

03<sup>rd</sup> February, 2017

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

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

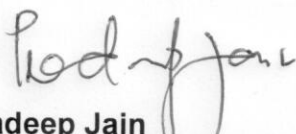
**Sub: Investor Update**  
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Dear Sir,

Please find attached the Investor Update for the quarter ended 31<sup>st</sup> December, 2016 and a presentation.

Thanking You,

Yours faithfully,  
**For Pidilite Industries Limited**

  
**Pradeep Jain**  
Chief Financial Officer

Encl: a/a

**Pidilite Industries Limited**

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# **Pidilite Industries Limited**

## **Investor Update**

Quarter and Nine months ended December 2016

### **Coverage**

- Financial Highlights
- Business segment wise
- Overseas subsidiaries performance
- Financial Results

### **Investor Communication**

This investor update covers the Company's performance for Quarter and Nine months ended 31<sup>st</sup> December 2016.

### **Contact information**

Ms. Savithri Parekh, Company Secretary  
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Telephone: 022-28357949

### **Financial Highlights**

#### **October – December 2016**

#### **Consolidated Performance**

- Gross sales at Rs 1,431 Cr grew by 0.7% over the same quarter last year.
- Material cost, as a % to sale, is lower than same quarter last year by 193 Bps mainly on account of lower prices of key raw materials.
- Other expenses, including Excise duty, during the quarter were higher than last year by 8.0%.
- EBITDA, before non-operating income & exceptional items, at Rs 291 Cr declined by 0.8%. EBITDA growth during the quarter was affected majorly by decline in sales.
- Profit before tax in current quarter is Rs 281 Cr, same as Profit before tax for same quarter last year and Profit after tax at Rs 203 Cr is higher by 1.7%.

## **Standalone Performance**

- Gross sales at Rs 1,236 Cr declined by 1.6% over same quarter last year. This was driven by 2.0% decline in sales of Consumer & Bazaar products and 3.6% decline in sale of Industrial Products.
- Material cost, as a % to sale, is lower than same quarter last year by 143 Bps mainly on account of lower prices of key raw materials.
- Other expenses, including Excise duty, during the quarter were higher than last year by 3.3%.
- EBITDA, before non-operating income & exceptional items at Rs 279 Cr declined by 2.6% over the same quarter last year. EBITDA growth during the quarter was affected majorly by decline in sales.
- Other income is higher by 69.0% due to higher investment income.
- Profit before tax (before exceptional items) at Rs 280 Cr is higher than last year by 0.8% and Profit after tax at Rs. 204 Cr is higher by 3.1%.

## **April – December 2016**

### **Consolidated Performance**

- Gross sales at Rs 4,637 Cr grew by 6.2% over the same period last year.
- Material cost, as a % to sale, is lower than same period last year by 270 Bps mainly on account of lower prices of key raw materials.
- Other expenses, including Excise duty, during the period were higher than last year by 14.1%.
- EBITDA, before non-operating income & exceptional items, at Rs 1008 Cr grew by 7.6%. YTD EBITDA carries the impact of the provision towards the voluntary product recall done by the US subsidiary in Q-2 of this year.
- Profit before tax in current period is Rs 991 Cr, a growth of 9.7% and Profit after tax at Rs 706 Cr is higher by 10.6%.

## **Standalone Performance**

- Gross sales at Rs 4,039 Cr grew by 4.1% over same period last year. This was driven by 4.1% growth in sales of Consumer & Bazaar products and 2.0% growth in sale of Industrial Products.

- Material cost, as a % to sale, is lower than same period last year by 307 Bps mainly on account of lower prices of key raw materials.
- Other expenses, including Excise duty, during the period were higher than last year by 10.4%.
- EBITDA, before non-operating income & exceptional items at Rs 973 Cr is higher by 8.9% over the same period last year.
- Other income is higher by 65.5% due to higher investment income.
- Profit before tax (before exceptional items) at Rs 981 Cr is higher than last year by 12.4% and Profit after tax at Rs. 703 Cr is higher by 13.8%.

## Business segment wise performance - Standalone

(Rs Crores)

Segment	Quarter ended			Year ended		
	Dec - 16	Dec - 15	% Change	Dec - 16	Dec - 15	% Change
<b>1. Segment Revenue</b>						
a) Consumer & Bazaar Products	1,023.67	1,044.17	-2.0%	3,363.67	3,229.82	4.1%
b) Industrial Products	218.08	226.17	-3.6%	702.59	688.99	2.0%
c) Others	12.59	9.65	30.5%	33.44	34.76	-3.8%
<b>Total</b>	<b>1,254.34</b>	<b>1,279.99</b>	<b>-2.0%</b>	<b>4,099.70</b>	<b>3,953.57</b>	<b>3.7%</b>
Less : Inter Segment Revenue	18.38	24.33	-24.5%	61.10	74.51	-18.0%
<b>Gross Sales / Income From Operations</b>	<b>1,235.96</b>	<b>1,255.66</b>	<b>-1.6%</b>	<b>4,038.60</b>	<b>3,879.06</b>	<b>4.1%</b>
<b>2. Segment Results</b>						
a) Consumer & Bazaar Products	292.67	288.44	1.5%	980.86	900.29	8.9%
b) Industrial Products	33.02	36.71	-10.1%	123.35	107.19	15.1%
c) Others	-0.98	-1.12	-12.5%	-4.08	-1.46	179.5%
<b>Total</b>	<b>324.71</b>	<b>324.03</b>	<b>0.2%</b>	<b>1,100.13</b>	<b>1,006.02</b>	<b>9.4%</b>
Less : i) Interest	1.36	1.36	0.0%	4.25	4.32	-1.6%
ii) Other Unallocable Expenditure - Net Of Unallocable Income	43.29	44.95	-3.7%	115.14	128.87	-10.7%
<b>Total Profit Before Tax</b>	<b>280.06</b>	<b>277.72</b>	<b>0.8%</b>	<b>980.74</b>	<b>872.83</b>	<b>12.4%</b>

### October – December 2016

#### CONSUMER AND BAZAAR PRODUCTS

- Segment revenue declined by 2.0%.
- Segment Profit before interest and tax (PBIT) grew by 1.5%.

#### INDUSTRIAL PRODUCTS

- Segment revenue declined by 3.6%.
- Segment PBIT for the quarter declined by 10.1%.
- **Un-allocable Corporate Expenditure** net of un-allocable income has decreased by 3.7% in the quarter.

### April – December 2016

#### CONSUMER AND BAZAAR PRODUCTS

- Segment revenue grew by 4.1% & segment profit before interest and tax (PBIT) grew by 8.9%.

#### INDUSTRIAL PRODUCTS

- Segment revenue grew by 2.0% & segment profit before interest and tax (PBIT) grew by 15.1%.

## Overseas subsidiaries performance

- The Company has 17 overseas subsidiaries (5 direct and 12 step-down) and one joint venture including those having manufacturing and selling operations in USA, Brazil, Thailand, Dubai, Egypt, Sri-Lanka and Bangladesh.
- The performance of the following geographies, **in constant currency terms**, is detailed below. These are like for like actual reported numbers and exclude the translations and other impacts which are done at the time of consolidation.

Sales - Rs Crores	Quarter Ended		YTD	
	Dec'15	Dec'16	Dec'15	Dec'16
North America	65.0	59.1	192.9	201.7
South America	25.0	27.9	75.1	72.3
SAARC	23.7	29.3	62.2	84.5
South East Asia	15.0	13.3	40.9	41.0
Middle East and Africa	24.1	27.5	67.7	80.2
<b>TOTAL</b>	<b>152.7</b>	<b>157.1</b>	<b>438.7</b>	<b>479.6</b>

EBITDA - Rs Crores	Quarter Ended		YTD	
	Dec'15	Dec'16	Dec'15	Dec'16
North America	5.4	4.3	20.6	9.5
South America	(0.3)	4.3	(1.9)	5.3
SAARC	4.7	5.6	14.0	14.5
South East Asia	2.3	1.1	8.3	4.6
Middle East and Africa	(4.0)	(5.3)	(9.1)	(15.8)
<b>TOTAL</b>	<b>8.1</b>	<b>10.1</b>	<b>31.8</b>	<b>18.0</b>

EBITDA no's above exclude one-time expense

- Overall:**

Net Sales in Q3 grew by 3% at constant currency. On reported basis, the sales growth is 3.6%.

EBITDA was at Rs 10.1 Cr as compared to profit of Rs 8.1 Cr during the same period last year driven by improvement in performance of Brazil subsidiary.

- North America:**

**For the Quarter:** Overall sales were down by 9.1% during the quarter. Art and craft material business (Sargent Art) posted good sales growth whereas the after-market automotive chemical business experienced shrinkage in sales driven by sluggish international market conditions in Middle East & Latin America. EBITDA during the quarter was at Rs 4.3 Cr as against profit of Rs 5.4 Cr last year.

**For the Nine months ended 31<sup>st</sup> December 2016:** Sales grew by 4.6% driven by growth in art and craft materials sales. EBITDA during the period is at Rs 9.5 Cr.

Year to date profit was lower than last year due to provisions related to voluntary recall done by Sargent Art in Q-2 and the sales shrinkage in the after-market Auto Chemical business.

- **South America**

**For the Quarter:** Sales during the quarter grew by 11.6% over prior year. Excluding one-time costs, subsidiary reported positive EBITDA of Rs. 4.3 Cr due to better margins and control over costs. EBITDA, after considering the one-time costs, was Rs 3.6 Cr for the quarter compared to Rs 1.2 Cr in the same quarter prior year.

**For the Nine months ended 31<sup>st</sup> December 2016:** Sales declined by 3.7%. Excluding one-time costs, EBITDA is Rs 5.3 Cr as compared to loss of Rs 1.9 Cr last year. Considering the one-time items, YTD EBITDA stands at Rs 4.4 Cr compared to Rs 1.6 Cr in prior year

- **SAARC**

**For the Quarter:** Bangladesh business grew by 11% in the quarter. EBITDA during the quarter at Rs 4.7 Cr, was at same level as in the prior year same quarter. The reduction in EBITDA was on account of the Org structure investments made earlier in the year for sustained growth. Sri-Lanka business performance is in line with expectations.

**For the Nine months ended 31<sup>st</sup> December 2016:** Bangladesh, on YTD basis, has grown sales revenue at 10%. EBITDA, however, is lower by 8.7 % due to increase in marketing and organisation spend.

- **SEA**

**For the Quarter:** Thailand sales were impacted by poor business sentiment. EBITDA, during the quarter, was Rs. 1.0 Cr as compared to Rs 1.9 Cr in the same quarter prior year. Drop in sales and increase in manning cost for future growth resulted in EBITDA drop vs. last year.

**For the Nine months ended 31<sup>st</sup> December 2016:** Thailand, on YTD basis, recorded sales of Rs 37 Cr, 2.3% lower vs. prior year. EBITDA is at Rs 3.8 Cr, reduction of 32% over prior year. EBITDA performance has been impacted by low sales and higher manning investments made earlier in the year.

- **MEA**

**For the Quarter:** Sales grew by 14.2% over last year. However, EBITDA losses before one off expenses increased to Rs. 5.3 Cr from Rs 4.0 Cr last year due to low sales and high SG&A cost. We have made some structural change to address the fixed cost in the geography.

Provision of Rs 3.4 Cr was taken on account of the depreciation of local currency in Egypt which is below the EBITDA line and not included in numbers reported above

**For the Nine months ended 31<sup>st</sup> December 2016:** Sales grew by 18.4% and EBITDA loss increased by Rs 6.7 Cr to reach YTD figure of Rs 15.8 Cr. As mentioned above, management has already commenced steps to optimize the cost structure of the business.

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**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2016**

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Nine Months ended	
		31.12.2016 Unaudited	30.09.2016 Unaudited	31.12.2015 Unaudited	31.12.2016 Unaudited	31.12.2015 Unaudited
1	<b>Income from Operations</b>					
	a) Gross sales / Income from Operations	1235.96	1320.79	1255.66	4038.60	3879.06
	b) Other Operating Income	6.29	7.47	6.76	21.25	20.69
	<b>Total Income from Operations</b>	<b>1242.25</b>	<b>1328.26</b>	<b>1262.42</b>	<b>4059.85</b>	<b>3899.75</b>
2	<b>Expenses</b>					
	a) Cost of materials consumed	467.84	509.31	490.65	1497.50	1568.35
	b) Purchases of stock-in-trade	58.42	56.26	45.70	177.26	149.93
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	8.97	1.11	25.33	63.77	70.55
	d) Excise Duty	99.52	108.25	86.68	326.95	254.68
	e) Employee benefits expense	129.88	123.15	114.12	382.83	342.27
	f) Depreciation and amortisation expense	22.69	22.64	21.73	67.56	64.82
	g) Other expenses	198.81	222.81	213.77	638.62	620.87
	<b>Total Expenses</b>	<b>986.13</b>	<b>1043.53</b>	<b>997.98</b>	<b>3154.49</b>	<b>3071.47</b>
3	<b>Profit from operations before other Income, finance costs and exceptional items (1-2)</b>	<b>256.12</b>	<b>284.73</b>	<b>264.44</b>	<b>905.36</b>	<b>828.28</b>
4	Other Income	25.89	32.52	15.32	81.79	49.42
5	<b>Profit before finance costs and exceptional items (3+4)</b>	<b>282.01</b>	<b>317.25</b>	<b>279.76</b>	<b>987.15</b>	<b>877.70</b>
6	Finance Costs	1.36	1.51	1.36	4.25	4.32
7	<b>Profit after finance costs but before exceptional items (5-6)</b>	<b>280.65</b>	<b>315.74</b>	<b>278.40</b>	<b>982.90</b>	<b>873.38</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit before Foreign Exchange Difference Expense/ (Income) (7-8)</b>	<b>280.65</b>	<b>315.74</b>	<b>278.40</b>	<b>982.90</b>	<b>873.38</b>
10	Foreign Exchange Difference Expense / (Income)	0.59	1.02	0.68	2.16	0.55
11	<b>Profit before tax (9-10)</b>	<b>280.06</b>	<b>314.72</b>	<b>277.72</b>	<b>980.74</b>	<b>872.83</b>
12	Tax Expense	75.81	88.56	79.64	277.95	255.17
13	<b>Net Profit after tax (11-12)</b>	<b>204.25</b>	<b>226.16</b>	<b>198.08</b>	<b>702.79</b>	<b>617.66</b>
14	Other Comprehensive Income	(2.47)	(0.11)	(0.04)	(2.66)	(0.21)
15	<b>Total Comprehensive Income (15+16)</b>	<b>201.78</b>	<b>226.05</b>	<b>198.04</b>	<b>700.13</b>	<b>617.45</b>
16	Paid-up Equity Share Capital (Face value of share : Re. 1/-)	51.27	51.27	51.27	51.27	51.27
17	Earnings per share (of Re. 1/- each) :					
	a) Basic	@ 3.98	@ 4.41	@ 3.86	@ 13.71	@ 12.05
	b) Diluted	@ 3.98	@ 4.41	@ 3.86	@ 13.70	@ 12.04

@ For the period only and not annualised.  
See accompanying Notes to Financial Results



**REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED-STANDALONE**

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Nine Months ended	
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1</b>	<b>Segment Revenue</b>					
	a) Consumer & Bazaar Products	1023.67	1091.60	1044.17	3363.67	3229.82
	b) Industrial Products	218.08	238.80	226.17	702.59	688.99
	c) Others	12.59	11.86	9.65	33.44	34.76
	Total	1254.34	1342.26	1279.99	4099.70	3953.57
	Less : Inter Segment Revenue	18.38	21.47	24.33	61.10	74.51
	<b>Gross Sales / Income From Operations</b>	<b>1235.96</b>	<b>1320.79</b>	<b>1255.66</b>	<b>4038.60</b>	<b>3879.06</b>
<b>2</b>	<b>Segment Results</b>					
	a) Consumer & Bazaar Products	292.67	299.80	288.44	980.86	900.29
	b) Industrial Products	33.02	45.46	36.71	123.35	107.19
	c) Others	(0.98)	(2.43)	(1.12)	(4.08)	(1.46)
	Total	324.71	342.83	324.03	1100.13	1006.02
	Less : i) Interest	1.36	1.51	1.36	4.25	4.32
	ii) Other Unallocable Expenditure net off					
	Unallocable Income	43.29	26.60	44.95	115.14	128.87
	<b>Total Profit Before Tax</b>	<b>280.06</b>	<b>314.72</b>	<b>277.72</b>	<b>980.74</b>	<b>872.83</b>
<b>3</b>	<b>Segment Assets</b>					
	a) Consumer & Bazaar Products	1561.27	1510.65	1451.73	1561.27	1451.73
	b) Industrial Products	406.97	393.82	382.25	406.97	382.25
	c) Others	37.25	40.34	38.34	37.25	38.34
	d) Unallocated	2337.97	2261.31	1794.97	2337.97	1794.97
	<b>Total Segment Assets</b>	<b>4343.46</b>	<b>4206.12</b>	<b>3667.29</b>	<b>4343.46</b>	<b>3667.29</b>
<b>4</b>	<b>Segment Liabilities</b>					
	a) Consumer & Bazaar Products	584.37	615.59	547.63	584.37	547.63
	b) Industrial Products	157.70	150.23	138.32	157.70	138.32
	c) Others	5.55	5.95	5.85	5.55	5.85
	d) Unallocated	184.74	227.58	145.26	184.74	145.26
	<b>Total Segment Liabilities</b>	<b>932.36</b>	<b>999.35</b>	<b>837.06</b>	<b>932.36</b>	<b>837.06</b>

Unallocated Segment Assets as at 31st December, 2016 include the following at fair value in accordance with Ind AS :-

- a) Capital Work in Progress Rs. 186.34 Crores (31st December, 2015 Rs. 208.67 Crores) of Synthetic Elastomer Project,  
b) Investments in units of mutual funds/ term deposits with banks Rs. 1216.86 Crores (31st December, 2015 Rs. 727.44 Crores)

Notes to Standalone Financial Results:

1. The above results have been reviewed by the Audit Committee on 31st January, 2017 and approved by the Board of Directors at their meeting held on 1st February, 2017.
2. The Company has opted to publish Standalone as well as Consolidated Financial Results. The Statutory Auditors have carried out a "Limited Review" of the above Financial Results.
3. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Ind AS from 1st April, 2016, and accordingly, these financial results (including for all the periods presented) have been prepared in accordance with the recognition and measurement principles in Ind AS 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 4 A reconciliation of the Standalone results to those reported under previous GAAP are summarised as under:

Rs Crores

Particulars	Notes	For the Quarter ended		For Nine Months ended	
		31.12.2015		31.12.2015	
<b>Profit after tax as reported under previous GAAP</b>			<b>185.70</b>		<b>588.00</b>
1 Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	a	7.07		19.90	
2 Impact of reversal of amortization of intangible assets due to change in estimate	b	6.74		20.16	
3 Deferred tax impact		(0.90)		(8.60)	
4 Others	c	(0.53)	12.38	(1.80)	29.66
<b>Profit after tax as reported under Ind AS</b>			<b>198.08</b>		<b>617.66</b>
Other Comprehensive Income			(0.04)		(0.21)
<b>Total Comprehensive Income as reported under Ind AS</b>			<b>198.04</b>		<b>617.45</b>

- a Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. Impact of fair value changes as on the date of transition are recognised in Opening reserves and changes thereafter are recognised in the Statement of Profit and Loss.
- b Under previous GAAP, intangible assets were amortised over a period of 10 years. Under Ind AS, useful life of certain intangible assets is reassessed as indefinite, and will be tested for impairment. Amortization charged under Indian GAAP on such intangible assets is reversed under Ind AS.
- c Other adjustments primarily comprise:
  - Actuarial gains and losses on defined benefit plans: Under previous GAAP, all actuarial gains and losses were recognised in the Statement of Profit and Loss. Under Ind AS, these are recognised in Other Comprehensive income.
  - Under previous GAAP, Provision for doubtful receivables were estimated on the basis of management policy. Under Ind AS, a loss allowance on such financial assets is estimated on the basis of expected credit losses.

Mumbai  
Dated : 1st February, 2017

**BHARAT PURI**  
Managing Director

**PIDILITE INDUSTRIES LIMITED**

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**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2016**

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Nine Months ended	
		31.12.2016 Unaudited	30.09.2016 Unaudited	31.12.2015 Unaudited	31.12.2016 Unaudited	31.12.2015 Unaudited
1	<b>Income from Operations</b>					
	a) Gross sales / Income from Operations	1430.88	1522.04	1420.48	4636.74	4366.08
	b) Other Operating Income	6.29	7.47	5.73	21.25	20.69
	<b>Total Income from Operations</b>	<b>1437.17</b>	<b>1529.51</b>	<b>1426.21</b>	<b>4657.99</b>	<b>4386.77</b>
2	<b>Expenses</b>					
	a) Cost of materials consumed	523.14	548.56	551.37	1657.04	1764.16
	b) Purchases of stock-in-trade	99.27	108.28	65.88	312.21	188.19
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.17	2.95	30.21	63.03	79.19
	d) Excise Duty	102.82	111.83	88.05	336.59	260.68
	e) Employee benefits expense	165.26	156.24	144.08	484.02	425.42
	f) Depreciation and amortisation expense	29.51	30.29	24.81	85.55	73.80
	g) Other expenses	253.63	279.11	253.32	797.35	732.58
	<b>Total Expenses</b>	<b>1175.80</b>	<b>1237.26</b>	<b>1157.72</b>	<b>3735.79</b>	<b>3524.02</b>
3	<b>Profit from operations before other Income, finance costs and exceptional items (1-2)</b>	<b>261.37</b>	<b>292.25</b>	<b>268.49</b>	<b>922.20</b>	<b>862.75</b>
4	Other Income	27.23	32.39	16.67	83.69	52.18
5	<b>Profit before finance costs and exceptional items (3+4)</b>	<b>288.60</b>	<b>324.64</b>	<b>285.16</b>	<b>1005.89</b>	<b>914.93</b>
6	Finance Costs	2.97	2.62	3.13	9.12	10.10
7	<b>Profit after finance costs but before exceptional items (5-6)</b>	<b>285.63</b>	<b>322.02</b>	<b>282.03</b>	<b>996.77</b>	<b>904.83</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit before Foreign Exchange Difference Expense/ (Income) (7-8)</b>	<b>285.63</b>	<b>322.02</b>	<b>282.03</b>	<b>996.77</b>	<b>904.83</b>
10	Foreign Exchange Difference Expense / (Income)	4.27	1.14	0.70	5.81	1.25
11	<b>Profit before tax (9-10)</b>	<b>281.36</b>	<b>320.88</b>	<b>281.33</b>	<b>990.96</b>	<b>903.58</b>
12	Tax Expense	79.32	91.17	82.88	287.92	267.03
13	<b>Net Profit after tax (11-12)</b>	<b>202.04</b>	<b>229.71</b>	<b>198.45</b>	<b>703.04</b>	<b>636.55</b>
14	Share of Profit of associate/joint venture	0.57	1.52	0.76	2.95	1.58
15	<b>Net Profit for the period (13+14)</b>	<b>202.61</b>	<b>231.23</b>	<b>199.21</b>	<b>705.99</b>	<b>638.13</b>
16	Other Comprehensive Income	(2.47)	(0.11)	(0.04)	(2.66)	(0.21)
17	<b>Total Comprehensive Income (15+16)</b>	<b>200.14</b>	<b>231.12</b>	<b>199.17</b>	<b>703.33</b>	<b>637.92</b>
	<b>Attributable to:</b>					
	Shareholders of the Company	<b>199.96</b>	<b>230.56</b>	<b>198.04</b>	<b>700.43</b>	<b>633.93</b>
	Non Controlling Interest	<b>0.18</b>	<b>0.56</b>	<b>1.13</b>	<b>2.90</b>	<b>3.99</b>
18	Paid-up Equity Share Capital (Face value of share : Re. 1/-)	51.27	51.27	51.27	51.27	51.27
19	Earnings per share (of Re. 1/- each) :					
	a) Basic	@ 3.95	@ 4.50	@ 3.86	@ 13.71	@ 12.37
	b) Diluted	@ 3.95	@ 4.50	@ 3.86	@ 13.71	@ 12.36

@ For the period only and not annualised.  
See accompanying Notes to Financial Results

**REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED-CONSOLIDATED**

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Nine Months ended	
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1</b>	<b>Segment Revenue</b>					
	a) Consumer & Bazaar Products	1218.59	1292.85	1208.99	3961.81	3716.84
	b) Industrial Products	218.08	238.80	226.17	702.59	688.99
	c) Others	12.59	11.86	9.65	33.44	34.76
	Total	1449.26	1543.51	1444.81	4697.84	4440.59
	Less : Inter Segment Revenue	18.38	21.47	24.33	61.10	74.51
	<b>Gross Sales / Income From Operations</b>	<b>1430.88</b>	<b>1522.04</b>	<b>1420.48</b>	<b>4636.74</b>	<b>4366.08</b>
<b>2</b>	<b>Segment Results</b>					
	a) Consumer & Bazaar Products	294.25	307.20	293.50	994.06	934.06
	b) Industrial Products	33.02	45.46	36.71	123.35	107.19
	c) Others	(0.98)	(2.43)	(1.12)	(4.08)	(1.46)
	Total	326.29	350.23	329.09	1113.33	1039.79
	Less : i) Interest	2.97	2.62	3.13	9.12	10.10
	ii) Other Unallocable Expenditure net off					
	Unallocable Income	41.96	26.73	44.63	113.25	126.11
	<b>Total Profit Before Tax</b>	<b>281.36</b>	<b>320.88</b>	<b>281.33</b>	<b>990.96</b>	<b>903.58</b>
<b>3</b>	<b>Segment Assets</b>					
	a) Consumer & Bazaar Products	2512.49	2440.22	2233.16	2512.49	2233.16
	b) Industrial Products	406.97	393.82	382.25	406.97	382.25
	c) Others	37.25	40.34	38.34	37.25	38.34
	d) Unallocated	1794.02	1722.90	1319.50	1794.02	1319.50
	<b>Total Segment Assets</b>	<b>4750.73</b>	<b>4597.28</b>	<b>3973.25</b>	<b>4750.73</b>	<b>3973.25</b>
<b>4</b>	<b>Segment Liabilities</b>					
	a) Consumer & Bazaar Products	998.56	993.93	905.57	998.56	905.57
	b) Industrial Products	157.70	150.23	138.32	157.70	138.32
	c) Others	5.55	5.95	5.85	5.55	5.85
	d) Unallocated	181.08	227.71	145.26	181.08	145.26
	<b>Total Segment Liabilities</b>	<b>1342.89</b>	<b>1377.82</b>	<b>1195.00</b>	<b>1342.89</b>	<b>1195.00</b>

Unallocated Segment Assets as at 31st December, 2016 include the following at fair value in accordance with Ind AS :-

- a) Capital Work in Progress Rs. 186.34 Crores (31st December, 2015 Rs. 208.67 Crores) of Synthetic Elastomer Project,
- b) Investments in units of mutual funds/ term deposits with banks Rs. 1216.86 Crores (31st December, 2015 Rs. 727.44 Crores)



Notes to Consolidated Financial Results:

1. The above results have been reviewed by the Audit Committee on 31st January, 2017 and approved by the Board of Directors at their meeting held on 1st February, 2017.
2. The Company has opted to publish Standalone as well as Consolidated Financial Results. The Statutory Auditors have carried out a "Limited Review" of the above Financial Results.
3. The Company has opted to publish Standalone as well as Consolidated Financial Results. The above results comprise the results of Pidilite Industries Ltd. (Holding Company), 25 subsidiary companies, two partnership firms, one associate Company and one joint venture.
4. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Ind AS from 1st April, 2016, and accordingly, these financial results (including for all the periods presented) have been prepared in accordance with the recognition and measurement principles in Ind AS 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
6. A reconciliation of the Consolidated results to those reported under previous GAAP are summarised as under:

Rs Crores

	Particulars	Notes	For the Quarter ended		For Nine Months ended	
			31.12.2015		31.12.2015	
	<b>Profit after tax as reported under previous GAAP</b>			<b>185.72</b>		<b>602.95</b>
1	Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	a	7.07		19.90	
2	Impact of reversal of amortization of intangible assets due to change in estimate	b	8.12		23.91	
3	Deferred tax impact		(0.66)		(8.65)	
4	Others	c	(1.04)	13.49	0.02	35.18
	<b>Profit after tax as reported under Ind AS</b>			<b>199.21</b>		<b>638.13</b>
	Other Comprehensive Income			(0.04)		(0.21)
	<b>Total Comprehensive Income as reported under Ind AS</b>			<b>199.17</b>		<b>637.92</b>

- a Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. Impact of fair value changes as on the date of transition are recognised in Opening reserves and changes thereafter are recognised in the Statement of Profit and Loss.
- b Under previous GAAP, intangible assets were amortised over a period of 10 years. Under Ind AS, useful life of certain intangible assets is reassessed as indefinite, and will be tested for impairment. Amortization charged under Indian GAAP on such intangible assets is reversed
- c Other adjustments primarily comprise:
  - Actuarial gains and losses on defined benefit plans: Under previous GAAP, all actuarial gains and losses were recognised in the Statement of Profit and Loss. Under Ind AS, these are recognised in Other Comprehensive income.
  - Under previous GAAP, Provision for doubtful receivables were estimated on the basis of management policy. Under Ind AS, a loss allowance on such financial assets is estimated on the basis of expected credit losses.

Mumbai

Dated : 1st February, 2017

**BHARAT PURI**  
Managing Director



**Pidilite Industries Ltd.**

Q3 FY17

Earnings Presentation



*This presentation may contain statements which reflect the management's current views and estimates and could be construed as forward looking statements.*

*The future involves certain risks and uncertainties that could cause actual results to differ materially from the current views being expressed.*

*Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.*



Q3 FY17

# Financial Highlights





# Q3 FY17 Earnings Summary



	Gross Revenue*	EBITDA	PBT	PAT
Standalone	Rs 1,242 Cr	Rs 279 Cr	Rs 280 Cr	Rs 204 Cr
YoY Growth	- 1.6%	- 2.6%	+ 0.8%	+ 3.1%
Consolidated	Rs 1,437 Cr	Rs 291 Cr	Rs 281 Cr	Rs 203 Cr
YoY Growth	+ 0.8%	- 0.8%	+ 0.0%	+ 1.7%

\* Gross Revenue includes other operating income

# Figures reported are Ind AS compliant

# YTD FY17 Earnings Summary



	Gross Revenue*	EBITDA	PBT	PAT
Standalone	Rs 4,060 Cr	Rs 973 Cr	Rs 981 Cr	Rs 703 Cr
YoY Growth	+ 4.1%	+ 8.9%	+ 12.4%	+ 13.8%
Consolidated	Rs 4,658 Cr	Rs 1,008 Cr	Rs 991 Cr	Rs 706 Cr
YoY Growth	+ 6.2%	+ 7.6%	+ 9.7%	+ 10.6%

\* Gross Revenue includes other operating income

# Figures reported are Ind AS compliant

## Standalone

- Gross Revenue declined by 1.6% in Q3 and grew by 4.1% YTD.
- EBITDA declined by 2.6% in Q3 and grew by 8.9% YTD as compared to last year.

## Consolidated

- Gross Revenue grew by 0.8% in Q3 and 6.2% YTD.
- Material cost, as a % to sale, is lower by 193 Bps (for the quarter) and 270 Bps (for nine months) as compared to same period last year, mainly on account of lower prices of key raw materials.
- EBITDA declined by 0.8% in Q3 and grew by 7.6% YTD.

# Ind AS – Reconciliation of Standalone Results



A reconciliation of the **Standalone** results to those reported under previous GAAP are summarised as under:

Particulars	Rs Crores		Rs Crores	
	For the Quarter ended		For Nine months ended	
	31.12.2015		31.12.2015	
<b>Profit after tax as reported under previous GAAP</b>	<b>185.70</b>		<b>588.00</b>	
1 Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	7.07		19.90	
2 Impact of reversal of amortization of intangible assets due to change in estimate	6.74		20.16	
3 Deferred tax impact	(0.90)		(8.60)	
4 Others	(0.53)	12.38	(1.80)	29.66
<b>Profit after tax as reported under Ind AS</b>	<b>198.08</b>		<b>617.66</b>	
Other Comprehensive Income	(0.04)		(0.21)	
<b>Total Comprehensive Income as reported under Ind AS</b>	<b>198.04</b>		<b>617.45</b>	

# Ind AS – Reconciliation of Consolidated Results



A reconciliation of the **Consolidated** results to those reported under previous GAAP are summarised as under:

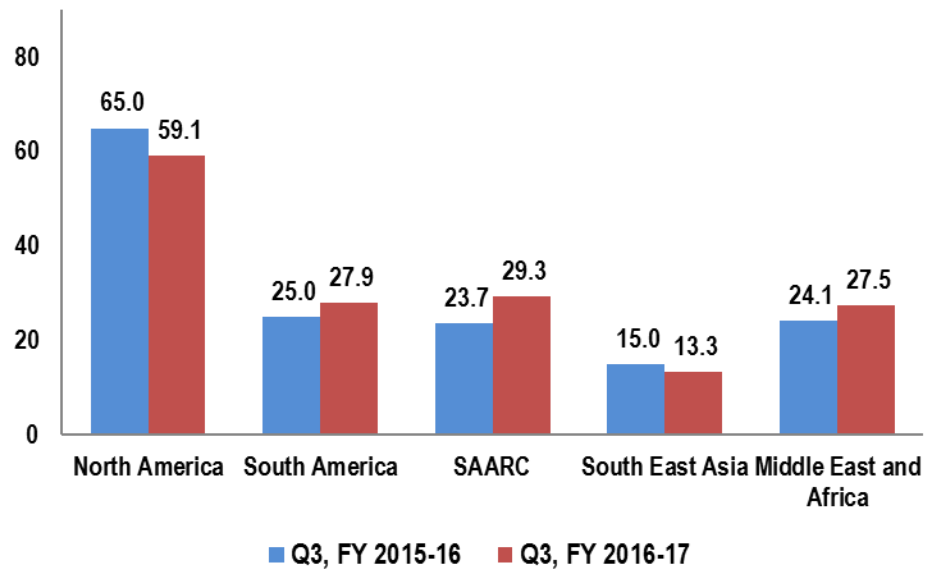
Particulars	Rs Crores		Rs Crores	
	For the Quarter ended		For Nine months ended	
	31.12.2015		31.12.2015	
Profit after tax as reported under previous GAAP	185.72		602.95	
1 Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	7.07		19.90	
2 Impact of reversal of amortization of intangible assets due to change in estimate	8.12		23.91	
3 Deferred tax impact	(0.66)		(8.65)	
4 Others	(1.04)	13.49	0.02	35.18
Profit after tax as reported under Ind AS	199.21		638.13	
Other Comprehensive Income	(0.04)		(0.21)	
Total Comprehensive Income as reported under Ind AS	199.17		637.92	

# Q3 FY17 Overseas Performance

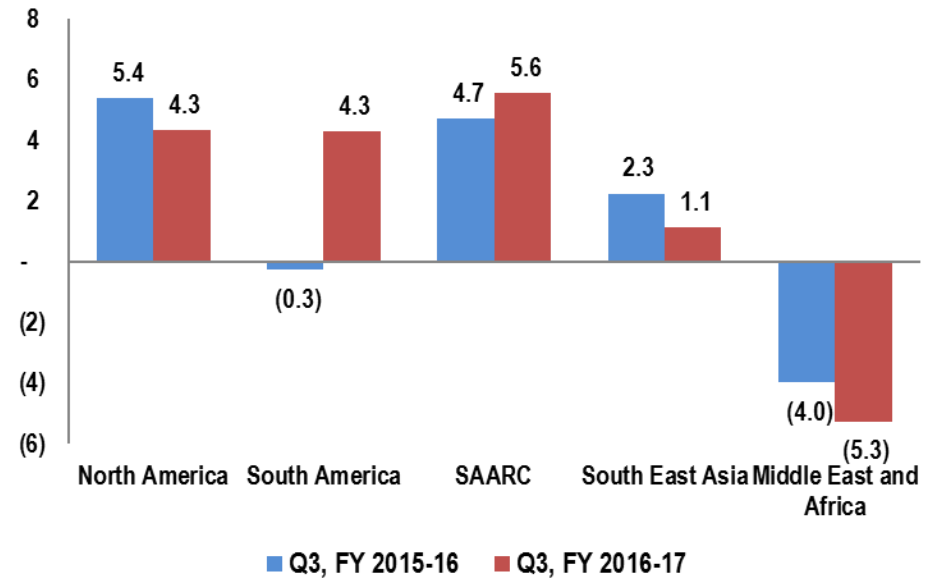


(in INR Crores)

## Sales



## EBITDA



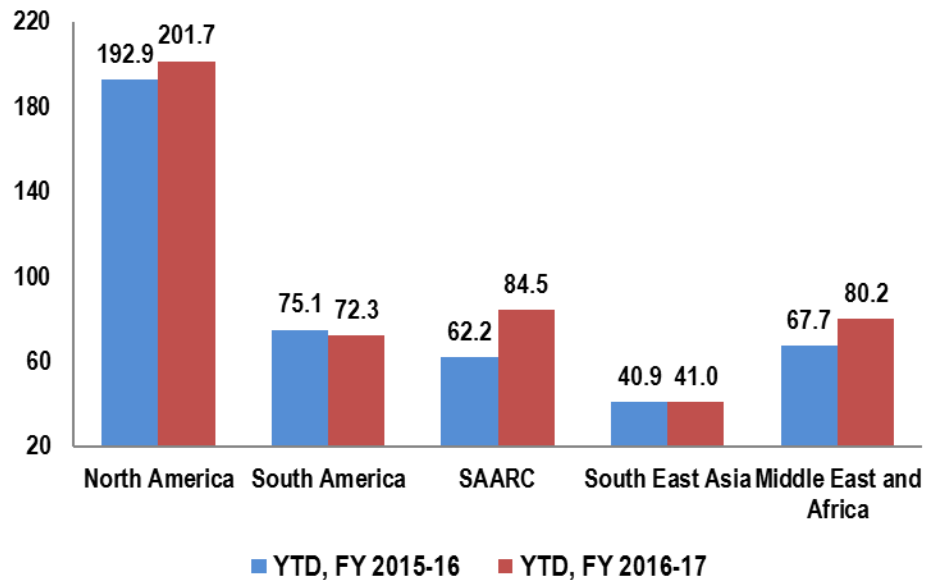
# Figures are reported as per constant currency

# YTD FY17 Overseas Performance

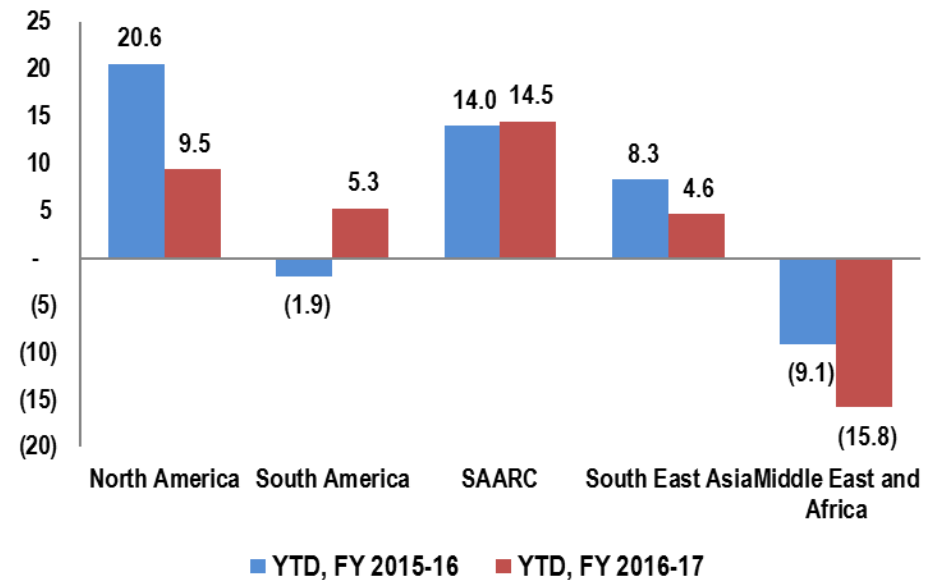


(in INR Crores)

## Sales



## EBITDA



# Figures are reported as per constant currency

# Company Overview





# Company Overview



Brand established in 1959.  
Pioneer in Consumer and  
Specialty Chemicals

Adhesives & sealants,  
construction chemicals, art &  
craft products and polymer  
emulsions

History of creating strong  
brands.

Among the most trusted brands in  
the country. Other big brands include  
Dr. Fixit, M-seal and Fevikwik

8 Regional offices with 22 plants and  
25 co-makers in India

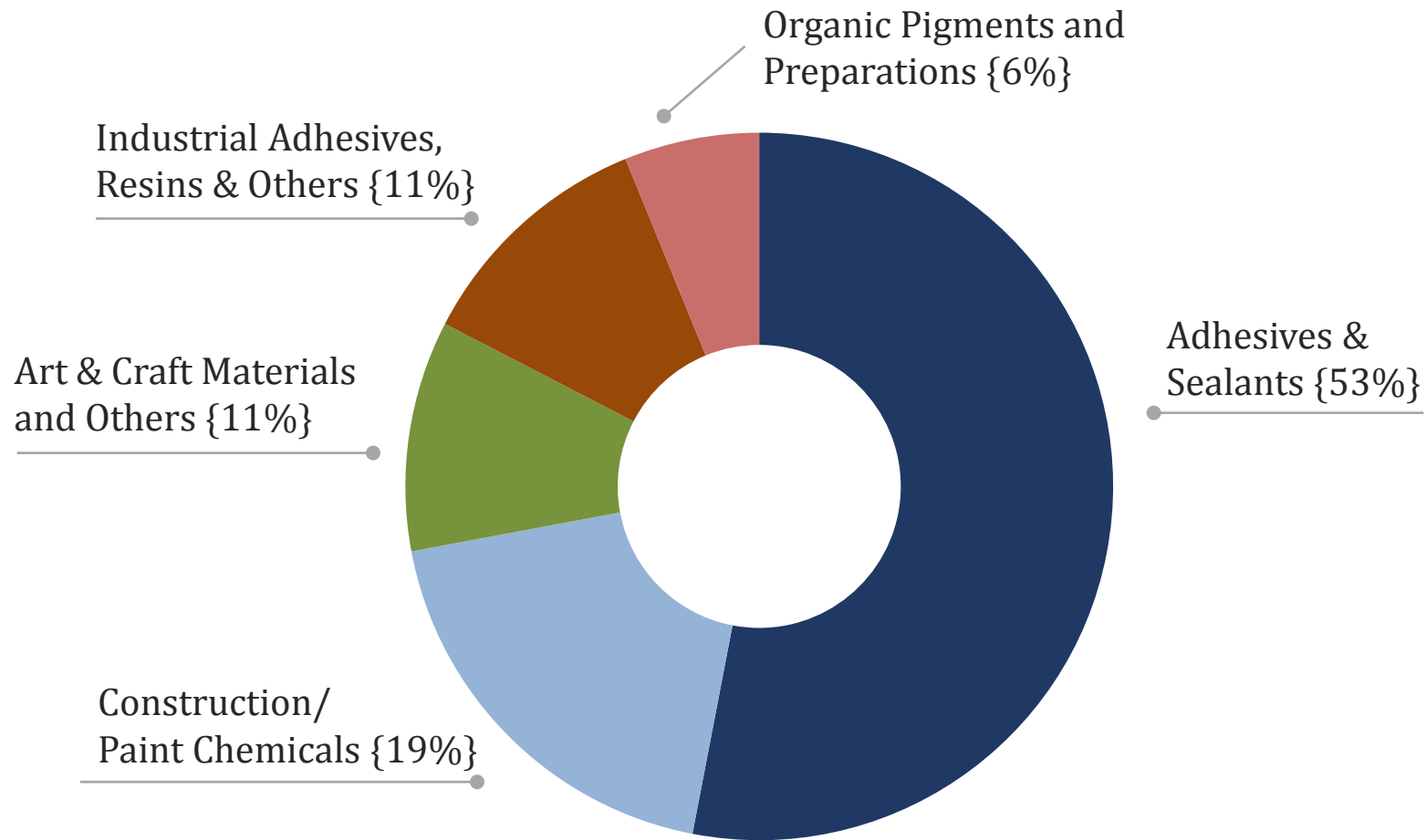
International manufacturing facilities  
in Thailand, Dubai, Brazil, US, Egypt  
and Bangladesh

Exporter of Pigments and Pigment  
emulsions to emerging markets as well  
as Europe and North America

3 R&D centers in India



# Industry Segment Composition as on March 2016

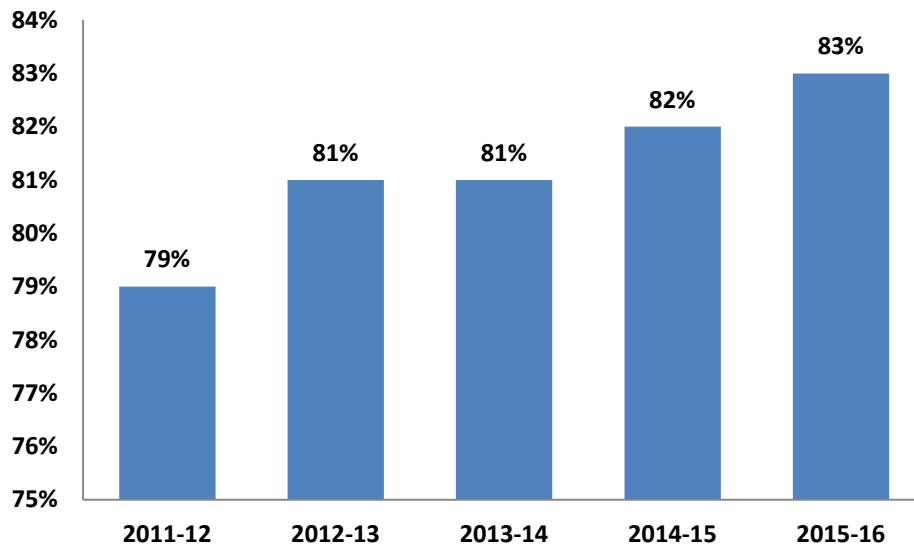


*Numbers represent Percentage of Total Net Revenue*

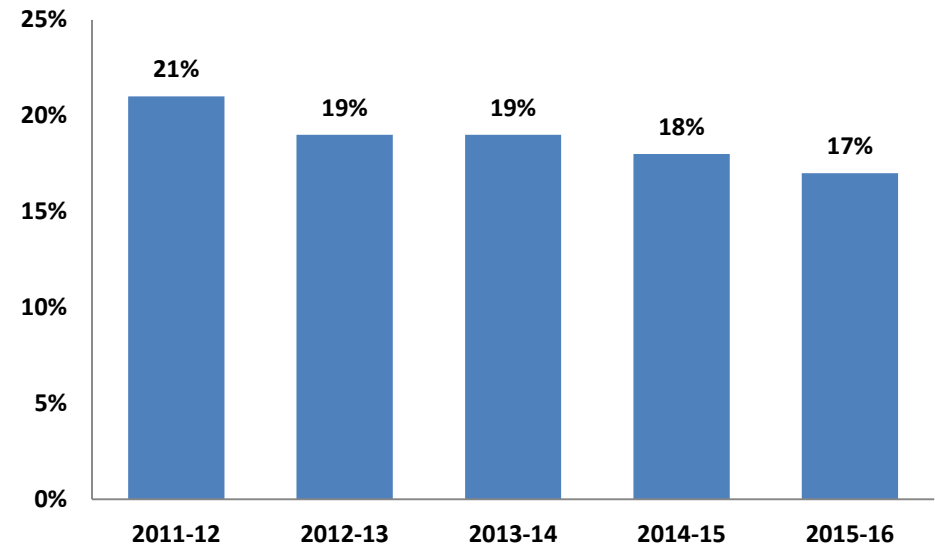
# 5-Year Performance by Business Segments

Numbers represent Percentage of Total Net Revenue

## Consumer and Bazaar Products



## Industrial Products



# Domestic Presence – India operations

- **5200+** SKUs of **500** products
- Gross Turnover of **Rs. 5,039 Cr** for FY16
- **22** plants, **25** Co-makers
- **7000** distributors
- **30** warehouses
- **8** regional offices

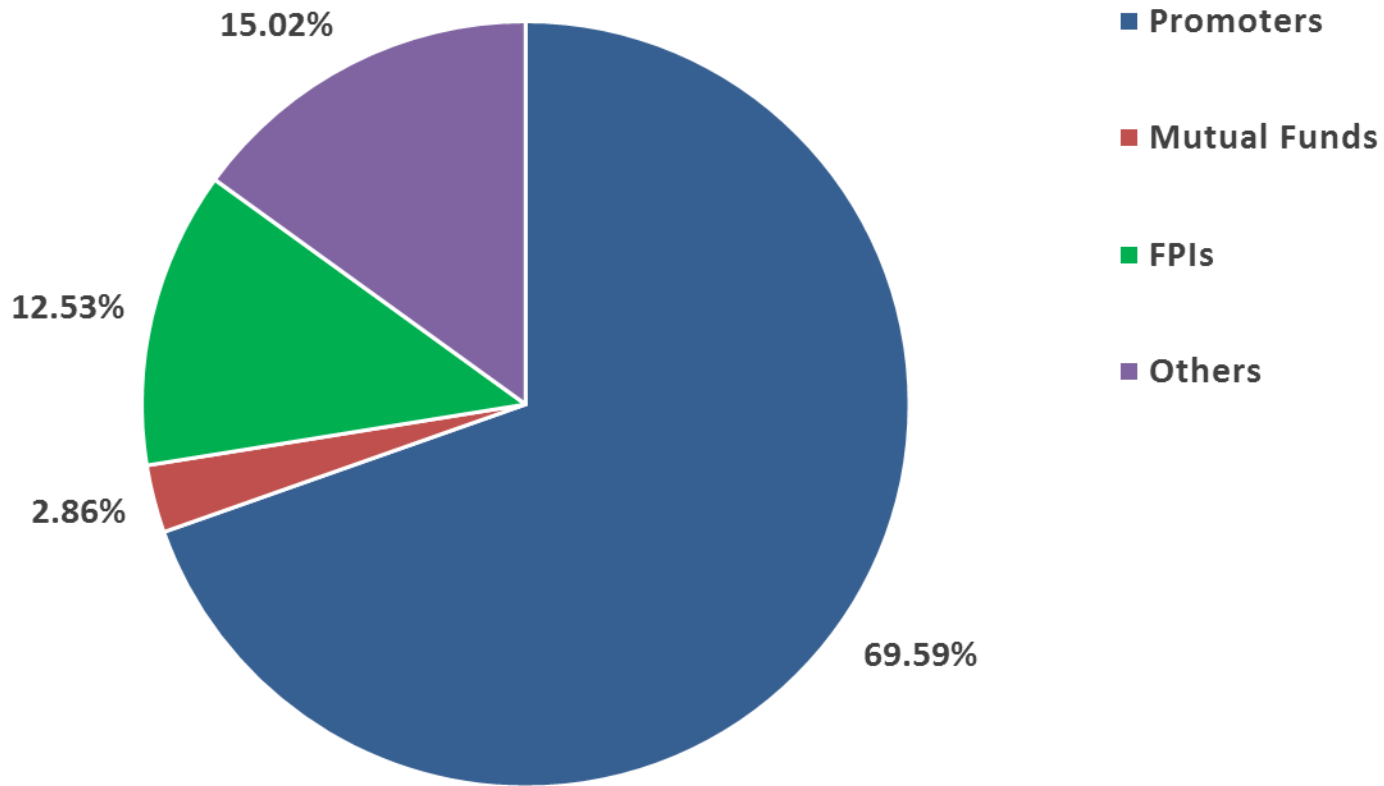


- Exports to more than **60** countries. Major exports to Middle East, Africa, USA & Europe.
- Export Turnover of **Rs. 452 Cr** in **FY16**.
- **17** Overseas subsidiaries – 5 Direct and 12 Step down and 1 Joint Venture.
- Total revenue from Overseas subsidiaries of **Rs. 582 Cr** in **FY16**.
- International manufacturing facility in USA, Thailand, Dubai, Brazil, Egypt and Bangladesh.
- **Specific focus on Africa, Middle east, SAARC and emerging Asia.**

- Consistent and effective brand building activities across various categories (a) Consumer Adhesives & Sealants (b) Craftsmen Adhesives (c) Waterproofing Chemicals (d) Hobby & Craft Colours
- Several of the brands are well-known in respective categories (Fevicol, Fevikwik, M-Seal, Dr Fixit, Fevicryl, etc.)
- Award winning advertisements resulting in mass appeal of brands across all segments and geographies.
- Significant relationship building activities with end users and influencers.
- Extensive grass root contact with end-users to promote usage of products and brands.

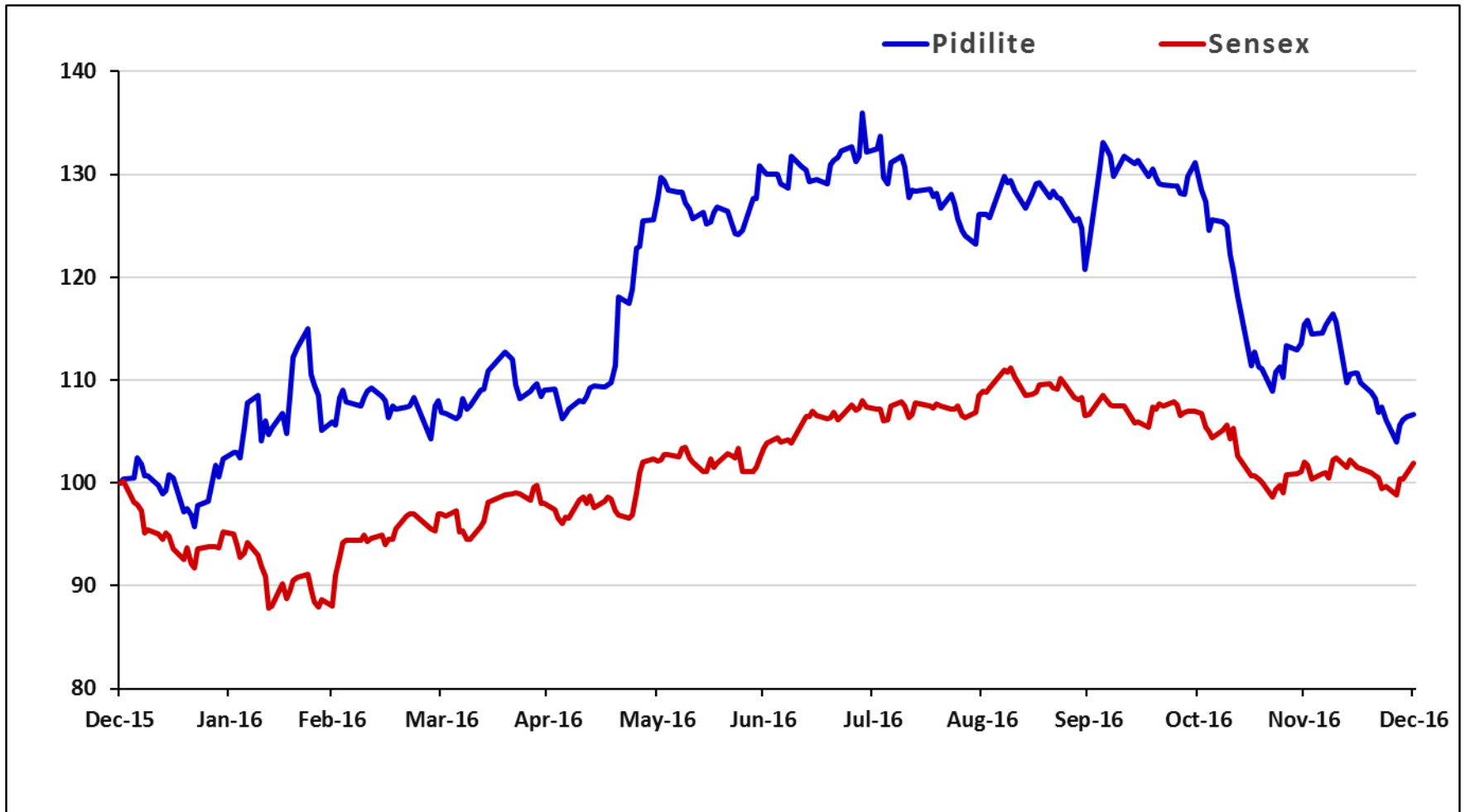


# Shareholding Pattern as of December 31, 2016





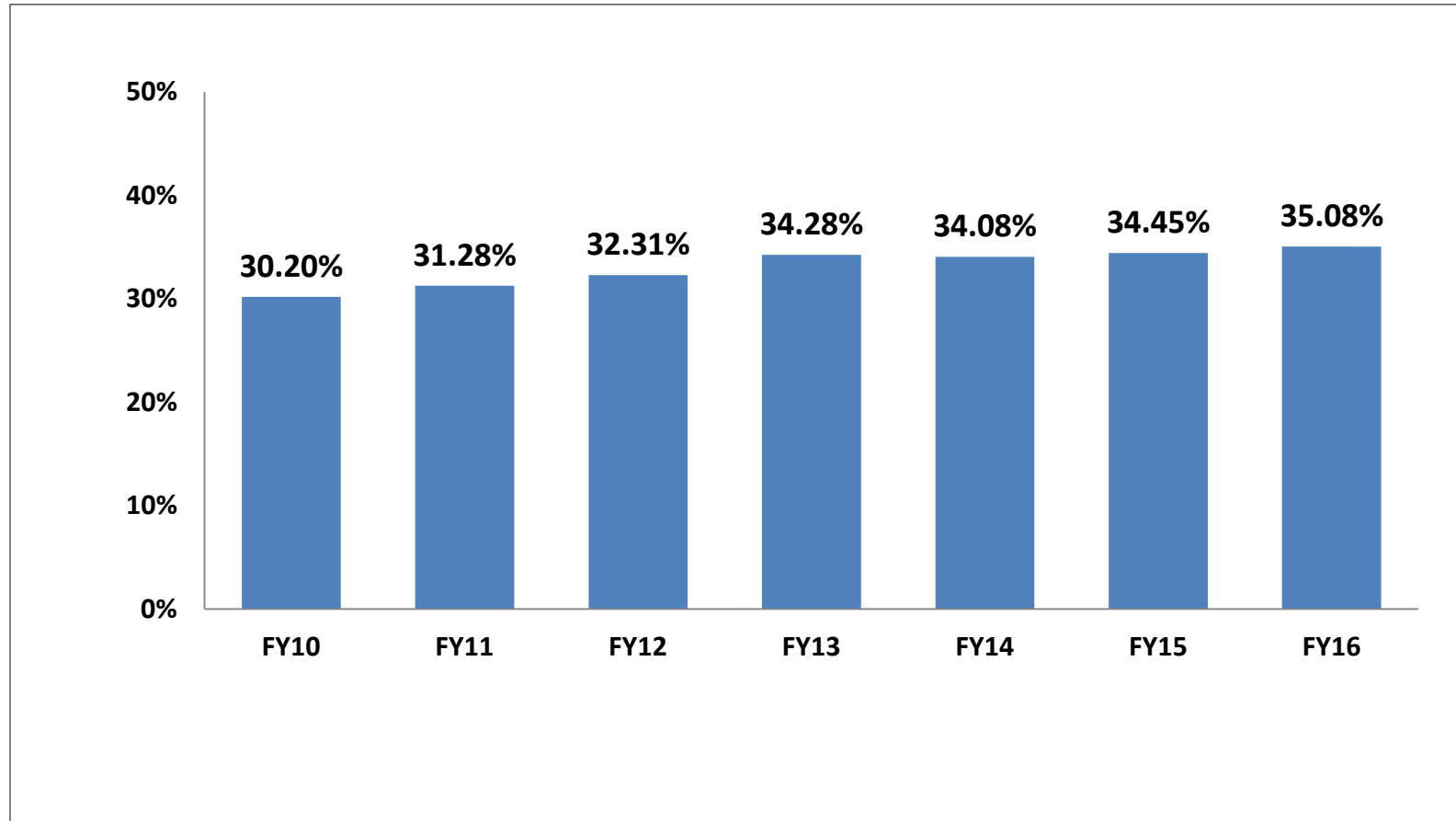
# Share Price Movement



*Rebased to 100*



# Backed by consistent dividend payouts



# Investor Contacts



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The ultimate adhesive

