Shri K S Krishnan at the Registered Office in Mumbai for any assistance they may need.

Consolidated  
Financial  
Statements

# Auditors' Report

We have examined the attached consolidated Balance Sheet of **Pidilite Industries Limited** (PIL) and its subsidiaries (including subsidiaries of the subsidiaries) and associate (collectively referred to as PIL Group) as at 31<sup>st</sup> March 2009, the consolidated Profit and Loss Account for the year ended on that date and also the consolidated Cash Flow Statement for the year ended on that date, annexed thereto.

These financial statements are the responsibility of the PIL Group's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance, as to whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiaries (including subsidiaries of the subsidiaries), whose financial statements reflect total assets of Rs 3891 million as at 31<sup>st</sup> March 2009 and total revenues of Rs 2441.97 million for the year ended on that date. These financial statements have been audited by other auditors, whose reports have been furnished to us and in our opinion, in so far as, it relates to the amounts included in respect of subsidiaries, is based solely on the reports of the those auditors.

We report that the consolidated financial statements have been prepared by the PIL Group in accordance with the requirements of Accounting Standard 21 on "Consolidated Financial Statements" read with Accounting Standard 23 on "Accounting for Investment in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of PIL and its subsidiaries (including subsidiaries of the subsidiaries) and unaudited financial statements of the Associate included in the Consolidated Financial Statements.

On the basis of the information and the explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of PIL, its aforesaid subsidiaries (including subsidiaries of the subsidiaries) and the associate, we are of the opinion that :

- a) The consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of PIL Group as at 31<sup>st</sup> March 2009,
- b) The consolidated Profit and Loss Account gives a true & fair view of the consolidated results of operations of PIL Group for the year ended on that date and,
- c) In case of the consolidated Cash Flow Statement, of the consolidated cash flow of PIL Group for the year ended on that date.

For HARIBHAKTI & CO  
Chartered Accountants

CHETAN DESAI  
Partner  
Membership No. 17000

Place: Mumbai  
Date: 20<sup>th</sup> May 2009

# Consolidated Balance Sheet

As at 31<sup>st</sup> March 2009

(Rs in million)

	Schedule	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>I SOURCES OF FUNDS</b>			
<b>1. Shareholders' Funds</b>			
a. Capital	1	253.07	281.82
b. Reserves and Surplus	2	6687.94	5915.81
		6941.01	6197.63
<b>2. Loan Funds</b>			
a. Secured Loans	3	3000.63	2121.84
b. Unsecured Loans	4	3087.92	3141.72
		6088.55	5263.56
<b>3. Deferred Tax Liability (Net)</b>		433.95	416.10
<b>4. Minority Interest</b>		6.71	12.71
<b>TOTAL</b>		<b>13470.22</b>	<b>11890.00</b>
<b>II APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>	5		
a. Gross Block		9273.25	8140.68
b. Less : Depreciation		3761.09	3169.99
c. Net Block		5512.16	4970.69
d. Capital work in progress		2819.13	1697.36
		8331.29	6668.05
<b>2. Investments (Net)</b>	6	253.66	32.37
<b>3. Current Assets, Loans and Advances</b>	7		
a. Inventories		2798.23	2988.25
b. Sundry Debtors		2876.03	2656.49
c. Cash and Bank Balances		1600.55	1718.47
d. Other Current Assets		223.54	32.41
e. Loans and Advances		787.94	895.58
		8286.29	8291.20
Less : Current Liabilities and Provisions	8		
a. Liabilities		2804.24	2491.17
b. Provisions		596.78	610.70
		3401.02	3101.87
<b>Net Current Assets</b>		<b>4885.27</b>	<b>5189.33</b>
<b>4. Miscellaneous Expenditure</b>		-	0.26
<b>TOTAL</b>		<b>13470.22</b>	<b>11890.00</b>
<b>Notes forming part of the Accounts</b>	12		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For HARIBHAKTI & CO.  
Chartered Accountants

B K PAREKH  
Chairman

CHETAN DESAI  
Partner

S K PAREKH  
Vice Chairman

Mumbai  
Date : 20<sup>th</sup> May 2009

P C PATEL  
President & Secretary

M B PAREKH  
Managing Director

# Consolidated Profit and Loss Account

For The Year Ended 31<sup>st</sup> March 2009

(Rs in million)

	Schedule	2008-09	2007-08
<b>INCOME</b>			
Sales		21325.52	18753.00
Less : Excise Duty		1462.28	1670.63
Net Sales		19863.24	17082.37
Other Income	9	119.26	313.71
		19982.50	17396.08
<b>EXPENDITURE</b>			
Materials	10	11662.65	9486.84
Other Expenses	11	6456.48	5373.35
Depreciation		588.24	458.82
		18707.37	15319.01
<b>Profit before Taxation</b>		1275.13	2077.07
<b>Income Tax Expense</b>			
Current Tax		182.92	252.20
Less : MAT Credit Entitlement		59.90	60.15
		123.02	192.05
Deferred Tax		16.00	136.45
Fringe Benefit Tax		27.71	34.05
		166.73	362.55
<b>Profit for the year</b>		1108.40	1714.52
Prior year Tax Provision written back (Net)		-	3.99
Share of Profit / (Loss) in Associate Company for the year		3.53	8.97
Minority Interest		6.88	1.75
Balance brought forward from previous year		495.07	454.27
<b>Profit available for appropriation</b>		1613.88	2183.49
Dividend on Preference Share Capital		0.75	-
Proposed Dividend on Equity Share Capital		442.87	442.87
Corporate Tax on Dividend		75.38	75.27
		519.00	518.14
Transfer to Capital Redemption Reserve		28.75	-
Transfer to Debenture Redemption Reserve		257.18	70.28
Transfer to General Reserve		600.00	1100.00
<b>Balance carried to Balance Sheet</b>		208.95	495.07
<b>Earnings per share: (Refer note 6 of Schedule 12)</b>			
Basic (Rs)		4.12	6.86
Diluted (Rs)		4.03	6.79
Face Value of Share (Re)		1.00	1.00
<b>Notes forming part of the Accounts</b>	12		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For HARIBHAKTI & CO.  
Chartered Accountants

B K PAREKH  
Chairman

CHETAN DESAI  
Partner

S K PAREKH  
Vice Chairman

Mumbai  
Date : 20<sup>th</sup> May 2009

P C PATEL  
President & Secretary

M B PAREKH  
Managing Director

# Schedule

1 to 12 annexed to and forming part of the Consolidated Balance Sheet as at 31<sup>st</sup> March 2009 and Profit and Loss Account for the year ended 31<sup>st</sup> March 2009

(Rs in million)

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 1 SHARE CAPITAL</b>		
<b>Authorised</b>		
39,00,33,999 Equity Shares of Re 1 each	390.03	390.03
50,00,000 6% Cumulative Redeemable Preference Shares of Rs 10 each	50.00	50.00
2,50,00,000 Unclassified Shares of Re 1 each	25.00	25.00
<b>TOTAL</b>	<b>465.03</b>	<b>465.03</b>
<b>Issued, Subscribed and Paid-up</b>		
25,30,61,306 Equity Shares of Re 1 each, fully paid-up (Notes 1 to 4)	253.06	253.06
Nil (28,74,805) 6% Cumulative Redeemable Preference Shares of Rs 10 each, fully paid-up (Note 3)	-	28.75
Bonus Shares Issue Suspense Account (Note 5)	0.01	0.01
<b>TOTAL</b>	<b>253.07</b>	<b>281.82</b>

NOTES Out of the above

- 74,75,880 Equity Shares of Re 1 each have been issued for consideration other than cash pursuant to various schemes of amalgamation during earlier years.
- 22,64,14,340 Equity Shares of Re 1 each have been allotted as fully paid-up Bonus Shares by way of capitalisation of General Reserve, Securities Premium Account and Capital Redemption Reserve.
- 6,67,306 Equity shares of Re 1 each and 28,74,805 6% Cumulative Redeemable Preference Shares of Rs 10 each have been issued as fully paid-up pursuant to the Scheme of Demerger of VAM Manufacturing Unit of Vinyl Chemicals (India) Ltd. into the Company.
- The equity shares of the face value of Rs 10 each were sub-divided into ten equity shares of the face value of Re 1 each w.e.f. 27<sup>th</sup> September 2005.
- Bonus Shares Issue Suspense Account pertains to issue of 6,000 fully paid-up Bonus Shares pending settlement of dispute for title of shares.

<b>SCHEDULE 2 RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	5.16	4.96
<b>Capital Redemption Reserve</b>		
Balance as per last Balance Sheet	-	-
Add: Transferred from Profit and Loss Account	28.75	-
<b>Cash Subsidy Reserve</b>		
Balance as per last Balance Sheet	9.47	9.47
<b>Special Reserve</b>		
Balance as per last Balance Sheet	1.19	1.19
<b>Debenture Redemption Reserve</b>		
Balance as per last Balance Sheet	70.28	-
Add : Transferred from Profit and Loss Account	257.18	70.28
	327.46	70.28
<b>General Reserve</b>		
Balance as per last Balance Sheet	5338.41	4088.21
Add : Transferred on Demerger of VAM unit of Vinyl	-	167.92
Less : Earlier Years' Liability of Gratuity & Leave Encashment	-	17.72
Less : Earlier year's Foreign Exchange [Refer Note 7 Schedule 12]	4.68	-
Add : Transferred from Profit and Loss Account	600.00	1100.00
	5933.73	5338.41
Foreign Currency Translation Reserve	173.23	(3.57)
Profit and Loss Account	208.95	495.07
<b>TOTAL</b>	<b>6687.94</b>	<b>5915.81</b>



(Rs in million)

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 3 SECURED LOANS</b>		
Working Capital Loans from Banks (including Working Capital Demand Loan) (Note.1)	704.40	1025.07
750 ( Nil) 11.9% Secured Redeemable Non Convertible Debentures of Rs 1000000 Each (Note 2)	750.00	-
750 ( Nil) 10.2% Secured Redeemable Non Convertible Debentures of Rs 1000000 Each (Note 2)	750.00	-
Term Loans from Banks (Note 3)	796.23	1096.77
<b>TOTAL</b>	<b>3000.63</b>	<b>2121.84</b>

- Working Capital Loans from Banks are secured by way of first charge on the stock of Raw Materials, Finished Goods, Packing Material, Stock in Process, Bills Receivable and Book Debts and by way of second charge on the entire Plant and Machinery of the Company including Stores and Spares. Further, these loans are secured by way of an Equitable Mortgage on the Land and Building of the Company's unit at Kondivita, Mumbai.
- Secured Redeemable Non Convertible Debentures are secured by way of mortgage and charge ( by First pari passu charge) on the immovable property in Gujarat and all movable properties of the Company.  
750 Secured Redeemable Non Convertible Debentures with interest @ 11.9% p.a. will be redeemed at par on 5<sup>th</sup> December 2013.  
750 Secured Redeemable Non Convertible Debentures with interest @ 10.2% p.a. will be redeemed at par on 19<sup>th</sup> December 2011.
- Term Loan from Banks is secured by way of hypothecation of all movable Plant and Machinery of the Company.

<b>SCHEDULE 4 UNSECURED LOANS</b>		
Interest free Sales Tax loan from Government of Maharashtra	354.32	355.52
Foreign Currency Loan from Banks	-	471.79
Foreign Currency Convertible Bonds (US \$ 38.9 million (40 million) Zero Coupon Convertible Bonds due in 2012)	1982.73	1,594.40
Commercial Paper & Others	650.00	700.00
Others	100.87	20.01
<b>TOTAL</b>	<b>3087.92</b>	<b>3141.72</b>

Amount due within one year Rs 653.74 million (Rs 1191.8 million)

**SCHEDULE 5 FIXED ASSETS**

(Rs in million)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As at 1,4,2008	Transfer from VCIL	Additions / Adjustments	Deductions / Adjustments	As at 31.3.2009	As at 1,4,2008	Transfer from VCIL	Provided during the year	Deductions / Adjustments	As at 31.3.2009	As at 31.3.2008	
<b>Intangible Assets</b>												
- Goodwill	789.66	-	48.30	(9.80)	847.76	87.71	-	56.50	0.95	143.26	704.50	701.95
- Computer software	29.49	-	4.55	(2.27)	36.31	12.76	-	5.78	(1.46)	20.00	16.31	16.73
- Copyrights, Trademarks, etc.	958.81	-	4.72	(28.40)	991.93	458.27	-	84.23	(4.26)	546.76	445.17	500.54
Freehold Land	159.74	-	14.25	(3.41)	177.40	-	-	-	-	-	177.40	159.74
Leasehold Land	76.96	-	0.07	-	77.03	5.02	-	0.78	-	5.80	71.23	71.94
Buildings	1,254.37	-	135.05	(4.47)	1,393.89	234.50	-	43.03	(1.24)	278.77	1,115.12	1,019.87
Plant and Machinery	4274.28	-	782.23	(6.69)	5,063.20	2,163.39	-	346.66	(5.85)	2,515.90	2,547.30	2,110.89
Furniture and Fixtures	341.22	-	60.11	(2.74)	404.07	107.64	-	28.74	(1.20)	137.58	266.49	233.58
Vehicles	212.75	-	37.65	17.37	233.03	72.67	-	20.84	10.20	83.31	149.72	140.08
<b>Capital Expenditure on Scientific Research</b>												
- Buildings	1.44	-	-	-	1.44	0.89	-	0.05	-	0.94	0.50	0.55
- Plant and Machinery	37.07	-	5.23	-	42.30	23.56	-	1.44	-	25.00	17.30	13.51
- Furniture and Fixtures	3.07	-	-	-	3.07	1.76	-	0.19	-	1.95	1.12	1.31
<b>Assets given on Lease</b>												
Plant and Machinery	1.82	-	-	-	1.82	1.82	-	-	-	1.82	-	-
Total	8,140.68	-	1,092.16	(40.41)	9,273.25	3,169.99	-	588.24	(2.86)	3,761.09	5,512.16	4,970.69
Previous Year	5,737.87	818.08	1,627.34	42.61	8,140.68	2,233.90	428.18	458.82	(49.09)	3,169.99	-	-
Capital work in progress including capital advances												
											2,819.13	1,697.36
<b>TOTAL</b>											<b>8,331.29</b>	<b>6,668.05</b>

(Rs in million)

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 6 LONG TERM INVESTMENTS (AT COST)</b>		
I. In Equity Shares (Fully paid)		
a. Quoted		
Trade :		
• 7,451,540 Equity Shares of Re 1 each of Vinyl Chemicals (India) Ltd.	11.79	11.79
• Goodwill ( Net Arising at the time of acquisition of shares)	(9.52)	(9.52)
• Share of undistributed Profit / losses in previous years	8.72	(0.25)
• Share of Profit / Losses Current Year	3.52	8.97
	14.51	10.99
Others		
• 3,594 (Nil) Equity Shares of Rs 10 each of Hindustan Adhesives Ltd.	0.09	-
• 14,400 Equity Shares of Rs 10 each of Hindustan Organic Chemicals Ltd.	0.72	0.72
• 837 Equity Shares of Rs 10 each of Reliance Industries Ltd. (earlier : 4188 Equity Shares of Rs 10 each of Indian Petrochemicals Corporation Ltd.)	0.77	0.77
• 222,542 Equity Shares of Rs 10 each of Indian Overseas Bank Ltd.	2.96	2.96
• 61,900 Equity Shares of Rs 10 each of Menon Pistons Ltd.	4.38	4.38
	23.43	19.82
TOTAL - I (a)	23.43	19.82
[Market Value Rs 35.34 million (Rs 36.56 million)]		
• (Nil) 3,594 Equity Shares of Rs 10 each of Hindustan Adhesives Ltd.	-	0.09
• 200,200 Equity Shares of Rs 10 each of Enjayes Spices & Chemicals Oil Ltd.	5.29	5.29
• 121,300 Equity Shares of Rs 10 each of Pal Peugeot Ltd.	1.21	1.21
• 2,275 Equity Shares of Re 1 each of Himalaya House Co-op Society Ltd. (Cost Rs 2275)	-	-
• 628 Equity Shares of Rs 100 each of Jawahar Co-op Industrial Estate Ltd.	0.06	0.06
• 40 Equity Shares of Rs 50 each of Regent Chambers Premises Co-op Society Ltd. (Cost Rs 2000)	-	-
• 25 Equity Shares of Rs 10 each of New Usha Nagar Co-op Housing Society Ltd. (Cost Rs 250)	-	-
• 2,500 Equity Shares of Rs.10 Each Of Saraswat Co-Operative Bank Ltd.	0.03	0.03
• 10 Equity Shares of Rs 100 each of Taloja CETP Co-op Society Ltd. (Cost Rs 1000)	-	-
	6.59	6.68
TOTAL - I (b)	6.59	6.68
II. In Units of Mutual Fund (Unquoted)		
17,268,327 Units of Prudential ICICI Flexible Income Plan -Daily Dividend Option	182.59	
• 400 Units of Rs 70000 each of Infinity Venture India Fund (Partly redeemed)	1.89	1.89
	184.48	1.89
TOTAL - II	184.48	1.89
III. In Partnership Firm		
Nitin Enterprise	47.77	10.57
IV. Others	-	0.22
	262.27	39.18
TOTAL : I (a) + I (b) + II + III + IV	262.27	39.18
Less Diminution in value of Investments	8.61	6.81
TOTAL	253.66	32.37

Previous year's figures are indicated in brackets only when there is a change.

Investments purchased and sold during the year other than shown above :	(Units) Purchased	(Units) Sold
Units of Birla Cash Plus Dividend Option Institutional Plan	129,223,414	129,223,414
Units of Birla Cash Plus Short Term fund	14,029,263	14,029,263
Units of Prudential ICICI Flexible Income Plan -Daily Dividend Option	61,761,469	44,493,142

(Rs in million)

		As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 7 CURRENT ASSETS, LOANS AND ADVANCES</b>			
<b>A</b>	<b>Current Assets</b>		
	a. Inventories		
	(As valued and certified by the Management)		
	Consumable Stores and Spares, etc.	20.19	23.69
	Raw Materials	984.11	1116.43
	Goods in Process	140.75	154.84
	Finished Goods	1322.37	1207.98
	Traded Goods	167.21	276.56
	Packing Materials	163.60	208.75
		2798.23	2988.25
	b. Sundry Debtors (Unsecured)		
	Over six months -		
	Considered good	171.54	340.08
	Considered doubtful	82.90	15.64
	Others, Considered good	2704.49	2316.41
		2958.93	2672.13
	Less : Provision for doubtful debts	82.90	15.64
		2876.03	2656.49
	c. Cash and Bank Balances		
	Cash and Cheques on Hand	176.22	199.88
	Remittances in Transit	0.24	5.93
	Bank Balances :		
	With Scheduled Banks :		
	In Current Accounts	1335.70	583.92
	In Fixed Deposit Accounts	88.36	928.71
	Others :		
	In Fixed Deposit with Municipal Co-op.Bank Ltd.	0.03	0.03
	[Maximum outstanding during the year Rs 0.03 million (Rs 0.03 million)]		
		1600.55	1718.47
	d. Other Current Assets		
	Interest Receivable	20.68	1.69
	Foreign Currency Monetary item Translation	-	
	Difference Account (Refer Note 7 of Schedule 12)	164.43	
	Other Current Assets	3.00	
	Claims Receivable	35.43	30.72
		223.54	32.41
<b>B.</b>	<b>Loans and Advances</b>		
	(Unsecured, considered good)		
	Advances recoverable in cash or in kind or for value to be received	359.35	440.89
	Advance Payment of Taxes (Net of Provisions)	18.00	123.11
	MAT Credit Entitlement	120.05	60.15
	Loans and Advances to Staff	55.89	60.27
	Deposits	97.63	75.94
	Balances with Central Excise Department	137.02	135.22
		787.94	895.58
	<b>TOTAL</b>	<b>8286.29</b>	<b>8291.20</b>

(Rs in million)

		As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
<b>SCHEDULE 8 CURRENT LIABILITIES AND PROVISIONS</b>			
A	Current Liabilities		
	Acceptances	27.17	32.61
	Sundry Creditors		
	Small and Medium Enterprises	160.84	135.49
	Others	849.11	707.66
		1009.95	843.15
	Dealers' Deposits	294.23	238.99
	Investor Education and Protection Fund shall be credited by the following to the extent required as and when necessary :		
	Unclaimed Dividends	10.22	3.95
	Other Liabilities	1462.67	1372.47
		2804.24	2491.17
B	Provisions		
	For Gratuity	7.63	19.48
	For Leave encashment	71.02	73.08
	Dividends:		
	Proposed Dividend	442.87	442.87
	Corporate Tax on Dividend	75.26	75.27
		518.13	518.14
		596.78	610.70
	<b>TOTAL</b>	<b>3401.02</b>	<b>3101.87</b>

(Rs in million)

		2008-09	2007-08
<b>SCHEDULE 9 OTHER INCOME</b>			
	Interest received - (Gross) [Tax deducted at source Rs 0.04 million (Rs 1.89 million)]	11.09	24.39
	Insurance Claim Received	0.28	5.25
	<b>Dividend received</b>		
	On Trade Investments	1.07	
	On Units of Mutual Fund	8.16	16.03
	Export Incentives	46.58	35.95
	Profit on sale of Fixed Assets	5.86	14.89
	Foreign Exchange Fluctuation	-	31.41
	Miscellaneous	46.22	185.79
	<b>TOTAL</b>	<b>119.26</b>	<b>313.71</b>

(Rs in million)

			2008-09	2007-08
<b>SCHEDULE 10 MATERIALS</b>				
A	Raw Materials consumed			
	Opening Stock	1116.43		721.68
	Add : Purchases	8108.97		7516.17
		9225.41		8237.85
	Less : Closing Stock	984.11		1116.43
			8241.30	7121.42
B	Packing Materials consumed		2157.03	1765.66
C	Cost of Traded Goods			
	Opening Stock	276.56		263.23
	Add : Purchases	1255.27		915.20
		1531.83		1178.43
	Less : Closing Stock	167.21		276.56
			1364.62	901.86
D	(Increase) / Decrease in Stocks			
	Closing Stock			
	Goods in Process	140.75		154.84
	Finished Goods	1322.37		1207.98
		1463.12		1362.82
	Less :			
	Opening Stock			
	Goods in Process	154.84		82.24
	Finished Goods	1207.98		978.48
		1362.82		1060.72
			(100.30)	(302.10)
<b>TOTAL</b>			<b>11662.65</b>	<b>9486.84</b>

(Rs in million)

		2008-09	2007-08
<b>SCHEDULE 11 OTHER EXPENSES</b>			
Stores and Spares consumed		93.80	102.60
Clearing, Forwarding, Octroi Duty, etc.		880.61	710.56
Power and Fuel		273.70	170.98
Water Charges		18.56	19.20
Employees' Emoluments :			
[Refer Notes 1 (viii) of Schedule 12]			
Salaries, Wages, Bonus, Allowances, etc.	2043.99		1495.13
Contribution to Provident and Other Funds	107.20		81.71
Welfare Expenses	53.51		62.86
		2204.70	1639.70
Rent		181.37	124.10
Rates and Taxes		23.06	7.53
Insurance		36.31	32.58
Licence fees		2.55	2.06
Repairs :			
Buildings	23.03		16.45
Machinery	50.11		31.97
Others	33.13		27.02
		106.27	75.44
Directors' Fees		4.51	0.47
Advertisement and Publicity		582.33	709.01
Legal and Professional fees		260.69	207.82
Communication Expenses		78.90	64.96
Printing and Stationery		35.44	29.17
Travelling and Conveyance Expenses		368.03	350.95
Bad Debts		5.08	2.01
Provision for Doubtful Debts		70.64	14.60
Processing and Packing Charges		313.55	345.13
Bank Charges		79.70	52.21
Commission and Brokerage		98.34	57.38
Miscellaneous expenses		142.57	372.05
Scientific Research and Development Expenditure		2.86	18.56
[Refer Notes 1(vi) of Schedule 12]			
Remuneration to Auditors			
Audit Fees (Including Tax Audit Fees)	11.78		5.55
For Other Services	0.89		1.44
		12.67	6.99
Donations		31.19	57.27
Diminution in value of Investments		1.80	-
[Refer Notes 1(vii) of Schedule 12]			
Foreign Exchange Fluctuation		181.20	-
[Refer Note 7 of Schedule 12]			
Loss on Fixed Assets Sold / Discarded		5.21	9.75
Interest			
On Term Loan	72.91		37.78
On Debentures	50.20		-
Others	237.73		152.49
		360.84	190.27
<b>TOTAL</b>		<b>6456.48</b>	<b>5373.35</b>

## SCHEDULE 12 NOTES ON ACCOUNTS

### 1 Significant Accounting Policies:

- i. The consolidated financial statements have been prepared in accordance with the Accounting Standard (AS21) on consolidated financial statements and it comprises of the results of Pidilite Industries Limited (Holding Company) and subsidiary companies viz.

Name of Subsidiary Company	Country of incorporation	Proportion of Ownership Interest	
Fevicol Company Ltd.	India	100%	Subsidiary
Bhimad Commercial Co Pvt Ltd.	India	100%	Subsidiary
Madhumala Traders Pvt Ltd.	India	100%	Subsidiary
Pagel Concrete Technologies Ltd.	India	75%	Subsidiary
Pidilite International Pte Ltd.	Singapore	100%	Subsidiary
Pidilite Middle East Ltd.	Middle East	100%	Subsidiary
Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	Brazil	100%	Subsidiary
Pidilite USA Inc	USA	100%	Subsidiary
Jupiter Chemicals (LLC)	Middle East	100%	Subsidiary of wholly owned Subsidiary
Nebula Trading FZE	Middle East		Wound up wef 11 <sup>th</sup> January 2009
PT Pidilite Indonesia	Indonesia	100%	Subsidiary of wholly owned Subsidiaries
Pidilite Speciality Chemicals Bangladesh Pvt Ltd.	Bangladesh	100%	Subsidiary of wholly owned Subsidiaries
Pidilite Innovation Centre Pte Ltd.	Singapore	100%	Subsidiary of wholly owned Subsidiary
Pidilite Industries Egypt - SAE	Egypt	100%	Subsidiary of wholly owned subsidiaries
Chemson Asia Pte Ltd.	Singapore	100%	Subsidiary of wholly owned Subsidiary
Pidilite Bamco Ltd.	Thailand	75%	Subsidiary of wholly owned Subsidiary
Pidilite South East Asia Ltd.	Thailand	100%	Subsidiary of wholly owned subsidiary
Bamco Supply Services Ltd.	Thailand	49%	Subsidiary of wholly owned subsidiary & Having significant influence

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions & other events in similar circumstances & are presented in the same manner as holding company separate financial statements except as provided under para iv(5), iv(6), iv(e), v(e) and viii(d).

#### ii. General

The financial statements are prepared under the historical cost convention, on the basis of a going concern and as per applicable Indian Accounting Standards. The company follows mercantile system of accounting and recognises income and expenditure on accrual basis.

#### iii. Revenue Recognition

- i. Income from sale of goods is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold.
- ii. Interest income is recognised on accrual basis.
- iii. Claims which are not of material nature / Insurance Claim, Octroi Duty, Customs Duty, etc. are accounted for when no significant uncertainties are attached to their eventual receipt.



**iv. Fixed Assets, Depreciation and Impairment Loss**

- a. Fixed assets are stated at cost of acquisition or construction less accumulated depreciation
- b. Preoperative expenditure during construction period/trial run : Direct expenses as well as clearly identifiable indirect expenses, incurred on project during the period of construction are being capitalised alongwith the respective assets.
- c. The Company provides depreciation as under
  - 1 For assets acquired upto 30th June 1987 on Straight Line Method (SLM) basis, except certain assets for which Written Down Value (WDV) basis is adopted at rates equivalent to the rates specified in the Income-Tax Act, 1961.
  - 2 For assets acquired after 30th June 1987 and before 31st March 1993, on SLM basis at rates specified in Schedule XIV of the Companies Act, 1956.
  - 3 For assets acquired after 31st March 1993, on SLM basis as per new rates prescribed under Schedule XIV vide notification No. GSR 756 (E) dated 16th December 1993 issued by the Department of Company Affairs.
  - 4 The Company provides pro-rata depreciation for additions made during the year except for each asset costing Rs.5,000 or less, for which depreciation has been provided at hundred percent.
  - 5 The Goodwill acquired by the Company is amortised over a period of 5 years on SLM basis. In Case of Subsidiaries no goodwill is amortised except Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda where goodwill is amortised over a period of 10 years
  - 6 The Copyrights, Trademarks, Technical Knowhow, etc. acquired by the Parent Company are amortised over a period of 10 years on SLM basis. In case of subsidiaries, it is not amortised except for Pidilite USA Inc where it is amortised over a period of 15 years.
- d. In case, the recoverable amount of the fixed assets is lower than its carrying amount, provision is made for the impairment loss.
- e. The depreciation on fixed assets of the subsidiary companies is provided for on SLM over their estimated useful life at rates permissible under applicable local laws.

**v. Method of Valuation of Inventories**

- a. Raw Materials and Packing materials are valued at lower of cost on weighted average basis.
- b. Finished goods, including traded goods and Work in progress are valued at lower of cost and net realisable value Cost (arrived at on weighted average) for this purpose includes direct materials, direct labour, excise duty and appropriate overheads including freight costs upto the ports in respect of finished goods meant for exports.
- c. Consumable stores & spares are valued at lower of cost or net realisable value as estimated by the management.
- d. Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for.
- e. In case of Subsidiary companies, inventory valuation is as per generally accepted accounting principles of respective countries.

**vi. Research and Development Expenditure**

- a. Capital Expenditure is shown separately in Fixed Assets.
- b. Revenue expenses including depreciation except expenditure specifically shown, are charged to respective heads of accounts.

**vii. Investments**

- a. Long Term Investments are stated at cost. In case there is a diminution of permanent nature in value of Investments (other than long term strategic investment) the same is provided for.
- b.
  - i) Quoted current investments are stated at the lower of cost and market value.
  - ii) Unquoted current investments are stated at the lower of cost and fair value where available.
- c. Cost of each investment is arrived at on the basis of the average carrying amount of the total holding of that investment.

**viii. Retirement Benefits**

- a. Contribution to Provident, Superannuation and Family Pension funds are funded as a percentage of salary / wages.
- b. Gratuity liability is funded as per group gratuity scheme of Life Insurance Corporation of India.
- c. Leave encashment liability is provided for on the basis of actuarial valuation as at the year end.
- d. Retirement benefits for the employees in subsidiary companies are governed under applicable local laws.

**ix. Transactions in foreign currencies**

- a. Transactions are recorded at the exchange rates prevailing on the date of transaction.
- b. Foreign currency designated assets, liabilities and capital commitments are restated at the year end rates.
- c. In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets & liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising out of consolidation is transferred to "Foreign Currency Translation Reserve".
- d. Foreign currency designated assets and liabilities are restated at the year end rates and the resultant gain or loss is taken to Profit and Loss Account except in respect of fixed Assets which is being capitalised (Refer Schedule 12 note 7)

**x. Income Tax**

Provision for current tax is made on the basis of relevant provisions of the Income Tax Act, 1961 in case of the Holding Company and Income Tax Laws of the respective country in case of the subsidiary companies. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is virtual / reasonable certainty that these would be realised in future.

## SCHEDULE 12 NOTES ON ACCOUNTS

### xi. Provisions, Contingent Liabilities and Contingent Assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material are disclosed by way of notes to accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

- xii. The Company is entitled to sell sales tax deferment benefits under Maharashtra Energy Development Agency (Windmill Projects) Package Scheme of Incentives under the Bombay Sales Tax Act, 1959. Shortfall in the realisation of sale of such benefits to third parties are charged fully in the year of sale.
- xiii. In case of Associate where the company directly or indirectly through subsidiaries holds more than 20% of the equity, investment in associate is accounted for using Equity method in accordance with Accounting Standard AS-23 -Accounting for Investment in Associates in consolidated financial statement issued by the Institute of Chartered Accountants of India.

The Associate Company considered in the financial statements is

	Country of incorporation	Proportion of Ownership Interest
Vinyl Chemicals (India) Ltd.	India	40.64%

(Rs in million)

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
2. Contingent liabilities not provided for:		
i. Guarantees given by Banks in favour of Government and others	56.32	69.77
ii. Guarantees given by Company	565.30	396.50
iii. Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Customs (under appeal)	112.25	115.62
iv. Claims against the company not acknowledged as debts	76.07	-

**SCHEDULE 12 NOTES ON ACCOUNTS**
**3 Segment reporting**
**INFORMATION ABOUT BUSINESS SEGMENTS**

(Rs in million)

Business Segments	Consumer & Bazaar Products	Industrial Products	Others	Total
<b>REVENUE</b>				
External Sales	16116.52 (13931.89)	4177.65 (3667.52)	1031.35 (1153.59)	21325.52 (18753.00)
Inter Segment Revenue (at cost plus 10%)	19.12 (22.23)	349.16 (351.49)	610.25 (435.02)	978.53 (808.74)
<b>Total Revenue</b>	<b>16135.64</b> (13954.12)	<b>4526.81</b> (4019.01)	<b>1641.60</b> (1588.61)	<b>22304.05</b> (19561.74)
<b>RESULTS</b>				
<b>Segment Results</b>	<b>2,305.62</b> (2,316.00)	<b>531.15</b> (504.20)	<b>92.78</b> (171.00)	<b>2,929.55</b> (2,991.20)
Unallocated Corporate Expenses				<b>1,412.84</b> (942.70)
Unallocated Corporate Income				<b>98.94</b> (187.33)
<b>Operating Profit</b>				<b>1,615.65</b> (2,235.83)
Interest Expenses				<b>360.84</b> (190.27)
Interest / Dividend Income				<b>20.32</b> (31.51)
Income Tax (Provision for Taxation and Deferred Taxation)				<b>166.73</b> (362.55)
<b>Net Profit</b>				<b>1108.40</b> (1714.52)
<b>OTHER INFORMATION</b>				
Segment Assets	5831.96 (4895.12)	1898.45 (1901.63)	499.46 (612.87)	8229.87 (7409.62)
Unallocated Corporate Assets				8641.37 (6776.05)
<b>Total assets</b>				16871.24 (14185.67)
Segment Liabilities	2419.96 (1656.94)	477.54 (379.29)	187.29 (151.63)	3084.79 (2187.86)
Unallocated Corporate Liabilities				6845.44 (6327.33)
<b>Total liabilities</b>				9930.23 (8515.19)
Capital Expenditure	740.69 (1375.61)	97.86 (121.27)	8.97 (403.44)	847.52 (1900.32)
Unallocated Corporate Capital Expenditure				1406.82 (1406.82)
Depreciation	473.87 (261.80)	73.34 (61.20)	41.02 (40.70)	588.24 (363.70)

**SCHEDULE 12 NOTES ON ACCOUNTS**
**INFORMATION ABOUT GEOGRAPHICAL SEGMENTS**

(Rs in million)

GEOGRAPHICAL SEGMENTS	India		Other Countries		Total	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Sales Revenue	17157.90	15490.97	4167.62	3262.03	21325.52	18753.00
Carrying amount of Segment Assets	15283.40	12594.35	1587.84	2118.47	16871.24	14712.82
Additions to Fixed Assets and Intangible Assets	1721.71	2462.32	532.29	844.82	2254.00	3307.14

Notes:

**SEGMENT INFORMATION**
**Business Segment**

The Company is operating into three business segments: Consumer & Bazaar Products, Industrial Products and Others. This segmentation is based around customers.

Consumer & Bazaar Products consist of mainly Adhesives, Sealants, Art Materials and Construction Chemicals.

Industrial Products consists of Organic Pigments, Industrial Resins and Industrial Adhesives.

Others consist of VAM manufacturing unit of Vinyl Chemicals ( India ) Ltd. demerged into the Company wef 1<sup>st</sup> April 2007

**Geographical Segment**

For the purpose of geographical segment the sales are divided into two segments : Sales within India and Sales to other countries.

**4. Deferred Taxation**
**A. In respect of Holding Company:**

Out of the net deferred tax liability of Rs 440.86 million as at 31<sup>st</sup> March 2009, the major components of deferred tax balances are set out below :

(Rs in million)

	Upto 31 <sup>st</sup> March 2008	During the year 2008-09	Carried as at 31 <sup>st</sup> March 2009
Deferred Tax Liability			
i) Difference between Accounting and Tax Depreciation (Cumulative)	454.85	51.27	506.12
Deferred Tax Assets			
i) Leave Salary & Others	31.95	33.31	65.26
<b>Net Deferred Tax Liability</b>	<b>422.90</b>	<b>17.96</b>	<b>440.86</b>

**SCHEDULE 12 NOTES ON ACCOUNTS**

B. In respect of Subsidiary:

**1. Chemson Asia Pte Ltd.**

(Rs in million)

	Upto 31 <sup>st</sup> March 2008	During the year 2008-09	Carried as at 31 <sup>st</sup> March 2009
Accounting profit / (loss)	(0.82)	(0.37)	(1.19)
Income Tax at statutory rate	(0.15)	(0.06)	(0.20)
Timing Difference	-	-	-
Nonallowable Items	(0.07)	(0.09)	(0.16)
Deferred Tax Assets not provided	0.08	0.28	0.36

The company has unabsorbed financial losses amounting to Approximately S\$ 8,79,000 (2008; S\$ 8,12,000 ) available for off set against future tax of the company. Due to uncertainty future tax benefits arising from tax losses has not been recognised

**2. PT Pidilite Indonesia**

Out of the net deferred tax asset of Rs.3.39 Million as at 31<sup>st</sup> March, 2009, the major components of deferred tax balances are set out below:

	Upto 31 <sup>st</sup> March 2008	During the year 2008-09	Carried as at 31 <sup>st</sup> March 2009
Deferred Tax Liability			
i) Difference between Accounting and Tax Depreciation (Cumulative)	-	-	-
Deferred Tax Assets			
i) Leave Salary	3.29	(0.17)	3.12
ii) Others	3.01	3.73	6.74
	6.30	3.56	9.86
Net Deferred Tax Asset	(6.30)	(3.56)	(9.86)

**3. Pidilite USA, Inc.**

	Upto 31 <sup>st</sup> March 2008	During the year 2008-09	Carried as at 31 <sup>st</sup> March 2009
Current Deferred Tax Asset	1.22	1.28	2.50
Account Receivable	1.02	1.35	2.37
Accrued Vacation pay	7.98	2.02	9.99
Inventory	10.22	4.64	14.86
Current Deffered Tax Asset , net	(10.22)	(4.64)	(14.86)
Less:- Valuation Allowance	Nil	Nil	Nil
Current Deferred Tax Asset, net			
Non Current Deferred Tax Asset			
Net operting losses	55.48	32.25	87.73
Non Current Deferred Tax Asset	55.48	32.25	87.73
Less:- Valuation Allowance	(51.37)	(31.72)	(83.09)
Non Current Deferred Tax Asset , Net	6.12	2.32	8.44
Non Current Deferred Tax Liability			
Goodwill	2.01	1.79	3.80
Property , Plant and equipment	(6.12)	14.56	8.44
Non Current Deferred Tax Liability	2.01	1.79	3.80

## SCHEDULE 12 NOTES ON ACCOUNTS

### 5. Related Party Disclosures

Related Party Disclosures as required by AS -18, "Related Party Disclosures", are given below:

**i) Relationships**

- |    |                                   |  |
|----|-----------------------------------|--|
| a. | Vinyl Chemicals (India) Ltd.      | Substantial Interest in Voting Power (Associate) |
| b. | Kalva Marketing and Services Ltd. | Significant Influence                            |
| c. | Parekh Marketing Ltd.             | Significant Influence                            |
| d. | Nitin Enterprises                 | Controlling Interest                             |

**ii) Key Management Personnel**

Sarva Shri M B Parekh - Managing Director, N K Parekh - Jt Managing Director, A B Parekh, A N Parekh -Whole Time Director and Shri V S Vasani - Whole Time Director.

**iii) Other Directors**

- a. Sarva Shri B K Parekh, S K Parekh, R M Gandhi, N J Jhaveri, B S Mehta, R Kapoor, Y Mahajan, B Puri and D. Bhattacharya

**SCHEDULE 12** NOTES ON ACCOUNT

## 6. Earnings Per Share

	As at 31 <sup>st</sup> March 2009	As at 31 <sup>st</sup> March 2008
Weighted Average no of shares used in computing Basic Earnings per share	253067306	253067306
Add: Weighted average Potential no of equity shares that could arise on exercise of option on Zero Coupon Convertible Bonds from 16 <sup>th</sup> Jan 2008 to 1 <sup>st</sup> December 2012	5981577	1966214
Weighted Average no of shares used in computing Diluted Earnings per share	259048883	255033520
Net Profit after tax including prior year Tax Provision written back (Rs in million)	1024.68	1729.72
Basic Earnings Per Share * (Rs)	4.12	6.86
Diluted Earnings Per Share * (Rs)	4.03	6.79

\* Equity shares of face value of Re 1 each.

7. Earlier, the Company dealt with the difference (gain / loss) in respect of Foreign currency transactions in compliance with AS 11 prescribed by the Central Government pursuant to Section 211 (3C) of the Companies act, 1956, by recognising the same as part of the profit or loss. Following the issue of the notification no G.S.R.225 (E) dated 31<sup>st</sup> March 2009 by the Central Government optionally permitting the modification in such treatment retrospectively from 7<sup>th</sup> December 2006, the Company has exercised the option permitted there under to treat such differences relating to assets as adjustments in the carrying value of such depreciable assets and amortise other differences of a specified nature over the term of the relative item. Accordingly, the Company has reversed a sum of Rs 235.29 million, charged as an expense / loss earlier and adjusted the carrying value of relative depreciable fixed assets and a further sum of Rs 164.81 million as so amortisable and the effect thereof is reflected in the financial year ended on 31<sup>st</sup> March 2009.

Further for earlier period, the exchange gain of Rs 4.70 millions has also been adjusted in a similar manner with corresponding debit to general reserve.

8. Figures in bracket indicate previous year's figures.
9. Previous year's figures have been regrouped / rearranged wherever necessary and strictly not comparable as current year figures consist of seventeen subsidiaries as against sixteen subsidiaries in previous year.

Signatures to Schedules 1 to 12

FOR AND ON BEHALF OF THE BOARD

B K PAREKH  
Chairman

S K PAREKH  
Vice Chairman

M B PAREKH  
Managing Director

Mumbai  
Date : 20<sup>th</sup> May 2009

P C PATEL  
President & Secretary



**SCHEDULE 12 NOTES ON ACCOUNTS**

 iv. Transactions with Related Parties during the year ended 31<sup>st</sup> March 2009 are as follows:

(Rs in million)

Nature of Transaction	Remuneration to Directors	Parekh Marketing Ltd.	Vinyl Chemicals (India) Ltd.	Kalva Marketing and Services Ltd.	Nitin Enterprises	Total
a. Sales and Related Income		<b>505.90</b>	<b>Nil</b>	<b>Nil</b>	<b>1.06</b>	<b>506.96</b>
		(1829.58)	(Nil)	(Nil)	(0.19)	(1829.77)
b. Other Income (including Electricity Generation)		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
		(0.47)	(Nil)	(0.03)	(Nil)	(0.50)
c. Purchases and Other Related Services		<b>Nil</b>	<b>707.12</b>	<b>Nil</b>	<b>83.70</b>	<b>790.82</b>
		(Nil)	(681.14)	(Nil)	(3.37)	(684.51)
d. Remuneration to Directors:						
- Sitting Fees	<b>4.51</b>					<b>4.51</b>
	(0.24)					(0.24)
- Managing Director / Jt. Managing Director	<b>66.44</b>					<b>66.44</b>
	(71.02)					(71.02)
- Whole Time Directors	<b>20.36</b>					<b>20.36</b>
	(25.34)					(25.34)
- Commission to Non Executive Directors	<b>2.40</b>					<b>2.40</b>
	(2.40)					(2.40)
e. Investment in Share Capital		Nil	Nil	Nil	Nil	Nil
		(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
f. Loans Given / (Taken)		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
		(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
g. Purchase of Fixed Assets		<b>Nil</b>	<b>0.53</b>	<b>0.72</b>	<b>Nil</b>	<b>1.25</b>
		(63.26)	(Nil)	(Nil)	(Nil)	(63.26)
h. Sale of Fixed Assets		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
		(12.00)	(Nil)	(Nil)	(Nil)	(12.00)
i. Reimbursement of expenses made		<b>1.45</b>	<b>7.13</b>	<b>Nil</b>	<b>Nil</b>	<b>8.58</b>
		(0.78)	(Nil)	(Nil)	(Nil)	(0.78)
j. Reimbursement of expenses received		<b>0.61</b>	<b>0.75</b>	<b>Nil</b>	<b>Nil</b>	<b>1.36</b>
		(20.69)	(Nil)	(Nil)	(Nil)	(20.69)
k. Provision For Doubtful Debts Made		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
		(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
l. Outstanding Balances :						
- Debtors	<b>Nil</b>	<b>114.97</b>	<b>35.60</b>	<b>Nil</b>	<b>0.12</b>	<b>150.69</b>
	(Nil)	(104.11)	(Nil)	(Nil)	(0.19)	(104.30)
- Creditors	<b>Nil</b>	<b>1.61</b>	<b>64.02</b>	<b>Nil</b>	<b>3.93</b>	<b>69.56</b>
	(Nil)	(0.25)	(65.01)	(Nil)	(3.37)	(68.63)
- Outstanding Payable (Net of receivable)	<b>Nil</b>	<b>(113.36)</b>	<b>28.42</b>	<b>Nil</b>	<b>3.82</b>	<b>(81.12)</b>
	(Nil)	((103.86))	(65.01)	(Nil)	((3.18))	((35.67))

No amounts have been written off or written back during the year in respect of debts due from or to Related Parties.

# Consolidated Cash Flow Statement

For The Year Ended 31<sup>st</sup> March 2009

(Rs in million)

		2008-09	2007-08
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before taxation	1275.13	2077.07
	Adjustment for Depreciation	588.24	458.82
	Additional Provision for Diminution in value of Investments	1.80	-
	Interest paid	360.84	190.27
	Dividend received	(9.23)	(16.03)
	Interest received	(11.09)	(24.39)
	Amortisation of VRS compensation	-	2.43
	(Profit) / Loss on Sale of Assets	(0.65)	(5.14)
	Foreign Exchange loss on ECB / FCCB	149.73	-
	Misc Expenditure Written Off	0.26	-
	Increase in Foreign Currency Translation Reserve	176.80	0.55
	Bad debts w/off / provision for doubtful debts	75.72	16.61
		1332.42	623.12
	Operating Profit before Working Capital changes	2607.55	2700.19
	Working Capital changes :		
	Inventories (Inc) / Dec	190.02	(645.98)
	Debtors (Inc) / Dec	(295.26)	(734.28)
	Loans and Advances, etc. (Inc) / Dec	36.01	(264.92)
	Current Liabilities Inc / (Dec)	286.89	504.72
		217.66	(1140.46)
	Cash generated from operations	2825.21	1559.73
	Interest received	11.09	24.39
	Interest paid	(360.84)	(190.27)
	Income Tax paid (Net)	(105.52)	(291.67)
		(455.27)	(457.55)
	Net Cash flow from Operating Activities	2369.94	1102.18

# Consolidated Cash Flow Statement

For The Year Ended 31<sup>st</sup> March 2009

(Rs in million)

		2008-09	2007-08
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(2025.20)	(2883.68)
	Sale of Fixed Assets	13.98	25.67
	Purchase of Investments	(2125.11)	(1269.03)
	Sale of Investments	1905.56	1289.85
	Dividend received	9.23	16.03
	Net Cash flow from Investing Activities	(2221.54)	(2821.16)
		148.40	(1718.98)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	(Repayment) / Increase of long term borrowings	(1.20)	31.93
	(Repayment) / Increase of long term borrowings - Bank	(418.18)	730.05
	(Decrease) / Increase in Short term Borrowings - Bank	(370.67)	1012.31
	(Repayment) / Increase of Short Term Borrowings - Foreign Currency Loan	(471.79)	105.38
	(Redemption) / Issue of Foreign Currency Convertible Bonds	(43.85)	1,594.40
	(Redemption) / Issue of Equity Shares	(28.75)	-
	(Redemption) / Issue of secured Redeemable Non Convertible Debentures	1,500.00	-
	(Repayment) / Increase of Short Term Borrowings - Others	80.86	20.01
	Dividend paid (Including Dividend Tax, where applicable)	(512.74)	(442.47)
	Net Cash Flow from Financing Activities	(266.32)	3051.61
	Net Increase in Cash and Cash Equivalents	(117.92)	1332.63
	Cash and Cash Equivalents as at 1 <sup>st</sup> April 2008	1718.47	381.37
	Cash and Cash Equivalents acquired under the Scheme	-	4.47
	Cash and Cash Equivalents as at 31 <sup>st</sup> March 2009	1600.55	1718.47
		(117.92)	1332.63
	Purchase of Fixed assets excluding Exchange loss capitalised [Refer note 7 of schedule 12]	-	-

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For HARIBHAKTI & CO.  
Chartered Accountants

CHETAN DESAI  
Partner

Mumbai  
Date : 20<sup>th</sup> May 2009

P C PATEL  
President & Secretary

B K PAREKH  
Chairman

S K PAREKH  
Vice Chairman

M B PAREKH  
Managing Director

# Information on Subsidiary Companies

(As directed by Central Government Order under Section 212(8) of the Companies Act, 1956)

			Names of the subsidiaries							
			Fevicol Company Ltd.	Pidlilite International Pte Ltd.*	Chemson Asia Pte Ltd.*	Pidlilite Middle East Ltd.*	Jupiter Chemicals (L.L.C.)*	Pidlilite Speciality Chemicals Bangladesh Pvt Ltd.*	Pidlilite Bamco Ltd.*	PT Pidilite Indonesia*
1	Currency		Indian Rs.	Singapore Dollars	Singapore Dollars	AED	AED	Taka	Baht	IDR
2	Capital	Foreign Currency	-	20707884	1250000	23651213	300000	192830248	20776818	8696784900
	(includes Share application Money)	Indian Rs in Million	0.50	692.58	41.81	327.50	4.15	142.64	29.81	38.27
3	Reserves	Foreign Currency	-	(308947)	(1074824)	(179126)	(7590811)	39255	2488165	(5748653288)
		Indian Rs in Million	0.07	(10.33)	(35.95)	(2.48)	(105.11)	0.03	3.57	(25.29)
4	Total Assets	Foreign Currency	-	20475566	1437569	23542853	24786080	198659761	91705159	7548342200
		Indian Rs in Million	0.58	684.81	48.08	326.00	343.21	146.95	131.56	33.21
5	Total Liabilities	Foreign Currency	-	76629	1262393	70766	32076891	5790257	68440176	4600210589
		Indian Rs in Million	0.01	2.56	42.22	0.98	444.17	4.28	98.18	20.24
6	Investments	Foreign Currency	-	-	-	-	-	-	-	-
	(except in case of subsidiaries)	Indian Rs in Million	-	-	-	-	-	-	-	-
7	Turnover & Other Income	Foreign Currency	-	188487	2346818	230805	13995244	-	107138602	3735135785
		Indian Rs in Million	0.08	6.30	78.49	3.20	193.79	-	153.70	16.43
8	Profit/(Loss) Before Taxation	Foreign Currency	-	(49938)	(35597)	183178	(3910911)	-	(18651208)	(3469029711)
		Indian Rs in Million	0.07	(1.67)	(1.19)	2.54	(54.15)	-	(26.76)	(15.26)
9	Provision For Tax	Foreign Currency	-	-	15435	-	-	-	-	(809119905)
	(including Deffered Tax)	Indian Rs in Million	0.01	-	0.52	-	-	-	-	(3.56)
10	Profit/(Loss) After Taxation	Foreign Currency	-	(49938)	(51032)	183178	(3910911)	-	(18651208)	(2659909806)
		Indian Rs in Million	0.06	(1.67)	(1.71)	2.54	(54.15)	-	(26.76)	(11.70)
11	Proposed Dividend	Foreign Currency	-	-	-	-	-	-	-	-
		Indian Rs in Million	-	-	-	-	-	-	-	-
12	Exchange Rate as on 31 <sup>st</sup> March 2009			33.4450	33.4450	13.8470	13.8470	0.7397	1.4346	0.00440

\* Financial Statements of these Foreign Subsidiaries have been converted in to Indian Rupees at rates prevailing as on 31<sup>st</sup> March 2009

# Information on Subsidiary Companies

(As directed by Central Government Order under Section 212(8) of the Companies Act, 1956)

			Names of the subsidiaries								
			Pidilite USA Inc *	Pidilite Innovation Center Pte Ltd.*	Madhumala Traders Pvt Ltd.	Bhimad Commercial Co Pvt Ltd.	Pidilite Industries Egypt - SAE*	Pulvitec do Brasil Industria e Comercio de Colase Adesivos Ltda*	Pidilite Southeast Asia Ltd.*	Banco Supply and Services Limited*	Pagel Concrete Technologies Pvt Ltd.
1	Currency		US Dollars	Singapore Dollars	Indian Rs.	Indian Rs.	EGP	Brazilian Reais	Baht	Baht	Indian Rs.
2	Capital	Foreign Currency	14380000	995155	-	-	23183971	29983700	4000000	1000000	-
	(includes Share application Money)	Indian Rs in Million	731.39	33.28	0.10	0.10	209.16	662.10	5.74	1.43	1.00
3	Reserves	Foreign Currency	(5065906)	(31887)	-	-	(2915826)	(10056314)	(135697)	471997	-
		Indian Rs in Million	(257.66)	(1.07)	7.68	7.67	(26.31)	(222.06)	(0.19)	0.68	(4.28)
4	Total Assets	Foreign Currency	17531000	982431	-	-	21240437	45220013	4973974	4763652	-
		Indian Rs in Million	891.65	32.86	23.83	23.97	191.62	998.55	7.14	6.83	0.27
5	Total Liabilities	Foreign Currency	8216905	19163	-	-	972291	25292628	1109671	3291655	-
		Indian Rs in Million	417.92	0.64	16.05	16.20	8.77	558.51	1.59	4.72	3.55
6	Investments	Foreign Currency	-	-	-	-	-	-	-	-	-
	(except in case of subsidiaries)	Indian Rs in Million	-	-	23.81	23.94	-	-	-	-	0.03
7	Turnover & Other Income	Foreign Currency	24589063	755347	-	-	-	36304848	9465415	3641704	--
		Indian Rs in Million	1250.63	25.26	7.34	7.34	-	801.68	13.58	5.22	0.01
8	Profit/(Loss) Before Taxation	Foreign Currency	(1724628)	(23640)	-	-	(243053)	(9058814)	(61697)	528873	-
		Indian Rs in Million	(87.72)	(0.79)	7.33	7.33	(2.19)	(200.04)	(0.09)	0.76	(0.02)
9	Provision For Tax	Foreign Currency	44360	-	-	-	-	-	-	56876	-
	(including Deferred Tax)	Indian Rs in Million	2.26	-	-	-	-	-	-	0.08	-
10	Profit/(Loss) After Taxation	Foreign Currency	(1768988)	(23640)	-	-	(243053)	(9058814)	(61697)	471997	-
		Indian Rs in Million	(89.97)	(0.79)	7.33	7.33	(2.19)	(200.04)	(0.09)	0.68	(0.02)
11	Proposed Dividend	Foreign Currency	-	-	-	-	-	-	-	-	-
		Indian Rs in Million	-	-	-	-	-	-	-	-	-
12	Exchange Rate as on 31 <sup>st</sup> March 2009		50.8614	33.4450			9.0216	22.0820	1.4346	1.4346	-

\* Financial Statements of these Foreign Subsidiaries have been converted in to Indian Rupees at rates prevailing as on 31<sup>st</sup> March 2009





KUMAR AJAY KADAM VISHNU M PAREKH R H DUKHARAN P PAL ANNA MAMA ABRAHAM RAMDAVAD R PAL CHAND J B KUNDEER SHASHIKALA CORDEIRO MARGARET KANSAL PK MRITYUNJAYA KAMESHWAR MIRGULE BD GHOLAP SN PATADIA BINI RAMSUNDER H PAL DASHRATH R JADHAV PARAB VITHAL MATHAI PM SHAH PRAMOD AMRITLAL ADSUL DASRATH D BHARATI SHRIRANG T YADAV JATASHANKAR M GADGE ATMARAM KARBHARI DHOLAKIA K P S ATKUT AMIG G MANVE DINKAR RAMCHANDRA RAWAT JOGINDER SINGH N SIA RAM PEDNEKAR SMEETA DUMASIA COOMI P DANI JAYANT NATVARLAL N K PAREKH VASUDEO PADMAJYA PADMAJA VASUDEO VATARI SAKHARAM FERNANDES LAVINA COSTACORREIA MARIA COSTA VINODKUMAR H DOGRA CHUNILALL DHOLAKIA BANSILAL OZA HEMANTKUMAR DOLATRAY MEHTA MAHESH MANSUKHLAL BURGE ATMARAM T MHASKAR VASANT M KADAM RAMESH L WAMI DAYAL P TAJNHANAKAR MADHUKAR L MIRGULE NAMDEO V SHAH RAMESHCHANDRA G BHARAT UPADHAY BHARAT UPADHAY GHOLAP Y K BANGERA RATNAKAR S PANWAR RAMSINGH GUJJAM ANANT TANU JADHAV RAJENDRA P KHANDARE PRAKASH T NEURURKAR MARUTI S RANE PANDURANG P PATIL ASHOK K SELLAR GANPAT K BANE SURYAKANT S FREITAS ADELINE Y R MIRAJUKAR PATEL PC DUBE JAGBAHAL L LOKHANE RAMESH B ASHOK KUMAR BANSAL NARWANI DILWARSINGH DHEKALE ANANT KUTREKAR MAHADEO P NAYAN MERCHANT UTEKAR CHANDRAKANT SHROFF BHARAT C SHAH VIRENDRA RATILAL GHODEKAR A N MIRGULE R S PAREKH H H ANIL SHETKAR NIGAM M S SHYAMLAL PATEL PATEL DASHRATHA GOVINDLAL ACHARYA ARUN K A V KAMBLI CHAVAN MAHADEO L TAMBE RAMCHANDRA L JADHAV DAULAT MARUTI KALVIKATTE MUKUND MARUTI SHELLAR MARUTI S KAROTIA CHHITRATIRINGH H KURHAR SAHADEV K PAL RAMLAKHAN B MHASKAR LAXMAN M TAMBE JAYWANT V BHAGADE PR ALICE VERGHESE KRISHNA MAYA MADHAVI REWALE KRISHNA KASHIRAM BHAGAT M P VARGHESE SALLY MOHAN R KADAM PATEL DAKSHA G CHAWDA NIVEDITA N NAIR SURESH KUMAR BHATT MAHIDHAR PRASAD SANGHVI NARESH D PAL RAMAI M MALEKAR PREM J S KAKAYIA KISHORKUMAR PANCHAL CHANDRAKANT R SITALKAR DURGADAS P YASHWANT PUNDALIK MHATRE PATADIA BHARAT NATARAJAN G SALINS SHALINI VEIKATACHALAM GANESH GHOLAP GOVIND NATHA MEHTA MAHENDRA V MATHIAS JEANNE VERNIA ALOV VENGOPALAN M K GANESAN VILATHA P FREMKEETHI T M JADHAV DESAI VARGSHA ASHOK PISAT CHANDRASHEKHAR SAKPAL MANOHAR K INDIKAR VASANT N RAMESHCHANDRA D DESAI ANJULKAR B GANDHI LAKHA B KANTARIA KESHAV B DESAI BHAYGE CHANDRAKANT CHART VASANT D N H POPEITA M CPATIL C M ANGRE AM KENI DD MHATRE SHYAM VARVATKAR RAJAM RAMANI SUJATA SHETTY PAI SWAPNALI A DESAI RAJENDRA C PAL ARUNKUMAR S BARGE JAIRAM YADAV SURESH Y PAL PURANMASI R SINOOR KHAEJALL JOSHI JAGDISHCHANDR THAKUR SUDHAKARN MORESHARAD VITTHAL SHIRKE JAGDISH P RAY ADITYA KUMAR NEURURKAR SANDIP S RAJENDRA D DESAI DESAI NAVNEET SOLANKI KAUSHIK BHOGILAL MEHTA B O MANJAREKAR KAMALAKAR E PAL VIJAY BHADUR KUMBHAR KESHAV V GURAV SADASHYU K GHADI CHANDRAKANT N HARSHAD B DESAI VIJAY R PANDYA PANDY RAJENDRA A VIJAY LAXMANBHAI WALAND NARENDRA N BHANDARI KISHOR D PATEL KANTI M DHODI DASHMA S WARLI BHAGU D PATEL KHUSHAL D AHIR D Y KARPE JASWANT H PATEL KANUBHAI G PATEL RAJENDRA N DESAI ASLAM PATEL RAMAN K AHIR RATILAL B AHIR DHANAN JAY P PANDYA N R THAKUR PANDYA ASHOK H KHAIHE ASHOK K RANE SHRIKANT N TAME KEROJI N YADAV DEVRAJ K PAL DAYARAM B PAL PARASNATH D B P ITEKAR N P TUPE A K JADHAV D D DAUR A D BHOIR H P MHATRE D S DISE MUKUND HIRU DONGRE BHATT R R THOLE DEVIJI CHAUHAN PARELAL GUPTA ASHOK KUMAR SUVARNA SADANANDA MALLIKA BANERJEE BHAROSEEL K BERTHIAL PATIL P H RAHATS DDMANIKAR S ZAGADE RAMCHANDRA S SHARMA KAMAL KUMAR SABIHARWAL HONEY KUMAR MUKHERJEE SANDIP RAJPUT SUSHILA V RANE K H SAKPAL VIJAY D MANE JANKARAN V GANWAD PANDURANG S PANGERKAR SHIKANT C TADGE MANOHAR S P M BELAPURKAR YOGESH BHOGILAL MEHTA SURESH DAHYABHAI PATEL VIJAY RAMANLAL NAIK JAYESH N RAVAL ANIL M PATEL MAGAN M PATEL JAYANTI S PAREKH BHARAT L PATEL BHANJA C HALPATI THAKOR C AHIR BABU K PATEL GOPAL J PATEL MOHAN K PATEL ISHWAR G DHODI BABU J HALPATI GORDHAN P PATEL ISHVER L PATEL KESHU M PATEL AMRUT B DHODI KISHAN S WARLI RAMU R PATEL BHIKU S HALPATI MANCH S WARLI VAJIR K PATEL CHANDU K PATEL PRAVIN S PATEL MOHAN B PATEL KISHAN C PATEL DILIP U PATEL HASMUKH M PATEL ARVIND H AHIR ASHOK P NAIKA KRISHNAKANT V TRIPATHI SHRISH S PAWAR VEIGAS GRETTA DALVI SMITA PRABHAKAR DARNE SANDEEP NARAYAN JOSHI JAYANT KAMALASHANKAR KAWLI KAMALAKAR H NEURURKAR CHANDRAKANT P V G KONDKAR H H DONGRE L R PATIL V N KENI H B KENI L M PATIL P S KENI G N PATIL T D MHATRE B G PHADKE S K PATIL RAMCHANDRA CHAVAN DNYANDEV KADU BABAN SHANTARAM MANKE S K GARUD SANJAY GHEEWALA PATIL PRACHI P SUTARIA HIMANSHU M RAO U MURLIDHAR ASHISH KUMAR SIRCAR ESTEBIRO MARGARET R DODDAPPA RAJANNA S VENKATAVARDHAN K R SREERISHNAN PANDIT SHANKAR KUMAR RAWAL PRAFUL CHANDRA SINGH RAJENDRA KRIPAL YASHI JAGRUTI PATHOD NATVARLAL M BHARAT SINGH JEET SINGH S VAIDYANATHA PACHAKRISHNANI GHOSH SWAPNA DAKSHA B NAIK CHHOTI B PATEL MOHANBHAI R PATEL JAYESH N MISTRY DEEPAK M DESAI DINESH B AHIR PRAVIN B PATEL RAMESH D WARLI BHAGU L HALPATI GULAB M PATEL CHIBHU R PATEL DILIP H PATEL PRAKASH M PATEL ARVIND L PATEL CHIMAN B PATEL TARA N HALPATI PARVATI R PATEL BANJAN G HALPATI MADHU G PATEL SAVITA L HALPATI KASHALKAR NISHA AJIT LOBO EMLIDA B JARIVALE M K ULVEKAR TANAJI PANDHARINATH BHAGAT C V NARAYANAN SMITA SUKHTHANAKAR SAIFFE MODOY TOLE ABDUL GAFOOR MULEKAR SUREKHA S RAJAM SHRIDHARAN GARG LALIT KUMAR CHARLES ARUNA G NAGARAJAN KARMAKAR SAMIR KUMAR ASIS KUMAR KUNDU PATIL NEHA KIRAN MODY K M BANERJEE SUVASIS A G VENKATACHALAM CUNCIOLIENKAR ANJALI KANTIBHAI R PATEL PRADIP M DESAI RANJIT K PATEL DAHYABHAI B PATEL CHANDRAVANDAN SONI THAKOR S PATEL KANU G HALPATI ISHWAR N WARLI JAGU M WARLI VASANT B WARLI JAGU B WARLI THAKOR S HALPATI CHANDU B WARLI JAGU B PATEL GANESH B PATEL DINESH M PATEL ARVIND J DHODI RANJIT D AHIR CHIBHU S WARLI ARVIND K PATEL KALIDAS R WARLI NAVIN J DHODI KANTI B HALPATI HARSH U PATEL SHANKAR C RATHWA JITENDRA M JOSHI JACINTA ALMEIDA SACHIN SINGANASE PANDURANG G DIMBLE AMOD K BELAPURKAR P M PATIL A M JADHAV S D JOSHI P J MHASKAR DHARMA GOVIND PATEL MOKASHI MEETA S KANAGO SHRIKANT L SHIRYADKAR ANIL R UCHIL SHASHIKALA AGHARWAR ARUN G OZA G D FERNANDES JOSEPHINE SALDANHA WINNIE SHETTY PRAKASH K JOGINDER RANA TRIVEDI MAHESH SUKUMARA B R CHANDRASHEKHAR S SWAMINATHAN K PARADKAR PRADEEP P SANKARANARAYAN V DUTTAN S S SHAH HEMANT KUMAR VAZ ELVIRA IYER NIRMALA VALINTHY RAMESH K PATEL YATISH R ANIL LAXMAN SONTAKKE K R JAMDADE A B SAWANT PROMOD DAYARAMBHAI LAD SHANKAR M RAJYAGURU KIRIT MEHTA KANTILAL M PATEL CHANDRANT V MEHTA BHARAT H PATEL DHANSUKH M PATEL CHIBHU B PATEL JANAK M PATEL PRANV D WARLI NARESH M PATEL CHANDU B PATEL AMITA NAIK CHHLSHANKAR S RAJYAGURU RAMESH M NAIKA SONAL R BHATT THAKUR BHASKAR RAMCHANDRA KADAM SANJAY RAMCHANDRA L MADHAVAMANI MANOHAR KADU SURYAKANT MAYEKAR H N POPEITA SHAH BHAVESH B ZOLEKAR NANDKISHORE V KADAM NARENDRA A MANKAME MAHOJ C PRAKASH SHAH ASHOK SAUNDALKAR TUKARAM BHAVAE ASOLKAR RAJESH SURYAKANT MEHTA NILESH K



THAKUR AJAY SINGH PATEL KAUSHAL A PONVELL GEORGE P YASHI NARESHKUMAR LLESH SHAH MORE TANAJI SAKHARAM SANJAY KAMATHI RAJE RAJIV M B K PAREKH H K PAREKH PANCHAL M C BHIJWAN CHANDRA JOSHI A B SAWANT K B JOSHI V S WAJE S B DHENDE VILAS GAWDE PANCHAL RAJESH R DAS SURAJIT MISHRA NAVNEET FERNANDES VIJAY A ANNA JOY PALLATHUSSERY KUMAR SURENDRA MOHITE LILABAI D S M BHOPU D B BHOI B K MHATRE R G GOWARI V G GOWARI M D GHARAT MUKESH P PATEL R V PATEL S A BAROT CHANDU M PATEL SHANKAR B NAIKA MALDAN B KAG UMESH C PATEL HARSHAD S PATEL KANJIBHAI K GOHIL GEETA S PATEL JAGDISH R PATEL B G TANDEL BIPIN S PATEL SUNIL D RANA AMRUT R PATEL JASHWANT C DHODI KARSHAN S PATEL ISHWAR G PATEL KIRIT L PATEL SUBHASH L LAD VIJAY N PATEL GATU K NAIKA USHA R PATEL CHIMAN D PATEL PRAVIN U PATEL SATISH C PATEL ASHOK C PATEL NAVIN M PATEL VINOD D BHANDARI H ASMUKHI S PATEL GANESH B PATEL GANESH R PATEL PRAVIN M PATEL MAHESH B PATEL RAJANT V VADWALA CHAMPAK R PATEL PRAVIN L PATEL HASMUKH M PATEL RASHI B PATEL BIPIN N PATEL D G POPEITA SP MHATRE A G GARUD A K MHATRE NATU S AHIR GOVINDI PATEL R C CHAMPANERI MAHESH H PATEL VLESH M PATEL RAMSAGARAN PRASAD DINESH NAIKA HARISH P PATEL AWARI B N RAJESH DEVEKAR SANJAY PANCHAL PATIL SANJAY KUMAR GURAV ARUN NELLY REGO SASAVRA JHUKKERMATH SHUBHADA BIWALKAR SIRAJ MOHAMMAD R KUTTAN NAIR SHRIKANT BRD GURAV VITHOBA HATIM PRABHAKAR PATIL GHANSHYAM LASE SHARAD TAMBE SURESH RAUT HARISHCHANDRA DEEPAK AJGONKAR BRENDIA S UCHIL SHARAD MEHTA RAJARAM MIRGULE MANORANJAN PATIL SHETTY HARISH S SAWANT PRASAD K P D SAWANT S V NAGARKAR S V KALABEKE N S PARDHI R B SHINDE N P CHAUDHARI V B TUPAT K D SHINDE K B GOWADALE K R MISHRA B A JADHAV SANDEEP BESE MANOJKUMAR ARORA ARUNABHA MITRA BARIN DIXIT DESAI SUDHIRBHAI G PINTO SARASWATI O S V RAGHAVAN GUPTA PANKAJ KUMAR MONIKA SUNEJA AJAY JASJUA MOHANAN P M BJI SEBASTIAN DESAI KASHYAP SHAH JAYMIN KASHILKAR GIRISH S K PAREKH CHAFILKAR BAL SURENDRA SINGH MEHRA BHARTI VIJAY PRATAP R ULAGANATHAN NILESH PATEL S M PRABHUDESI SURESH KUMAR C BANDKAR P L BANDEKAR MAHESH SHAI RAVISH P MATHY SHAJU KADVE MANOJ A ADHIKARI ANKITA A KAMAT PRASHANT Y PRAKASH B PATIL MOHD ILIEM OMEN LODARIA DINESH M DESAI BHUSHAN S PENSE RAJESH PATEL A DEV SONJIT CHUNILAL DESHMUKH DILIP T V B SAWANT B POPEITA BHAI SHANVAY KENI GIRISH C PATEL RAKESH G DHIMAR SURESH H PATEL BHARAT C NAIKA DINESH G PATEL SANJAY KAVAJI MUKESH R PATEL RAJENDRA C PATEL SANDIP R CHOISI MANOJ H PATEL DOLAT G PATEL RAJESH B PATEL MADHUSUDAN TANDEL KAMELISH MAHYAVANSHI SUMAN K PATEL SANJAY M PATEL PURNIMA PURHOIT DILIPBHAI B PATEL PRAKASH B PATEL VANESH K PRAJAPATI HARISH R PATEL RAJA H MORASIA NAVNEET GUJARATHI P A KOSHE C D CHIMANE P M MHATRE R C KADAM H C MALLI S R JAMDADE G D MHATRE J B PATIL M P KASKAR G D DHARNEKAR INDRABHADUR B BABARIA GANESH AVINASH DIXIT NANDKUMAR SANHE ARVIND TAMBE MARINA LEMOS DATTATRAYA SHRIPOD DHAVAL VIJAYDATTIA MODAK G P MHATRE TUKARAM THAMAJI DEVE A P NIGUDKAR S S GOVILKAR P P KESHINGE DESAI RAMESH KUMAR DILEEP KHATRI KISHORE MUKHERJEE VAS JAYRAJ SANJIV KUMAR DEVENDRA KHANNA V R RAMAKRISHNAN RAJENDRA BUTALA KIRPAKARAN S SINGH IRVINDER NILESH MOKASHI NANDKUMAR PATIL MITTAL LOVEKESHI RAMESH GOSWUNDA BHUWAD RAJENDRA R S SURVE H R PAWAR PATEL GARGE DHOLAKIA PARESH H MAHALE SURESH S BHATT SANJAY S PATEL KALPESH R PATEL DIAS CLARA D'SOUZA SUNITA VALLI FATIMA B ANAND VASANT KALE PEREIRA VICTOR A TRIVEDI DEVENDRA B VIJAN ALKA R VERMA MONIKA PATEL VASANT NANASARIB PRATIBHA BALASUBRAMANIAM PATEL SONWATH CHANDANNI MANOJ K HUDDAR SHARAD NARAYANABD RAHAR ASHOK S TALVE SURESH M GODBOLE ATUL G AMOL H BHAGAT GANESHRAM K K V DHIMMER AJAY K PATEL SANJAY A PATEL RAJESH K PATEL RAMESH S PATEL DEEPAK R PATEL KANNDU K PATEL ANIL B PATEL HIREN C PATEL RAJESH G PATEL KISHOR S MODY RAJESH N PATEL KHARU B DHODI SHANTALL BHANDARI PATEL DIPAK B PATEL DILIP PATEL SANJAY N PATEL SUNIL G JAIN RAJENDRA C GANDHI ASHOK PRANA NIKET B NAIKA RAMESH S PATEL RAJESH BHATT SATISH R PATEL NARESH D PATEL BABUN AHIR HARISH B AHIR KIRAN R PATEL GOKUL M PATEL MAHESH R PATEL DILIP M PATEL KANHU D PATEL SHANTALL BHANDARI VINOD T PATEL AMRUT R AHIR NAVIN L PATEL UMESH A NAIKA RAJESH B HALPATI SHAILESH U PATEL VINOD T TANDEL RAJESH V BARIYA HINENDRA G PATEL GIRISH R PATEL ISHWAR F PATEL GIRISH Z MAUSIRYA ISHWAR D TANDEL SATISH R PATEL BHARAT K PATEL JAYANTI V PATEL JITENDRA H PATEL THAKOR B HALPATI RAJESH H PATEL KANU K PATEL BIPIN V PATEL RASHI N PATEL KETAN P PANDEIT DHARMESH B RANA C N PATEL NILESH DHMMAR PARESH M DESAI RAJESH B LAD P B BHANDARI J D SURESHNALL NAVIN C PATEL BABAR S HALPATI NAVAN M PATEL SIKHIL C DESAI UMESH U PATEL SUBHASH M PATEL NAVIN U PATEL R R LAD RAKESH M PATEL PATEL SHASHIKANT V BHARAT D LAD DHARMESH B GHEEWALA JAYESH N LAD SHANKAR BHAI PATEL PRAKASH V DEWATE DILIP R GHUTE G M GADGI RAJENDRAKUMAR VADYAKAR NISAR DANGE SANVAL SUNIL S CHAVAN VIVEK M UGHADE KISHOR S HAJRA ASOK KUMAR VIJAYKUMAR M VARMA RAJESH BARTHUAL SATISH CHARMA MOHAMMED SHAHQIE AHMED NARENDRA JOSHI DADA MANE M N KALE SANDIP SURESH NALAWADE ABDUL QUADIR IBRAHIM SHAIKH NALEKAR MILIND S SINGH RANAT MANWAR S D SHIRKE I A NURAJI S S MAHAMUNI S K SHARMA U B KARBHARI JHA DEEPAKKUMAR BANKER RAJENDRA DAVADA BHARAT DUGRASA RAHA B T LATTHE S A KSHIRSAGAR M P PARAB M B BANDAL M N ANARASE KULKARNI PRASHANT MORE SANCHITA S PATIL AJIT MISTRY MOHANLAL KADYAP RAMESH SINGH SUNIL M PAL TRILCHAN SINGH DOLABHAI JITEN K VERGHESE ALICE PAREKH APJURAN V KULKARNI SARANG A SHAH RAJENDRAKUMAR C SAMPATH V IYER DESHPANDE YOGESH YASAD CHONDIA D'SOUZA HOTKAR YASHWANT R KAMAT SANJAY V TILAK NERLAKI S KAMBLE KALC G CHATRAPATI RAUSHAH SAHA ASHWIN N MAHESH S WAGLE NEHVI RAHUL MANOHAR PRAKASH GAJINKAR BIPINCHANDRA RANA VIJAYAVARANAN SRINIVASAN RAMDAR DARSANHSINGH V P M ZAMBRE JYANTI B LONDARI SANJAY D DHIMAR PANKAJ R PATEL KHANJU U PATEL POKLE SHRIKANT N PRASHANT B VASHI SATYEN V PATEL



SAWANT VISHWANATH B WARDE HEMLATA V SEQUEIRA LIBY UMESH MAKATI SHETTY MEERA D FERNANDES CHRISTINE DIPTI SINHA SRIDHARAN NARAYANAN PINAKI BANERJEE S S MAHADIK DESAI JIGISHA D MOHILE SHIRISHKUMAR B NAGWEKAR MANSI AGAWANE HARSHA S TONDWALKAR SAIRPRASADTRIVEDI RAJESH SADIQUE JAVED AKHTER VISHWAS MORE R D CHIMNE S D GHARAT S G DIMBLE CHETAN N KUBER PRAGUNESH V SHAH MANOJ D PATEL RAJESH P PATEL AMRUT B HALPATI MAHESH R NAIKA NATVAL A PATEL SURENDRA B YADAV ANINDU P PATEL RAJESH P PATEL RAMAKANT P SINGH UTTAM J PATEL DAYA M NAIKA UMED D PATEL MENZES CHRISTABELL V L PATIL J B GHARAT R K MHATRE PAREKH A B MANKAME SHAMLA M CHANDRAPRAKASH SHARMA AMLANI HARSHA DALAL NAZMUSHEN H NAMOMIYAR P GADARIA RANJIT KUMAR CHOPRA KANCHAN DUTTA RAMESH KUMAR JOSE P ANTONY DEY DEBABRATA SIVAPAN KANILAL PAUL SUBHASISH A P SAWANT DAVID DEVARAJ HALDER TIMIR BARAN SEQUEIRA OLGA KARADIA KURUSH P KURRUDE VASANT D SOUZA NALINI NUNES L RAVAL JAYNIKA N PANDYA PRASHANT N PATEL DASHARATHIBAI J BAJIRAO JADHAV D G PADKE K C MALI C N BHOIR V S MANKE HOSHANG J DADRRAWALA DINESH C PATEL MAGAN B AHIR ISHVAR V PATEL GUNVANT S PRAJAPTI BHARAT N PATEL KANTI B PATEL GULAB I PATEL ASHWIN C PATEL NAYANA M DESAI A K PATIL GOVIND D WARLI SURESH K MODAK KISHOR B JOSHI GHANSHYAM B JOSHI VINOD B GANDHI MIRGULE MUKESH YESWANT PATIL PRAKASH BALARAM YERMALKAR PADMAKAR BHASKAR BHALEROO SUDHIR ANANT KALRA SANJIV AMIRCHAND TRIVEDI DAKSHESH R TOLIA MUKESH MAHADI MUNDHE G A MATHRE NARAYAN SHANWAR KENI PAREKH M B SABU VERGHESE MAYNIL VIJAY K SATYASADHAN RAY DE KAMAL KUMAR SURESH DHURI SREELATHA HEMANT MANJU NARAYANKAR HITESH B SHAH R C DESAI SHAH MANOJ D KUNJHRAMAN SAHANA BATHERI SHOBIHA KADAM EKNATH LOPES CATHERINE S SUBRAMANIAN RANCHOOD WANI RAVINDRA S PARAB S P MHATRE K M ANGRE B D BHANGARMALI S D MHATRE E H MHATRE BHARAT H JOSHI SURESH R VADWALA NANU K PATEL CHHOTI S PATEL SANTU S PATEL DILIP N PATEL BHARAT R PATEL DHANSUKH J AHIR GAUJU V HALPATI CHANCHAL L HALPATI RAMAN V PATEL MANOJ S PARAB D G DWIVEDI UMESH M PATEL BABU K PATEL MAGAN M AHIR ANURAT C DHOJI KISHAN D PATEL NAGIN N WARLI VINU K PATEL MANGU G HALPATI SURESH R PATEL DHIRU D PATEL ASHOK M HALPATI NAYAG PATEL R M MATHRE N T JAGDALE V H CHAUDRY KANTI B PATEL RAVI J HALPATI RAMAN D AHIR DINESH B PATEL NAGIN L HALPATI DINESH K BHATT ARVIND L PATEL SHANTA D PATEL RAJYAGURU BHARAT HIMMATAL THORVE PRAKASH ATMARAM BHABAL SUDHIR ARJUN PURCHIT ARVIND B BHAGWAN KRISHNA MHATRE DALVI PURUSHOTTAM R R N MOHANTY G S GURAV M V L N SASTRY P J KHARVALKAR ROY KARTICK CHATTERJEE TUHIN BHUPENDER KUMAR SHARMA BORA RAM SINGH IKRAMUL HASAN MANAB GHOSH SITARAM DINGANKAR SATISH KUMAR SHARMA NARENDRA KUMAR SABHARWAL ARUN KUMAR SINGH KRISHNARAJ S SINGH VIRENDRA K R USHA VIJAYKUMAR M K MANI MOHAN J KADAM BAJAJ RAJ KAMAL CHANDRANANSHI RAMGULLA SUNETRA S SURVE F K DISOUZA C R KULKARNI A V MOHANAN U H DESHPANDE P D SUSELAN J K MANE B V BHAYASR S V GHADIGAONKAR ACHERKAR DATTATRAY P DESAI SONAL J SALVI DEEPAK D MEHRA VIPAN SATPAL REMEDIOS LAWRENCE RANADIVE SUDHIR K SARDESAI H V NEGR RAMESH CHANDRA SINGH WIN DHARMESH H GURURAJ ROTTI PRANESH DAWN E KIRK SINGH SANTOSH KUMAR KULKARNI NINAD A P D DHAMALE ASHVINI SHUKLA KIRAN P PRAJAPATI GIRISH M DHIMAR HARESH SHAH JITENDRA B PATEL MANOJ S WARLI NAVIN PATEL MAHESH B JOSHI GAJU G PATEL HANNU N CHOHAN JAYANTI G PATEL SUMAN B PATEL JAGESH K AHIR DIPAK L PATEL GOVIND M HALPATI ASHWIN C PATEL YASHVI S PATEL JERAM C DHOJI YASHANT S PATEL CHANDU G PATEL VIJAY D PATEL ARVIND B PATEL SHANKAR B PATEL CHAMPAK B PATEL NATU D PATEL DHIRU B DHOJI SONU KAMBLI CHETAN B DALAL BINDRA SINGH RANJIT V PATEL BIRENDRA YADAV JAGDISH B GANDHI GIRVAN B VAJA P M WAIM CHAVAN AJIT SAMDAP WAGHELA SANJAY K J K DHARNEKAR AMOLD UBHAYAKAR S B PONSKE M V JOSHI S B GHOSALKAR D B MANE N L JANGALE J M MAHADIK S P WAIKAR P Y WADNERE S B SHELAR VIJAY SHAH P A EXSHINGE A A NIGADE P G BORLE I M CHAUGULE K N THAKUR C B DUBEY A K DAS D M JANGAM K D CHAUDHARI CHHOTELAL SHIVPUJAN M B NISAD S G GADGIL R N DESHMUKH JYOTI KHANNA SAI SACHIN MULE SADHANA KOCHREKAR MENON MEERA SUNDAR CHAKRABORTY PINAKIN D MEHTA D A MANAS KUMAR MANAS MUKHOPADHYAY SINGH JASWANT ROHEWAL CHARANVIR S PARASHAR RAJNI KANT LOGANATHAN KANNAN MISHRA SHYAM SUNDER BHATT BAKUL RAWAT NARENDRA SINGH BHATT JATIN DESAI MINAL D K SHARMA SHYLAJA RAJAN TIBREWALA P M VESNAKAR SANTOSH J SHAH T A S M PHADKE N S CHILLARGE HARSH J BHATT SURESH B PATEL PRAKASH B PATEL VIJAY K PATEL DINESH B PATEL VISHU R PATEL VINOD M PATEL MANOJ A RAJYAGURU DINESH D AHIR CHANDRANANT A RANA KAMAL P DESAI JAGDISH B VAJA DHARMENDRA M JOSHI KISHOR V JOSHI D T MHATRE BANDIKAR RAJENDRA KASHINATH RAUT RAVINDRA BHIVA N K KENI B T KHATARE S R GHADGE S D CHITALKAR R K PANWAR S R MORE G S DESHMUKH Y K VERJUNKAR S Y DESHMUKH C T JAGADE S M GANDHI R S PANWAR S Y WADNERE M A DHASADRE P R KHAPARE S D TURE R T SHELAR E R PAWAR B D BHAIKREKAR P V SHILKUMAR G D SANAP S G BORKAR A V DESHMUKH CHATTERJEE DEBASISH BHATTACHARYA JHANTU MISHRA PURSHURAM PATEL SHIRISHKUMAR V PANVELKAR PRASHANT SRIVASTAVA SATYA PRAKASH SURESH B KOTENKAR ANIL KHANDULJA ASHISH MUKHERJEE DATE BHAU EDWANKAR V SNEHA LANDA SURYA NARAYANA RAO PRADIPTA P SENGUPTA RASHMI R SHIVADE P G DESHMUKH P B DIWEKAR R D DESHMUKH G R MORE R S GURAV TAPAS BANERJEE SAWANT NISHIKANT M NAYAK BHARAT N RENUKA LINGWAL PANDA BALUNKESWAR MAZUMDAR AMITAVA CHALKE RAVINDRA MARUTI RAJENDRA SINGH BUTOLA S J PALANDE P N DUKKRE R P KADAM DILIP WAMAN SARDAR JANARDAN TUKARAM MHATRE HASMUKH K PATEL RAM G PATEL NATU C PATEL RAJESH A LAD HANSA R PATEL BABU J CHAHAN AJAY K LAD GANESH R ROHIT RAMILA R PATEL MUKESH K PATEL MUKESH N AHIR ARVIND R PATEL SUBHASH M PATEL RAMESH H AHIR SUBHASH B AHIR RAKESH R PATEL PANKAJ S PATEL VINOD R NAIK SURESH G AHIR KUNDAN J PATEL DHARMENDRA S DESAI REKHA D NAIK SNEHAL S SHAH JHURU J PATEL VINODBHAI B PATEL PRANAV N PATEL ANKHUBHAI G PATEL DHIRUBHAI L AHIR SUMAN K PATEL SHANKAR BHAI G DHOJI MAHESH M PATEL ASHOK G PATEL MANILAL C PATEL KISHAN B PATEL RAJESH K PATEL ASHOK J NAIKA RAMDAS SHANKAR MORE M S GHADIGAONKAR S R VARE G M CHODHARY N S KENI H V MHATRE D H PATIL S D PATIL H C PATIL BHARAT PRAJAPATI MAHENDRA YADAV SHAILESH C PATEL BABUBHAI K PATEL RAMESH M RAJYAGURU BHATTACHARJEE PARTHA PRATIM PARAB MAHESH WAMAN PINTO DEODITA ELIZABETH VARMA RAJENDRAKUMAR M MHASKAR YESHWANT S BOVALKAR UDAY V KASAR JOGLEKAR SANDEEP N A PATIL B U KARBELKAR S A DOSHI P S WAGHATE P S SHIRODHANKAR S B DAREKAR G L KAMBLE S K UTEKAR J N PATEKAR G S GHOLAP C J SHINDE S R PATIL G K MODHAWA P G SHINDE S P TAMBE V D SHINDE S D DESHMUKH S B SONAWANE D S NAGOTHANEKAR S P SURVE BT JADHAV CB JADHAV S R DALVI D D DESHMUKH S K DESHMUKH S M MANE R G JADHAV U S DESHMUKH P R SUTAR S R SARDAL MITABANDER SANDEEP M MANDAVALLA AJAY K NITESH JHARMARWALA POKAM SHREYA JADHAV GAJANANI V RAVIKUMAR RASHMI V CHAVAN SUDHIR SEHGAL SUNITA KALPESH PATEL MATURU VIJAY KISHORE ARORA SWARNJITSINGH



# building bonds

YOGESH F DODIA RAJESH SALUNKE SATISH KARANDIKAR INGLE SHIVLINGAPPA RAMANATHAN S P ROSA BASIL D SOUZA HUBERT FERNANDES PRASHANT PAWAR JAGDISHCHANDRA KULKARNI MANE JAYANT MONTEIRO A S GIJA VARGHESE K S S VINCENT DESAI RAJIV H D S KHOPADE HITESH VOHRA SONAGI MEHRA SANJAY CHATTERJEE KANDALA TRIPATI RAO ANANDPRA MAHESH SANJAY KUMAR JHA SHARMA ROHITASHKUMAR SURESHKUMAR SUDHANATHAN SURENDRA A G U N KALAMKAR S R KUMBHAR C S DESHMUKH V B CHAVAN A S JADHAV R K KAUSHAL GANESH KADAM SHARMILEE G KADAM MANOJ MAHANTESH K AMIT JAIN HEMANT D JAMENI KORI RAMNIVAJ RAVINDRANATH N D PARAB NAKUL S VANI NILESH AVANKANT S GUHAN PARIKH MADHUSUDAN R SAWANT BHALCHANDRA P K JEEVANTHANAM SUBRAMANIAN C P MASEKAR NARESH M ALOK ANAND BELLE AVINASH M BHARAT H GOHIL VILAS V KOLI HARESH K PATEL NILESH NAIK BHARAT B JOSHI MANISH R BARIYA SACHIN TALEKAR LAWRENCE DAS JAYESH M JADAV LEEHA JOSEPH MARIA SOUZA NARENDRA NARVEKAR RAMESAN P CHAUDHARI SACHIN BHARAT A SHAH BILWESH DESAI VENKATACHALAM KUMAR IYER AMOL ASHOK SURVE SANTOSH N GAIKWAD CHANDRANANT C CHAVAN GANESH PRASAD SINGH RADHAN KRISHNAN R NAIR KAINATH M K PARNAL MUPPODHAY A K SURENDRA N P KADAM DEBASISH GHOSE SHARMA DHEEPAJ YADAV ANURUDH HITEENDRA PANT T S LUMASARAYAN MAHESH BHALEROO SHUKLA NEERAJ KUMAR S R JADHAV P R SHEETHI P S DESHMUKH B A DESHMUKH J Y PAWAR R B KADAM M C TAMBE J A SHINDE M R KUMBHAR M M DESHMUKH DAS DEBASISH TANMOY ADAK C R RAJESH BABU NAIK MILIND C SHUKLA PANKAJ KUMAR MALHAN VISHAL V P RAJEEV NARAYAN NEGANDHI YATIN G ANIL P MEHTA BARVE SANJAY S DOMINIC WESELY D LIMA JYOTHI MANI ANNU SUSAN NAIR KOWSHIK GURUPRASAD K V SREENIVASULU JEFFREY PEREIRA MANISH B PATEL VJAL K MEHTA NILIMA P DESAI NILESH M PATEL AMIN NAIK NATU P AHIR ASVIN B DESAI RAJESH S PATEL SUNIL D PANDEY HITESH N PATEL SURESH G PATEL G M DHADIA MAHESH DEOLALKAR PARSURAM N RANE MAHESH MAKHJIAN C B BHANAT S D SANAP V N BHATRE S V DALVI HEGDE SANDEEP VINODSINGH RANA SATISH S KHANDEKAR SHRINIVAS PEDNEKAR SHRINIVAS DIP SEKHAR SARKAR NIMBALKAR KAVITA P M MAHADIK V A RASHINKAR C B JADHAV N S PANWAR R D PAWAR S B BARTAKKE GUPTA NISHANTH RAMTEKKE MANVENKOR P SACHIN S WAINGANKAR DAS SUBROTTO ANDEEP JAGDISH PINGALE JAVED JAHANGIR FRAVIND M MANE SUSHMA TELANG SUNIL S MAHALLE VINAYAK V GUDI B S PAPA RAO MANOHAR B VALKUNDE SHAILESH S VOIRA SACHIN V PULSAY RAJU MEHRA SANDEEP TIKKOD IBBRAHIM SIKKANDER TAPAS KUMAR RAU JI COURETTO J K R SHARMA JAGU C MAHWANSHI PRAKASH C PATEL JAYVANTI K JADHAV BIPIN S WAGHAMARE S T MAHADIK N V LUBHARE SUBHAKAR N GOUD AGARWAL PUNEET DASHI VIRENDRA RAWAT G DHANSHING VYAS DHARMESH ARANYA MAZUMDAR DOSI MANISH BIST VIJENDRASINGH DIGISH AMIN N N VEDAK BG JAYBHAYE S N MORE PARAG D RATANJANKAR SA KALE U S SALUNKE R N PAWAR V R PAWAR V R KADAM V S ZANJE K B PADGHAMKAR B B PARTE R P SAWANT DESAI ABHAY MOHAN ATUL TOMAR BISWARUP CHAUDHURY SUDHIR KUMAR DWIVEDI SANJAY D POKHALI SANDEEP MAGDUM SASIDHARAN DAMODARAN NAJEE AHAMAD M MAKANDAR NANDKUMAR DARTLE KAMLESH K VERMA PARTHA BHOWNICK LAULI KUMAR GUPTA SANJEEV KUMAR MODI SATISH B BARVE G S SATYANARAYANA KHOKAN BANIK MALAY BANIK SUDIPTA ADHIKARI MOHANLAL DIGAR SOHEL SHAFI KHAN VASANT R BARGE ANUP DUTTA SANJAY S KURADE PRAFULLA B SAWANT SANTANU DUTTA SURESH SHELAR RAKESH J THAKUR VIKAS SHARMA SHIRISH N KHANWALKAR SANJEEV KUMAR SINHA VISHA KIRAN DIWEKAR SALAUDDIN MOHD K S KRISHNAN P B DAS P N MAHADIK A D DALVI CHANDRAGIT MICHAPATRA R D RAMESH KUMAR BARBADE MANGESH POMMEL SENI SINGH DIWAKAR GUPTA AMIT C A ANITA GAGAN ARORA CHAVAPPA ARI SACHIN S MADWALE DIPAK GANDHI P M V CHANDRA JIGNESH P SHAH LAXMIKANT P GHUMRE SURAJIT SRI RAM RAHAGAVENDRA V S R BAL ASUBRAMANIAM SUIJAY KUMAR SINHA KRISHNA ROUJ UDAY KHOPKAR V VENKATRAM MANOJ P PATIL BRIJLAKSHMI PRASAD KOWLABEN E PATEL ALPESH L PARMAR D S DEVE S D DESHMUKH CHINCHWADE BALKRISHNA SUNGAR NAGENDRA ASHFAZ MOHAMMED B VINOD KURUP SRIVASTAVA ASHISH VISHAL MISHRA SAXENA KULDEEP SANDIP PRAO KANSARA NIRUP GULATI RAJESH SHARMA SURAJ R KHATHEER AHAMED MANGESH JADHAV SUMIT MADHOK SHUKLA AVDESH KAUSHIK BHAVES DESAI RAVIKUMAR MANISHA MUPPURALA INDER PAL SINGH KHOSLA MANISH SINGH SAVINDER PAL VIPIN KUMAR SHARMA SHYAMBHADHAR SONAR M P PAWAR S Y ERUNKAR A K SAKPAL SADANAND B SAWANT MANGESH Y PANDEY A P BUJJI LALCHANDRA TIWARI M SRINIVASAN LALJIBHAI K VITHANI M V PRAKASH ANAND MEHTA VIVEKANAND SHUKLA ASHUTOSH KUMAR SANJOY DAS NOOPUR DWIVEDI N MURGAN ASHOK KUMAR ROY CHINTAMANI SOMAN SHREYA SHEETAL GANDHI D RAJESH PRASEN A THAKUR SANJAY PANIGRAHI MILAN M DESHPANDE NAVIN S JAIN SANTOSH B GHORPADE VED PRAKASH SRIVASTAVA MANNA CHAKRABORTY MAHENDRA S GAYATONDE MOHAMMED Z KHAN PURUSHOTTAM ASNANI JAYESH WAGHELA I KAMLAN BHANDARI SANJOY MAZUMDAR WASOOK M ALI PRABHAT D RAJESH DEVI JOLLY SANJAY VAIDYA SHANTANU MAZUMDAR PRAKASH KUMAR ROY SANJEEV IDOLGI SANJAY V JAGTAP MILIND J GANDHI MILIND L INGALE N VASANTH KUMAR SAMEER RANJAN DAS C VINOD KUMAR AMAR KANODIA YVONNE FERNANDES PRADESH B VAIDYA BISWJIT DE POOJA TANDON RAJESH M SHIGRIAN NINI SAJI ATULYA DAS MD SHARE ULKHALE P MAHESHKUMAR GOPALDAS RAJESH TRIPATHI SHANTANU BASUMALLICK RAJENDRA K CHAUDHARI JAS KAMAL JIT SINGH BHUIE UDAY D KADAM ANIL KUMAR NAIR RANJAN CHAKRABORTY SARANG BABAR BABLU KUMAR CHANDHEER ARUN SALVI JAYANT GABALE SHIVANTARA KELKAR INDER MOHAN M M ASLAM SRINATH R VIJAY ROTE MEDHA A MILEY ANNAM MENONDA RAJESH VALLA SHAILESH K PATIL A S KRISHNA KUMAR AVINASH OKA RAVINDRA MORE TAPAS SHAH CHANDRAN DESAI MANOJ MENON RAVINDR KUMAR PEER MUKESH CHATTERJEE JYANTHI ME S THEAGARAJAN VISHWAS CHHATRE ANAND DABHADE GURUPRASAD GADGIL PRAKASH NARVEKAR RANA MAHATO ROBIN DESHMUKH SANDESH PATIL TUSHAR SUTHAR ANIL DEWETT SUDHAR RO SHYAM LAL RUKHIBEN C HALAPATI DIPESH B PARMAR SACHIN B PARMAR DHANSUKH L PAEL ANIL BHATIA P G BIRARI M A SHINDE

**Pidilite Industries Limited**  
Registered Office  
Regent Chambers, 7th Floor  
Jamnalal Bajaj Marg  
208 Nariman Point  
Mumbai 400 021  
[www.pidilite.com](http://www.pidilite.com)