



MAHESHWARI & ASSOCIATES
Chartered Accountants

"Park Plaza" First Floor, No.1, Park Road
(Off. Infantry Road), Tasker Town,
Bangalore - 560051, India
T. +91 80 4124 2545
E. bangalore@maheshwariassociates.com
www.maheshwariassociates.com

INDEPENDENT AUDITOR'S REPORT

To the members of **TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly known as "Tenax India Stone Products Private Limited")**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly known as "Tenax India Stone Products Private Limited")** (the 'Company'), which comprise the balance sheet as at 31 March 2022, the statement of profit and loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rule, 2015, as amended ('Ind AS') and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.





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Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the board's report including annexures thereto and management discussion and analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the board's report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and the other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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





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Auditor's responsibility for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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

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

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

Report on other legal and Regulatory requirements

1). As required by Section 143 (3) of the Act, based on our audit we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss, the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) on the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) This report does not include our opinion with respect to the adequacy of the internal financial controls over the financial reporting of the Company. Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;





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- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the Company being the private limited company the provisions of this section are not applicable to the company hence not commented on the same; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the financial statements, no funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ; and
 - (c) Based on our audit procedures that we have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations provided by the management under sub-clause (a) and (b) above contain any material misstatement.
 - (d) The Company has not declared any dividend during the year.





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- 2) As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure 'A' to this Report, a statement on the matters specified in para 3 and 4 of the said Order, to the extent applicable.

For Maheshwari & Associates

Chartered Accountants

Firm's Registration No.: 311008E



Sateesh Patil

Partner

Membership No.: 227311

UDIN: 22227311AIKJIN9829

Place: Bengaluru

Date: 4th May 2022

TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Balance Sheet as at 31st March, 2022

₹ in Lakhs

Particulars	Note No.	As at 31.03.2022	As at 31.3.2021
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	3	308.46	0.78
(b) Right of use asset	4	89.67	95.79
(c) Capital Work-In-Progress	5	60.03	-
(d) Other Intangible Assets	6	780.26	777.15
(e) Intangible assets under development	7	-	1.42
(f) Financial Assets			
(i) Others	8	301.58	283.04
(g) Income Tax Assets (net)		43.62	23.67
(h) Other Non current Assets	9	204.20	81.31
Total Non Current Assets		1,787.82	1,263.16
Current Assets			
(a) Inventories	10	621.11	944.22
(b) Financial Assets			
(i) Trade Receivables	11	536.22	666.46
(ii) Cash and cash equivalents	12	1,939.78	2,124.65
(iii) Bank Balances other than Cash and Cash equivalents above*	13	13.74	13.38
(iv) Others	14	1.47	0.09
(c) Other Current Assets	15	101.48	73.18
Total Current Assets		3,213.80	3,821.98
TOTAL ASSETS		5,001.62	5,085.14
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	60.00	60.00
(b) Other Equity	17	4,245.39	3,920.83
Total Equity		4,305.39	3,980.83
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(ii) Lease Liabilities	4	90.78	94.35
(b) Deferred Tax Liabilities (net)	18	97.23	34.01
Total Non Current Liabilities		188.01	128.36
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	19	60.24	1.75
Total outstanding dues of micro and small enterprises	19	306.30	949.86
Total outstanding dues of others	4	3.57	3.26
(ii) Lease Liabilities	20	124.50	-
(iii) Other Current financial Liabilities	21	13.61	14.77
(b) Other Current Liabilities		-	6.31
(c) Current Tax Liabilities (net)		-	-
Total Current Liabilities		508.22	975.95
TOTAL EQUITY AND LIABILITIES		5,001.62	5,085.14
Corporate Information & Significant Accounting Policies	1 to 2		
See accompanying notes forming part of the financial statements	3 to 43		
Contingent Liabilities and Commitments	30		

In terms of our Report attached
For Maheshwari & Associates
Chartered Accountants
Firm Reg.No:311008E

Sateesh Patil
Partner
Membership No. 227311

Place: Bengaluru
Date: 4th May 2022



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRABHAKAR JAIN
Director
DIN: 02017091

Place: Gurugram
Date: 4th May 2022

MANISHA SHETTY
Director
DIN: 09466788

Place: Mumbai
Date: 4th May 2022

TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Statement of Profit and Loss For The Year ended 31st March 2022

₹ in Lakhs

Particulars	For the year ended	
	31.3.2022	31.3.2021
INCOME		
Revenue from Operations	22 2,351.32	2,439.66
Other Income	23 161.88	126.92
Total Income	2,513.20	2,566.58
EXPENSES		
Cost of Materials Consumed	24 41.14	38.78
Purchases of Stock-in-Trade	25 1,101.20	1,898.17
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26 439.74	(248.15)
Finance Costs	27 8.77	0.74
Depreciation and Amortization Expense	28 19.95	9.39
Other Expenses	29 460.57	364.70
Total Expenses	2,071.37	2,063.63
Profit / (Loss) before Exceptional Items and Tax	441.83	502.95
(Add) / Less : Prior Period and Exceptional Items (net)	-	-
Profit / (Loss) before Tax	441.83	502.95
Tax Expense		
Current Tax	54.05	98.24
Deferred Tax	63.22	30.53
Net Tax expense	117.27	128.77
Profit/ (Loss) for the year	324.56	374.18
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
Actuarial Gains/(Losses)	-	-
Income tax relating to items that will not be reclassified to profit or loss	-	-
Total Other Comprehensive Income	-	-
Total Comprehensive Income	324.56	374.18
Earnings per share		
Basic (Rs.)	30 540.93	623.64
Diluted (Rs.)	30 540.93	623.64
Face Value of Share (₹)	100.00	100.00
Significant Accounting Policies	1 to 2	
See accompanying notes forming part of the financial statements	3 to 43	

In terms of our Report attached
For Maheshwari & Associates
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Firm Reg.No:311008E

Sateesh Patil
Partner
Membership No. 227311

Place: Bengaluru
Date: 4th May 2022



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


PRABHAKAR JAIN
Director
DIN: 02017091

Place: Gurugram
Date: 4th May 2022


MANISHA SHETTY
Director
DIN: 09466788

Place: Mumbai
Date: 4th May 2022

TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Statement of changes in equity for the year ended 31st March 2022

A. Equity share capital

₹ in Lakhs

Particulars	As at	
	31.3.2022	31.3.2021
Equity shares of Rs 100 each issued, subscribed and fully paid		
Balance at the beginning of the reporting period	60.00	60.00
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	60.00	60.00

B. Other equity

₹ in Lakhs

Particulars	Retained earning	Total Other Equity
Balance as on 1st April 2020	3,546.64	3,546.64
Profit for the year	374.18	374.18
Other Comprehensive Income for the year, net of taxes	-	-
Balance as on 31st March 2021	3,920.83	3,920.83
Profit for the year	324.56	324.56
Other Comprehensive Income for the year, net of taxes	-	-
Balance as at March 31, 2022	4,245.39	4,245.39

The accompanying notes are forming part of the financial statements.


In terms of our Report attached
For Maheshwari & Associates
Chartered Accountants
Firm Reg.No:311008E


Sateesh Patil BENGALURU
Partner
Membership No. 227311



Place: Bengaluru
Date: 4th May 2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


PRABHAKAR JAIN
Director
DIN: 02017091

Place: Gurugram
Date: 4th May 2022


MANISHA SHETTY
Director
DIN: 09466788

Place: Mumbai
Date: 4th May 2022

TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Statement of Cash Flow For The Year Ended 31st March 2022

₹ in Lakhs

Particulars	For the year ended	
	31.3.2022	31.3.2021
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	441.83	502.95
Adjustments for:		
Depreciation and amortization expense	19.95	9.39
Foreign Exchange gain or loss	0.38	(23.25)
Finance costs	8.77	0.74
Interest Income	(49.44)	(24.34)
Baddebts and advances written off	78.29	-
Loss of Property, Plant & Equipment	0.14	-
Provision written back	(99.72)	(0.15)
Provision for Doubtful Debts	6.77	21.28
	(34.86)	(16.33)
Operating profit before working capital changes	406.97	486.63
Movement in working capital:		
(Increase) / decrease in operating assets:		
Inventories	323.11	(168.61)
Trade receivables	45.18	521.06
Other financial Current assets	(1.38)	(0.09)
Other financial Non Current assets	(18.54)	(17.36)
Other Current Assets	(28.29)	(63.07)
Other Bank Balance	(0.36)	(13.38)
Other non current assets	(122.90)	(81.31)
	196.82	177.23
Increase / (decrease) in operating liabilities:		
Trade payables	(485.74)	177.62
Other Current Liabilities	(1.16)	(121.06)
Other Current Financial Liabilities	124.50	-
	(362.40)	56.56
Cash generated from / (used in) operations	241.39	720.41
Net income tax paid (Net of Refund)	(80.32)	(32.87)
Net cash used in operating activities (A)	161.07	687.54
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(312.51)	(0.84)
Purchase of Intangible assets	(10.81)	(45.57)
Cost incurred on Capital Work in Progress	(60.03)	(1.42)
Interest income received	49.44	24.34
	(333.91)	(23.49)
C. Cash flow from financing activities		
Proceeds / (Repayment) of / from finance lease obligations	(3.26)	-
Interest expenses	(8.77)	-
	(12.03)	-
Net cash generated from financing activities (C)		
Net increase in Cash and cash equivalents (A+B+C)	(184.87)	664.04
Cash and cash equivalents at the beginning of the year	2,124.65	1,460.61
Cash and cash equivalents at the end of the year (Refer Note 12)	1,939.78	2,124.65

The accompanying notes are forming part of the financial statements.

In terms of our Report attached
For Maheshwari & Associates
Chartered Accountants
Firm Reg.No:311008E

Sateesh Patil
Partner
Membership No. 227311

Place: Bengaluru
Date: 4th May 2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRABHAKAR JAIN
Director
DIN: 02017091

Place: Gurugram
Date: 4th May 2022

MANISHA SHETTY
Director
DIN: 09466788

Place: Mumbai
Date: 4th May 2022

Tenax Pidilite India Private Limited (Formerly Known as Tenax India Stone Products Private Limited)

Notes to the Financial Statements for the year ended 31st March 2022

1. Corporate Information

Tenax Pidilite India Private Limited (**Formerly Known as Tenax India Stone Products Private Limited**) (Referred to as "The company") is engaged in the business of manufacture and trading of adhesives, coating, surface treatment chemicals and abrasives for the marble, granite and stone industry.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation

(a) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and
- ii. Defined benefit and other long-term employee benefits.
- iii. The intangible assets and the right to use of an assets.

(c) Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(d) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Company has considered the possible effects that may result from the pandemic relating to COVID -19 on the carrying amounts of receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID -19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

(e) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.



Tenax Pidilite India Private Limited (Formerly Known as Tenax India Stone Products Private Limited)

Notes to the Financial Statements for the year ended 31st March 2022

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(f) These financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in (₹) has been rounded to the nearest lakhs (up to two decimals), except when indicated otherwise.

2.2 Revenue recognition

a) Sale of goods

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

(b) Service income

Revenue from services is recognised at the fair value of the consideration received or receivable for services rendered in the periods in which the services are rendered on a prorated basis over the period or as per the terms of the contract.



Tenax Pidilite India Private Limited (Formerly Known as Tenax India Stone Products Private Limited)

Notes to the Financial Statements for the year ended 31st March 2022

(c) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(d) Other Income

Scrap sales (i.e. Palates, drums and other packing material) is accounted for as and when it is sold.

2.3 Foreign Currencies

In preparing the financial statements of the company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items (including financial assets and liabilities) denominated in foreign currencies are retranslated at the rates prevailing at that date. Gains or losses arising from these translations are recognised in the statement of Profit and Loss.

2.4 Taxation

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

(a) Current Tax

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

(b) Deferred Tax

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

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

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

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



Tenax Pidilite India Private Limited (Formerly Known as Tenax India Stone Products Private Limited)

Notes to the Financial Statements for the year ended 31st March 2022

(c) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's board determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External Valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external Valuers is decided upon annually by the board. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The board decides, after discussions with the Company's external Valuers, which valuation techniques and inputs to use for each case.



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Notes to the Financial Statements for the year ended 31st March 2022

At each reporting date, the board analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the board verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The board, in conjunction with the Company's external Valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. On an interim basis, the board and the Company's external Valuers present the valuation results to the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.6 Property, plant and equipment

(a) Property, plant and equipment acquired separately

Freehold land is stated at cost and not depreciated.

Buildings, plant and machinery, vehicles, furniture and office equipments are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost of such self-constructed item includes professional fees. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss in the year of occurrence.

(b) Depreciation

Depreciation is provided so as to write off the cost of assets (other than freehold land and Capital work in progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on Property, Plant and Equipment is provided, based on the estimated economic lives or using the rates specified in Schedule II to the Companies Act, 2013.

Type of Assets	Useful Life
Plant & Machinery	6 to 25 years
Furniture & Fixtures	10 years
Office Equipment	3 to 6 years



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2.7 Intangible Assets

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

Useful lives of intangible assets

Estimated useful lives of the Intangible assets are as follows:

Type of Assets	Useful Life
Trade Mark	Indefinite Life
Computer Software	3-6 Years
Technical Know-how	10 Years

2.8 Impairment of tangible and intangible assets other than goodwill

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

2.9 Inventories

Inventories are valued at lower of cost and net realisable value.

Cost of inventories is determined on weighted average basis. Cost for this purpose includes cost of direct materials, direct labour, excise duty and appropriate share of overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

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



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Notes to the Financial Statements for the year ended 31st March 2022

2.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions (excluding retirement benefits & Earn out Compensation) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognised but disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed in the Notes to the Financial Statements, where an inflow of economic benefits is probable.

2.11 Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(a) Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet conditions based on purpose of holding assets and contractual terms of instrument are subsequently measured at amortised cost using effective interest method.

All other financial assets are measured at fair value.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

(b) Impairment of financial assets

The Company applies expected credit loss model for recognizing impairment loss on financial assets like trade receivables, financial assets measured at amortised cost, lease receivables and other contractual rights to receive cash or other financial assets. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

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



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Notes to the Financial Statements for the year ended 31st March 2022

(c) Financial Liabilities

All financial liabilities are measured at amortised cost using effective interest method at the end of subsequent reporting periods. Interest expense is included in the Finance costs line item.

(d) Derecognition of financial assets and liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or have expired.

(e) Derivative financial instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

2.12 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank, cash in hand and short- term investments net of bank overdrafts with an original maturity of three months or less.

2.13 Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity Fund, Compensated Absences, Employee Medical Insurance and Anniversary Awards.

(a) Defined contribution plans

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

(b) Defined benefit plans

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



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(c) Short term and other long term employee benefits

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

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

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

2.14 Segment Reporting

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company performance based on appropriate segment classifications and allocates resources based on an analysis of various performance indicators by business segments.

The Company is primarily engaged in the business of trading marble chemicals. As per the Company's Chief Operating Decision Maker ("CODM"), the risks and returns from its sales do not vary materially. Accordingly, there are no other reportable segments as required to be reported under Ind AS 108 - 'Operating Segments.

2.15 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.16 Leases

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

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease

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



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Notes to the Financial Statements for the year ended 31st March 2022

2.17 Borrowings and Borrowing Cost

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.18 Share based payment

Share-based payment transactions of the Company Equity-settled share-based payments to employees providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2.19 Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.



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Notes to the Financial Statements for the year ended 31st March 2022

2.20 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of change in an accounting estimate is recognised prospectively in the period of change, if the change affects that period only or in the period of the change and future periods if the change affects both current and future periods.

2.21 Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements: In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions: The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets: Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the company.

Taxes: Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



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Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions and contingent liabilities: The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

Provisions and contingent liabilities: The Company has ongoing litigations with regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

2.22 Recent accounting pronouncements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

3. Property, plant and equipment

₹ in Lakhs

Carrying amounts of:	31.3.2022	31.3.2021
Plant & Machinery	304.37	-
Furniture & Fixtures	0.39	-
Office Equipments	3.70	0.78
Total	308.46	0.78

₹ in Lakhs

Cost (Gross Block)	Plant & Machinery	Furniture & Fixtures	Office Equipment	Total
Deemed Cost				
Balance at 1st April, 2020	-	-	-	-
Additions	-	-	0.84	0.84
Adjustment/Disposal	-	-	-	-
Balance at March 31, 2021	-	-	0.84	0.84
Additions	308.44	0.40	3.68	312.51
Adjustment/Disposal	-	-	(0.14)	(0.14)
Balance at March 31, 2022	308.44	0.40	4.38	313.22
Accumulated depreciation				
Balance at 1st April, 2020	-	-	-	-
Depreciation expense	-	-	0.06	0.06
Adjustment/Disposal	-	-	-	-
Balance at March 31, 2021	-	-	0.06	0.06
Depreciation expense	4.07	0.01	0.63	4.71
Adjustment/Disposal	-	-	(0.01)	(0.01)
Balance at March 31, 2022	4.07	0.01	0.68	4.76

Carrying amount (Net Block)	Plant & Machinery	Furniture & Fixtures	Office Equipment	Total
Balance at 1st April, 2020	-	-	-	-
Additions	-	-	0.84	0.84
Adjustment/Disposal	-	-	-	-
Depreciation expense	-	-	(0.06)	(0.06)
Balance at March 31, 2021	-	-	0.78	0.78
Additions	308.44	0.40	3.68	312.51
Adjustment/Disposal	-	-	(0.14)	(0.14)
Depreciation expense	4.07	0.01	0.62	4.70
Balance at March 31, 2022	304.37	0.39	3.70	308.46



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4 Right of Use Assets

The Company has leased land for construction of factory for a period of 15 years entering into the lease arrangements with Pidilite Industries Limited. Accordingly the company has accounted for a Right To Use (ROU) asset and Lease Liability as per requirement of Ind AS 116.

The weighted average incremental borrowing rate applied to lease liabilities is 9.5% (As at 31st March 2021 - 9.5%)

Following are the changes in the carrying value of right of use assets for the year ended 31st March 2022 and 31st March 2021:

Particulars	□ In Lakhs	
	31.3.2022	31.3.2021
Leasehold Land		
Opening Balance	96.87	-
Additions	-	96.87
Deletions	-	-
Accumulated Depreciation	(7.20)	(1.08)
Closing Balance	89.67	95.79

The following is the break-up of current and non-current lease liabilities as at 31st March 2022 and 31st March 2021:

Particulars	31.3.2022	31.3.2021
Current lease liabilities	3.57	3.26
Non-current lease liabilities	90.78	94.35
Closing Balance	94.35	97.61

The following is the movement in lease liabilities during the year ended 31st March 2022 and 31st March 2021:

Particulars	31.3.2022	31.3.2021
Balance at the beginning	97.61	-
Additions	-	96.87
Finance cost accrued during the period	8.77	0.74
Payment of lease liabilities	12.03	-
Balance at the end	94.35	97.61

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2022, at 31st March 2021 on an undiscounted basis:

Particulars	31.3.2022	31.3.2021
Less than one year	12.03	12.03
One to five years	60.14	60.14
More than five years	94.21	106.24
Balance at the end	166.38	178.41

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

5. Capital Work in Progress

□ in Lakhs

Particulars	As at 31st March 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	60.03	-	-	-	60.03
Projects temporarily suspended	-	-	-	-	-

Particulars	As at 31st March 2021				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Note: The Capital Work in Progress pertains to a manufacturing plant. There is no Capital Work in Progress, whose completion is overdue or has exceeded its cost compared to its original plan. Further, there is no project which has been suspended temporarily either in current year or previous year.



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Notes forming part of financial statements.

6. Other Intangible assets

₹ in Lakhs

Carrying amounts of	31st March 2022	31st March 2021
Trade Mark	702.99	702.99
Computer Software	11.58	0.23
Technical Knowhow	65.69	73.93
	780.26	777.15

₹ in Lakhs

Cost (Gross block)	Trade Mark	Computer Software	Technical Knowhow	Total
Balance at 1st April, 2020	657.66	-	82.41	740.07
Additions	45.33	0.24	-	45.57
Adjustment/Disposal	-	-	-	-
Balance at March 31, 2021	702.99	0.24	82.41	785.65
Additions	-	12.23	-	12.23
Balance at March 31, 2022	702.99	12.47	82.41	797.87

Accumulated amortisation and impairment	Trade Mark	Computer Software	Technical Knowhow	Total
Balance at 1st April, 2020	-	-	0.24	0.24
Amortisation expense	-	0.01	8.24	8.25
Balance at March 31, 2021	-	0.01	8.48	8.49
Amortisation expense	-	0.88	8.24	9.12
Balance at March 31, 2022	-	0.89	16.72	17.61

Carrying amount (Net Block)	Trade Mark	Computer Software	Technical Knowhow	Total
Balance at 1st April, 2020	657.66	-	82.17	739.83
Other Additions	45.33	0.24	-	45.57
Amortisation expense	-	0.01	8.24	8.25
Balance at March 31, 2021	702.99	0.23	73.93	777.15
Other Additions	-	12.23	-	12.23
Amortisation expense	-	0.88	8.24	9.12
Balance at March 31, 2022	702.99	11.58	65.69	780.26

7. Intangible assets under development

₹ in Lakhs

Particulars	As at 31st March 2022				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

₹ in Lakhs

Particulars	As at 31st March 2021				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.42	-	-	-	1.42
Projects temporarily suspended	-	-	-	-	-

There is no Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan. Further there is no project which has been suspended temporarily either in current year or previous year.



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

8 Other Non current Financial Assets

₹ in Lakhs

	As at 31.03.2022	As at 31.3.2021
Fixed Deposit with maturity over 12 months	301.58	283.04
TOTAL	301.58	283.04

9 Other Non current Assets

	As at 31.03.2022	As at 31.3.2021
Capital Advances	204.20	81.31
TOTAL	204.20	81.31

10 Inventories (At lower of cost and net realizable value)

	As at 31.03.2022	As at 31.3.2021
Raw Material & Packing Material*	113.42	-
Work-in-Progress	4.19	-
Stock in Trade *	480.43	944.22
Finished Goods	19.86	-
Stores & Spares	3.21	-
TOTAL	621.11	944.22

Note:

- a. Includes Goods in transit ₹ 78.51 lakhs and Raw Material of ₹57.07 lakhs (₹ 357.44 lakhs Stock in Trade as on 31.03.2021)
b. The cost of inventories includes provision for inventory amounting to ₹ 31.01 lakhs. (PY - ₹ 11.58 lakhs)

11 Trade Receivables

	As at 31.03.2022	As at 31.3.2021
Unsecured, considered good	536.22	666.46
Considered Doubtful	6.78	99.72
	543.00	766.18
Less: Allowances for Expected Credit Loss	6.78	99.72
TOTAL	536.22	666.46



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)

Please refer Note 38 for dues from the company in which the director of the Company is director / Member

Particulars	As at 31.03.2022						Total
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Trade receivables – considered good	266.90	83.93	185.39	-	-	-	536.22
(ii) Undisputed Trade Receivables – considered doubtful	-	2.17	4.61	-	-	-	6.78
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
Total	266.90	86.10	190.00	-	-	-	543.00
Less: Allowance for doubtful	-	-	-	-	-	-	536.22
Net Trade Receivable	-	-	-	-	-	-	6.78

Particulars	As at 31.03.2021						Total
	Outstanding for following periods from due date of						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Trade receivables – considered good	152.97	481.83	31.67	-	-	-	666.46
(ii) Undisputed Trade Receivables – considered doubtful	-	14.02	1.62	84.08	-	-	99.72
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
Total	152.97	495.85	33.29	84.08	-	-	766.18
Less: Allowance for doubtful	-	-	-	-	-	-	99.72
Net Trade Receivable	-	-	-	-	-	-	666.46



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

12 Cash and Cash Equivalents

₹ in Lakhs

	As at 31.03.2022	As at 31.3.2021
Balances with banks		
In Current Account	199.78	234.65
In Fixed Deposits Accounts with original maturity of 3 months or less	1,740.00	1,890.00
TOTAL	1,939.78	2,124.65

13 Bank Balances other than Cash and Cash Equivalents

Fixed Deposits with banks

In Fixed Deposit Accounts with original maturity of more than 3 months but less than 12 months

13.74 13.38

Earmarked Account

Balances with unpaid dividend bank account.

0.00 0.00

TOTAL

13.74 13.38

14 Financial Assets - Others - Current

	As at 31.03.2022	As at 31.3.2021
Interest accrued on fixed deposit	0.28	0.09
Deposit with Electricity Board for temporary connection	1.19	-
TOTAL	1.47	0.09

(*Balance represents amounts less than Rs.500)

15 Other current Assets

	As at 31.03.2022	As at 31.3.2021
Unsecured, considered good		
Prepaid Expenses	1.40	7.80
Balances with Government Authorities	77.04	65.38
Advance to Suppliers	23.04	-
TOTAL	101.48	73.18



16 Equity Share Capital

₹ in Lakhs

	As at 31.03.2022	As at 31.03.2021
Authorised Capital : 60,000 Equity Shares of Rs.100 each	60.00	60.00
TOTAL	60.00	60.00
Issued, Subscribed and Paid up Capital : 60,000 Equity Shares of Rs.100 each, fully paid-up	60.00	60.00
TOTAL	60.00	60.00

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

	As at 31.03.2022		As at 31.03.2021	
	Number of Shares	₹	Number of Shares	₹
Equity Shares				
Shares outstanding at beginning of period	60,000	60.00	60,000	60.00
Shares issued during the year	-	-	-	-
Shares outstanding at end of the period	60,000	60.00	60,000	60.00

b. Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of 100/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Shares held by holding company and subsidiary of holding company

42,000 Equity Shares (as at 31.03.2021 - 42,000 Equity shares) are held by Pidilite Industries Limited, the holding company

d. Details of shareholders holding more than 5% shares in the Company:

	As at 31.03.2022		As at 31.03.2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pidilite Industries Ltd	42,000	70%	42,000	70%
Terax S P A	17,999	29.99%	17,999	29.99%

e. There are no shares issued for consideration other than cash & shares bought back

f. Shareholding of Promoters and changes during the year:

Promoter	As at 31.03.2022			As at 31.03.2021		
	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding	% Change
Pidilite Industries Ltd	42,000	70%	0%	42,000	70%	100%
Terax S P A	17,999	29.99%	0%	17,999	29.99%	-70%

With effect from 28th May 2020, 42,000 Equity Shares held by Terax SPA were acquired by Pidilite Industries Limited.

17 Other Equity

₹ in Lakhs

	As at 31.03.2022	As at 31.03.2021
Retained Earnings		
Balance as per last financial statements	3,920.83	3,546.65
Add: Profit / (Loss) for the year	324.56	374.18
Closing Balance	4,245.39	3,920.83
TOTAL	4,245.39	3,920.83

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



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

18 Deferred Tax Liabilities (Net)

₹ in Lakhs

	As at 31.03.2022	As at 31.03.2021
Property, Plant and equipment and Intangible Assets	100.11	59.56
Expenses disallowed on account of Sec 37 (1)	(1.71)	(25.09)
On account of timing difference in Lease liability and Right to use of Asset (Net)	(1.18)	(0.46)
TOTAL	97.23	34.01

19 Trade Payables

₹ in Lakhs

	As at 31.03.2022	As at 31.03.2021
Trade Payables		
Total Outstanding dues to Micro Enterprises & Small Enterprises (Refer Note 34)	60.24	1.75
Total Outstanding dues to creditors other than Micro Enterprises & Small Enterprises	306.30	949.86
TOTAL	366.54	951.61

Particulars	As at 31.03.2022					Total
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	58.26	1.98	-	-	-	60.24
(ii) Others	240.80	65.50	-	-	-	306.30
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues -Others	-	-	-	-	-	-
Total	299.06	67.48	-	-	-	366.54

Particulars	As at 31.03.2021					Total
	Outstanding for following periods from due date of					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.75	-	-	-	-	1.75
(ii) Others	221.72	728.14	-	-	-	949.86
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues -Others	-	-	-	-	-	-
Total	223.47	728.14	-	-	-	951.61

20 Other Current Financial Liabilities

	As at 31.03.2022	As at 31.03.2021
Creditors for Capital Goods	18.69	-
Provision for trade related schemes and reimbursements	105.81	-
TOTAL	124.50	-

** includes TDS, TCS & GST

21 Other Current Liabilities

	As at 31.03.2022	As at 31.03.2021
Advance from customers*	0.40	0.00
Statutory Remittances**	13.21	14.77
TOTAL	13.61	14.77

* represents amount less than ₹ 500

** includes TDS, TCS & GST



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited")
Notes forming part of financial statements.

1,00,000

1,00,000

1,00,000

22 Revenue From Operations

₹ in Lakhs

	For the year ended 31.3.2022	For the year ended 31.3.2021
Revenue From Operations		
Sale of Products		
Finished Goods	34.90	41.04
Traded Goods	2,313.95	2,387.15
TOTAL (A)	2,348.85	2,428.19
Other Operating Revenue		
Scrap Sales	0.38	3.96
Handling and Transportation Charges	2.09	6.78
Service Income	-	0.73
TOTAL (B)	2.47	11.47
Revenue from operations (A+B)		
TOTAL	2,351.32	2,439.66

23 Other Income

₹ in Lakhs

	For the year ended 31.3.2022	For the year ended 31.3.2021
Interest on:		
Bank Deposit	49.44	20.20
Refund of Income Tax	-	4.14
Other Non-Operating Income:		
Net gain on foreign currency transactions and translation	-	23.25
Provision no longer required written back	99.72	0.15
Fees for assignment of debt	7.90	-
Reimbursement of Expenses*	4.82	79.18
TOTAL	161.88	126.92

*Consequent to Share purchase agreement dated 27th Feb 2020 between Tenax SPA, Pidilite Industries Limited and the Company. Certain expenses incurred by the company has been recovered from Tenax SPA.

24 Cost of Materials Consumed

₹ in Lakhs

	For the year ended 31.3.2022	For the year ended 31.3.2021
Raw Material at the beginning of the year	-	79.54
Add: Purchases and movement from Raw material to stock in trade*	154.56	(40.76)
	154.56	38.78
Less: Raw Material at the end of the year	113.42	-
TOTAL	41.14	38.78

* During FY20-21 the company has moved the raw material into stock in trade and then sold as such and hence there is a purchase figure disclosed here is negative

25 Purchase of Stock in Trade

₹ in Lakhs

	For the year ended 31.3.2022	For the year ended 31.3.2021
Purchase of Stock in Trade	1,101.20	1,898.17
TOTAL	1,101.20	1,898.17



26 Change in Inventories of Finished Goods, Work in Progress and Stock in Trade

		₹ in Lakhs	
		For the year ended 31.3.2022	For the year ended 31.3.2021
Inventories at end of the year			
Stock-in-Trade		460.43	944.22
Work-in-Progress		4.19	-
Finished Goods		19.86	-
	(A)	504.48	944.22
Inventories at beginning of the year			
Stock-in-Trade		944.22	656.15
Finished Goods		-	39.92
	(B)	944.22	696.07
	(B)-(A)	439.74	(248.15)
	TOTAL	439.74	(248.15)

27 Finance Costs

		₹ in Lakhs	
		For the year ended 31.3.2022	For the year ended 31.3.2021
Interest on lease liability		8.77	0.74
	TOTAL	8.77	0.74

28 Depreciation and Amortization Expense

		₹ in Lakhs	
		For the year ended 31.3.2022	For the year ended 31.3.2021
Depreciation on Tangible Assets (Refer Note 3)		4.71	0.06
Depreciation on right of use assets (Refer note 4)		6.12	1.08
Amortization of Intangible Assets (Refer Note 6)		9.12	8.25
	TOTAL	19.95	9.39

29 Other Expenses

		₹ in Lakhs	
		For the year ended 31.3.2022	For the year ended 31.3.2021
Sub-contracting job work Charges		43.70	19.79
Warehousing Charges		54.69	26.33
Bank Charges		0.80	2.82
Manpower Supply Service Charges		180.44	145.73
Customs Clearing and forwarding charges		7.47	11.12
Transportation Charges		19.86	21.51
Rent (Refer note 36)		-	6.75
Rates and Taxes		3.40	11.47
Insurance		1.72	1.97
Repairs & Maintenance for Equipments and IT		9.64	0.14
Legal, Professional and Consultancy fees		26.33	75.31
Printing and Stationery		0.33	1.28
Travelling and Conveyance Expenses		-	0.27
Bad Debts and advances written off		78.29	-
Provision for Doubtful Debts		6.77	21.28
Payments to Auditor (Refer note 35)		5.50	6.00
Selling & Distribution Expenses		10.80	-
Net loss on foreign currency transactions and translation		0.38	-
Contribution to Corporate Social Responsibility (Refer note 40)		9.03	12.71
Miscellaneous expenses		1.42	0.22
	TOTAL	460.57	364.70



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

30 Contingent Liabilities and Commitments

₹ in Lakhs

	As at 31st March, 2022	As at 31st March, 2021
A) Contingent liabilities not provided for:		
Claims against the Company not acknowledge as debts comprise:		
Direct tax matters	-	1.14
Indirect tax matters	-	-
TOTAL	-	1.14
B) Commitments:		
(a) Estimated amount of contracts, net of advances, remaining to be executed for the	905.09	156.06
(b) Other Commitments:		
Non Cancellable Lease commitments	60.14	72.17
Contractual obligations towards warehousing charges	9.17	4.60
TOTAL	974.40	232.83

31 Segment Information

The Company is operating in a single segment i.e. manufacturing and trading of chemicals (marble processing products, surface processing products, smoothing and polishing products, resins, mastics, abrasives, polishes). The Chief officer of Decision making (CODM) does not segregate the activities or products as a segment, reviews them as single segment and hence, the segment reporting as per IND AS 108 is not applicable.

32 Earnings Per Share (EPS)

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

	For the year ending 31st March 2022	For the year ending 31st March 2021
Basic and Diluted:		
Total Operations for the year / period		
Profit for the year	324.56	374.18
Weighted average number of equity shares for calculating basic and diluted EPS	60,000	60,000
Par value per share	100	100
Earning per share (Basic and Diluted)	540.93	623.64

33 Unhedged Foreign Currency (FC) Exposure that have not been hedged by a Derivative Instruments otherwise are as Follows:

	For the year ending 31st March 2022		For the year ending 31st March 2021	
	In Euros	₹ in Lakhs	In Euros	₹ in Lakhs
Inkmake S.R.L	3418	2.89	-	-
COMEC S.R.L	13258.79	11.20	-	-
Tenax SPA	250478.51	211.65	8,88,022.85	764.23



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

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

₹ in Lakhs

	As at 31st March, 2022	As at 31st March, 2021
(i) Principal amount remaining unpaid to any SME supplier as at the end of the accounting year	59.63	1.75
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.88	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	0.88	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.88	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
TOTAL	60.51	1.75

(The principal dues as at 31st March 2022 include ₹ 0.27 lakhs pertaining to creditors for capital goods)

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

35 Details of Payments to Auditor

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Audit fees	3.00	3.00
Tax Audit	0.75	0.75
Certifications	-	0.50
Other Services:		
For Taxation matters (Included in Professional fees)	1.75	1.75
TOTAL	5.50	6.00

36 The Short-term Lease Disclosure

The Company had entered into leases for office premises and ware house, that are renewable on a periodic basis and are cancellable by giving the notice from one month to three months. There are escalation clause in the agreement and there are no restrictions imposed in the lease arrangements. There are no subleases and contingent rents.

The Company has incurred Nil for the year ending 31st March 2022 (for the year ending 31st March 2021: Rs. 6.75 lakhs) during the year towards minimum lease payment. There are no Non cancellable lease commitments on account of these short term leases.

The Company is availing the exemption available for short-term and low value lease under IND AS 116.



37 Financial Instrument

a Capital Management

The Company manages its capital to ensure that it is able to continue as going concerns while maximising the return to stakeholders through the optimum utilisation of the equity balance. The capital structure of the Company consists of only equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company did not have any debt as on 31st March 2022 and as at 31st March 2021.

b Categories of financial instruments

□ In Lakhs

	31st March 2022	31st March 2021
Financial assets		
Measured at amortised cost:-		
Trade Receivables	536.22	666.46
Other Financial Assets	303.05	283.13
Cash and bank balances	1,939.78	2,124.65
Bank Balances other than Cash and Cash equivalents above	13.74	13.38
Financial liabilities		
Measured at Fair Value through Profit or Loss	94.35	97.61
Measured at amortised cost:-		
Trade Payables	366.54	951.61
Other Financial Liabilities	124.50	-

c Financial risk management objectives

Liquidity risk management

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting its financial obligation as they fall due. The Company's financial assets are higher than liabilities as on 31st March 2022 and as on 31st March 2021. Also it has robust cash flows generating from operations and cash and bank balances. Hence the company does not foresee any liquidity risk.

Credit risk management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables and other balances with banks. The Company deals with counterparties that have high credit rating. The exposure and credit ratings of its counterparties are continuously monitored. The Company also deals with a limited number of customers with good credit standing and are continuously monitored. The Company makes a provision for doubtful debts based on lifetime Expected Credit Loss Model (ECL) method.

d Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, financial assets and liabilities and derivative financial instruments.

e Foreign currency sensitivity analysis

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

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

□ in Lakhs

Particulars	FC value in Foreign Currency		FC value in INR	
	31st March 2022 (EUR)	31st March 2021 (EUR)	31st March 2022	31st March 2021
Amounts payable in foreign currency on account of the following:				
Inkmake S.R.L.	3,418.00	-	2.89	-
COMEC S.R.L.	13,258.79	-	11.20	-
Tenax SPA	250,478.51	888,022.85	211.65	764.23

The Company is mainly exposed to the EUR.

The following table details the Company's sensitivity to a 2% increase and decrease against the relevant foreign currencies. 2% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

□ in Lakhs

	EUR/USD Impact	
	31st March 2022	31st March 2021
Impact on profit or loss for the year	9.03	30.57

(i) This is mainly attributable to the exposure to outstanding Euro receivables and payables at the end of the reporting period.

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



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

Note 37 Continued

f Fair value of the Company's financial assets and financial liabilities that are not measured at fair value

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial

in Lakhs

Particulars	31st March 2022		31st March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Inventories	621.11	621.11	944.22	944.22
Trade Receivables	536.22	536.22	666.46	666.46
Cash and cash equivalents	1,939.78	1,939.78	2,124.65	2,124.65
Bank Balances other than Cash and Cash equivalents above *	13.74	13.74	13.38	13.38
Total	3,718.11	3,718.11	3,903.20	3,903.20
Financial liabilities				
Trade Payables	366.54	366.54	951.61	951.61
Other Current Liabilities (Statutory Remittance)	13.61	13.61	14.77	14.77
Lease Liability	90.78	90.78	94.35	94.35
Total	470.93	470.93	1,060.73	1,060.73

g Fair value hierarchy

The fair value of trade receivables, current loans, other current financial assets, current borrowings, trade payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. The following table provides an analysis of financial instruments and other items that are measured at fair value and have been grouped into Level 1, 2 and Level 3 below:

in Lakhs

Particulars	Fair value hierarchy (Level)	Fair value	
		As at 31 March 2022	As at 31 March 2021
A Financial Assets			
a) Measured at amortised cost			
Other financial assets	2	1,458.91	1,893.72
Cash and cash equivalents	1	1,939.78	2,124.65
Bank Balances other than Cash and Cash equivalents above*	1	13.74	13.38
b) Measured at FVTPL:			
Trade Mark	2	702.99	702.99
Right to Use an Asset	2	89.67	95.79
B Financial Liabilities			
a) Measured at amortised cost			
Other financial liabilities	2	366.54	951.61
Lease Liabilities	2	94.35	97.61

There were no transfers between Level 1, 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

38 Related Party Disclosures:

A Names of related parties and nature of relationship, where control exists.

- (i) **Holding Company:**
Pidilite Industries Ltd (w.e.f. 28th May 2020)
- (ii) **Investor Company:**
Tenax S.P.A (w.e.f. 28th May 2020. Up to 28th May 2020 this entity was the holding company)

B List of Related Parties with whom transactions have taken place during the year:

- (i) **Holding Company:**
Pidilite Industries Ltd (w.e.f. 28th May 2020)
- (ii) **Investor Company:**
Tenax S.P.A (w.e.f. 28th May 2020. Up to 28th May 2020 this entity was the holding company)
- (ii) **Fellow Subsidiaries:**
Tenax India Industrial Chemicals Pvt.Ltd.

C Aggregate related parties disclosure:

₹ in Lakhs

Sl No	Particulars	Holding Company (Pidilite Industries Ltd.)		Investor Company (Tenax S.P.A.)		Fellow subsidiaries (Tenax India Industrial Chemicals Pvt.Ltd.)	
		For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Transactions:-							
1	Purchases	0.72	-	802.79	1,354.79	204.65	251.51
2	Sales	1,269.72	688.88	-	-	-	625.26
3	Fees on Debt Assignment	-	-	-	-	7.90	-
4	Reimbursement of Expenses recoverable	-	-	4.82	79.18	-	-
5	Purchase of Intangible asset -SAP License Fees reimbursement	7.81	-	-	-	-	-
6	Reimbursement of IT Maintenance expenses	2.21	-	-	-	-	-
7	Expenses payable towards services received -						
i.	Manpower Supply Service Charges	174.21	118.90	-	-	-	25.23
ii.	Lease Rentals Paid	12.03	-	-	-	-	-
iii.	Rent Expenses	-	-	-	-	-	6.75
iv.	Processing Charges	18.25	-	-	-	-	-
v.	GPCB Fees	1.10	-	-	-	-	-
vi.	Sales Promotion	8.73	-	-	-	-	-
	Balances Outstanding:-	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
	Receivable	199.62	455.62	4.82	5.00	-	-
	Payable	54.90	120.73	211.65	714.11	47.68	50.93

Figures from Tenax SPA includes transport charges paid to Tenax SPA on imports

* Exclusive of Goods and service tax

Note: The information is based on the name of parties as identified and certified by the management



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

39 Taxes

A Deferred Tax

Deferred tax assets/(liabilities) in relation to:

a 2021-22

	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing balance
Property, Plant and Equipment	(59.56)	(40.55)	-	(100.11)
Lease Liability	0.46	0.73	-	1.19
Provision for Doubtful Debts	25.10	(23.39)	-	1.71
Total	(34.01)	(63.22)	-	(97.23)

b 2020-21

	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing balance
Property, Plant and Equipment	(23.22)	(36.34)	-	(59.56)
Lease Liability	-	0.46	-	0.46
Provision for Gratuity, Leave encashment etc	19.74	5.36	-	25.10
Total	(3.48)	(30.53)	-	(34.01)

B Income Tax

a Income tax recognised in profit or loss Year

	For the year ended 31st March 2022	For the year ended 31st March 2021
In respect of current year:-		
Current tax	54.05	98.24
Deferred tax	63.22	30.53
Total income tax expense recognised in the current year relating to continuing operations	117.26	128.77

b The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit before tax from operations	441.83	502.95
Income tax expense calculated	25.17% 111.21	25.17% 126.59
Effect of expenses that are not deductible in determining taxable profit	11.24	13.37
Effect of expenses that are deductible in determining taxable profit	(68.40)	(42.19)
Interest on delayed payment of taxes	-	0.47
Effect of deferred tax on timing differences	63.22	30.53
Income tax expense recognised in profit or loss (relating to continuing operations)	117.26	128.77

40 Corporate Social Responsibility

	For the year ended 31st March 2022	For the year ended 31st March 2021
a) Amount required to be spent during the year	9.03	12.71
b) Amount of expenditure incurred	9.03	12.71
c) shortfall at the end of the year	-	-
d) total of previous years shortfall,	-	-
e) reason for shortfall,	NA	NA
f) nature of CSR activities,	Women Empowerment & Education	
g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

Note: The CSR expenditure has been contributed to Triveni Kalyan Foundation towards women empowerment and education for the year ending 31st March 2022 and 31st March 2021 as per CSR Policy of the company



TENAX PIDILITE INDIA PRIVATE LIMITED (Formerly Known as "Tenax India Stone Products Private Limited)
Notes forming part of financial statements.

41 Ratios:-

The following are analytical ratios for the year ended 31st March 2022 and 31st March 2021:-

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance
Current Ratio	Current Assets	Current Liabilities	6.3	3.9	61% #1
Return on Equity Ratio	Net Profit after taxes	Average Shareholder's funds	3.9%	4.9%	-21%
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	0.5	0.5	3%
Trade Receivables turnover ratio	Revenue	Average Trade Receivables	1.0	0.7	50% #2
Trade payables turnover ratio	Cost of Goods Sold	Average Trade Payables	0.6	0.5	24%
Net capital turnover ratio	Revenue	Working Capital	0.9	0.9	1%
Net profit ratio	Net Profit before tax	Revenue	18.8%	20.6%	-9%
Return on Capital employed	Profit before Interest and taxes	Average Capital Employed	2.6%	3.3%	-21%

*EBITDA is Earnings before Interest, tax and depreciation

#1 Better procurement planning has resulted in reduction in inventories and liabilities and improvement in working capital position

#2 Improvement in collection process over previous year for major customer.

42 Approval of financial statements: The financial statements were approved for issue by the board of directors on 4th May 2022.

43 The amounts and disclosures included in the financial statements of the previous year have been reclassified and regrouped wherever necessary.

The accompanying notes are forming part of the financial statements.

In terms of our Report attached
For Maheshwari & Associates
 Chartered Accountants
 Firm Reg.No:311008E

Sateesh Patil

Sateesh Patil
 Partner
 Membership No. 227311

Place: Bengaluru
 Date: 4th May 2022



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Prabhakar Jain

PRABHAKAR JAIN
 Director
 DIN: 02017091

Place: Gurugram
 Date: 4th May 2022

Manisha Shetty

MANISHA SHETTY
 Director
 DIN: 09466788

Place: Mumbai
 Date: 4th May 2022