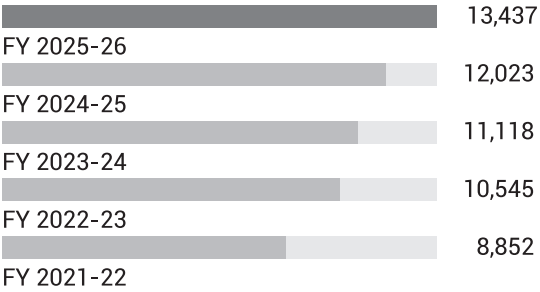
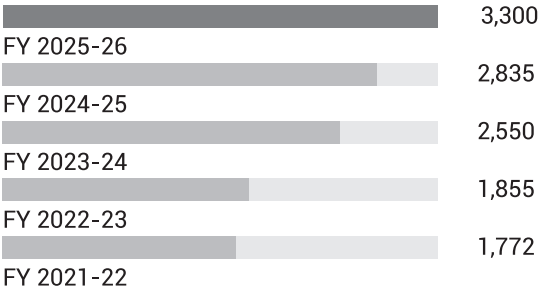


PROFIT AND LOSS METRICS

Net Sales (₹ in crores)
13,437 | 11.8% 

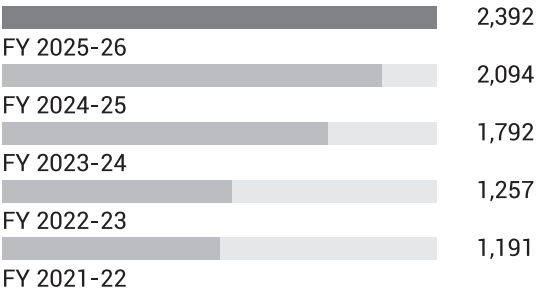


EBIDTA* (₹ in crores)
3,300 | 16.4% 



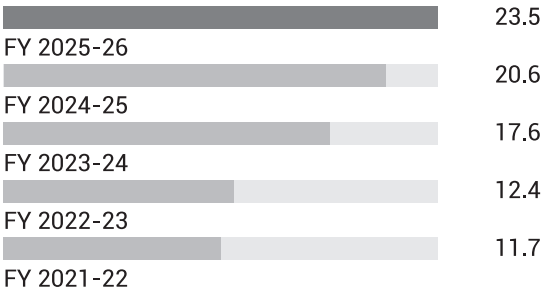
Profit after Tax (₹ in crores)
(excluding exceptional items)

2,392 | 14.2% 



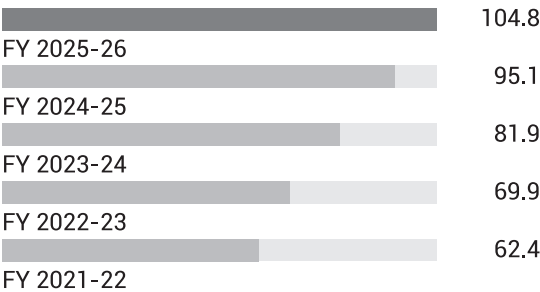
Earnings Per Share (EPS)# (₹)
(excluding exceptional items)

23.5 | 14.2% 



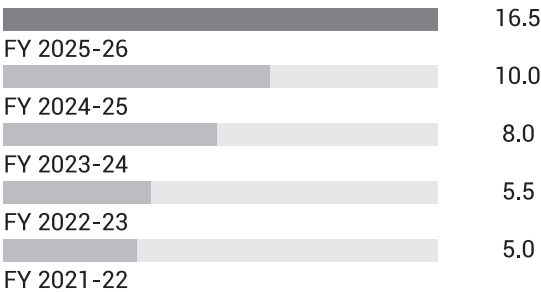
Book Value Per Share# (₹)

104.8 | 10.2% 



Dividend Per Share# (₹)

16.5 | 65.0% 

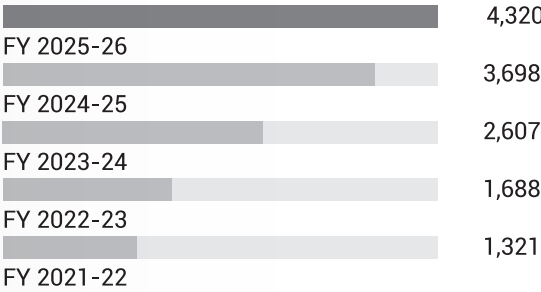


  Y - O - Y Growth/Degrowth

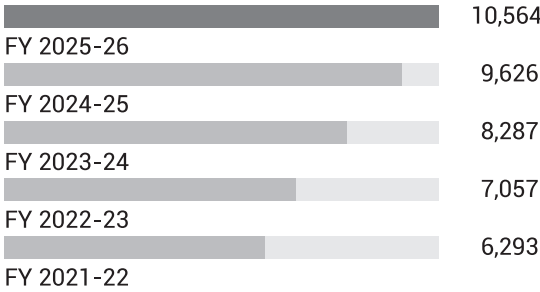
*EBITDA = Profit before tax and exceptional items (PBT)
+ finance cost + Depreciation - other income
Adjusted for bonus issue

BALANCE SHEET METRICS

Net Current Assets (₹ in crores)
4,320 | 16.8% 

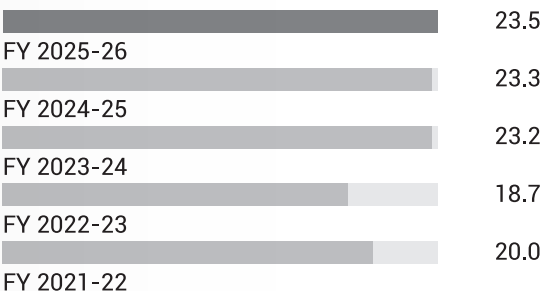


Reserves (₹ in crores)
10,564 | 9.7% 



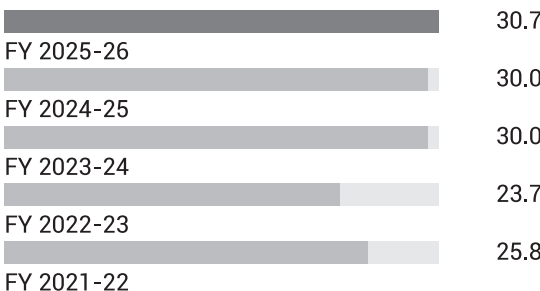
Return on Average Net Worth (%)

23.5 | 0.2% 

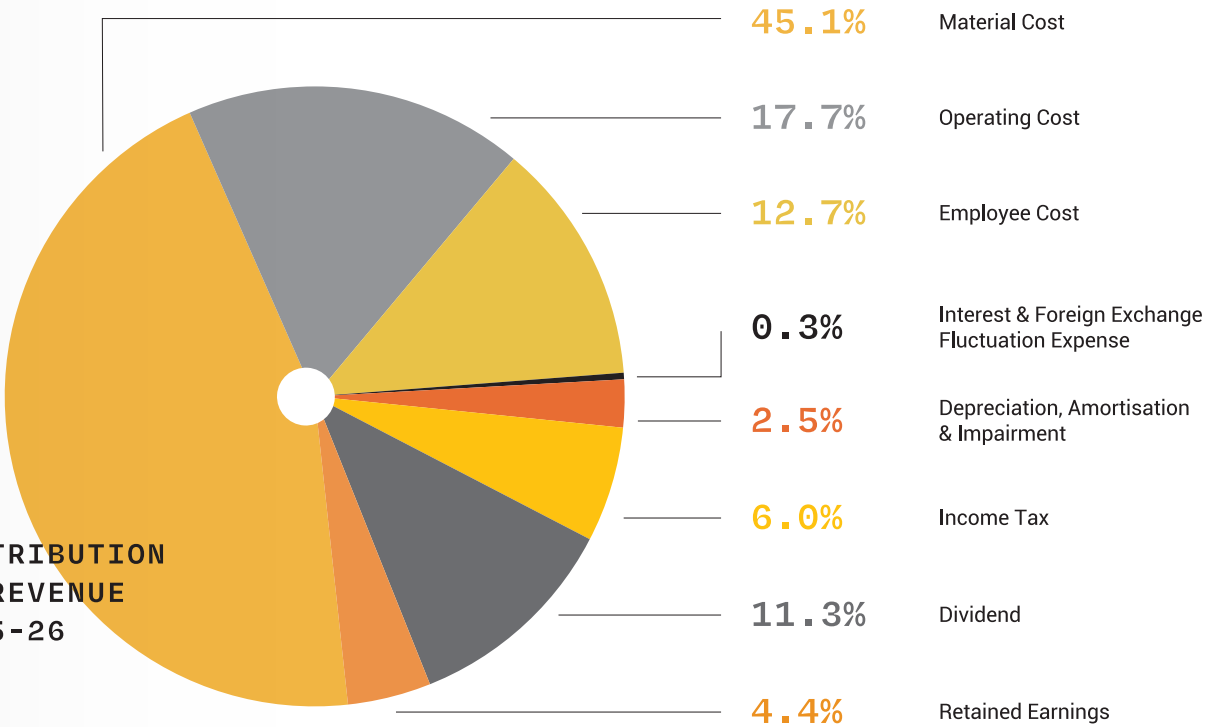


Return on Average Capital Employed (%)

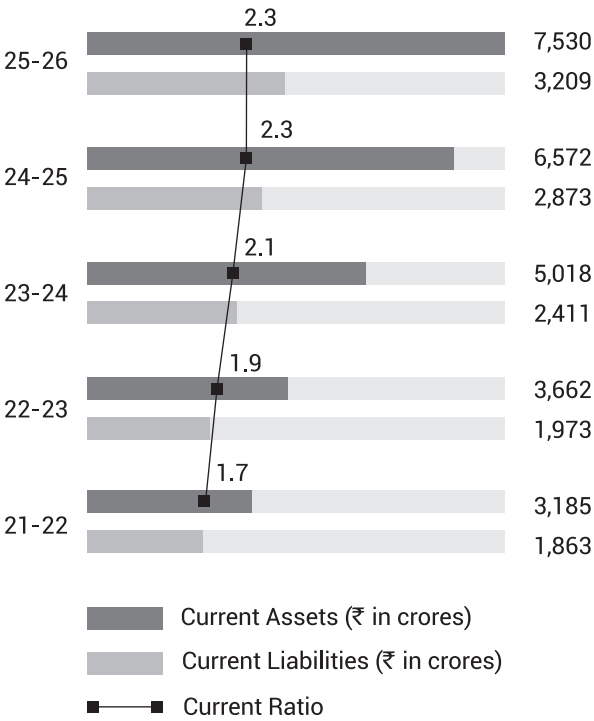
30.7 | 0.7% 



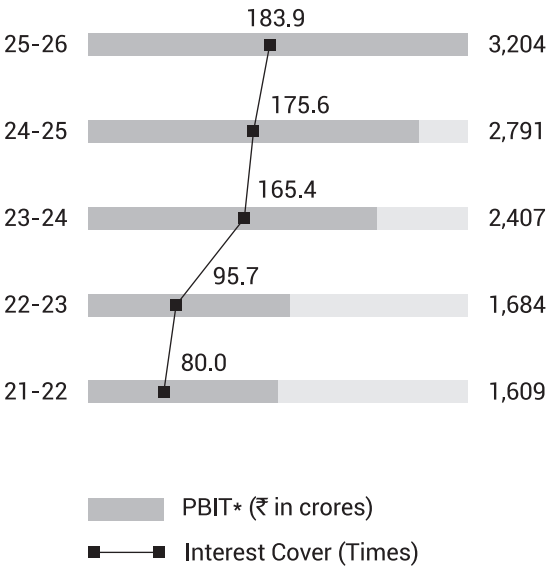
DISTRIBUTION OF REVENUE 2025-26



Current Ratio

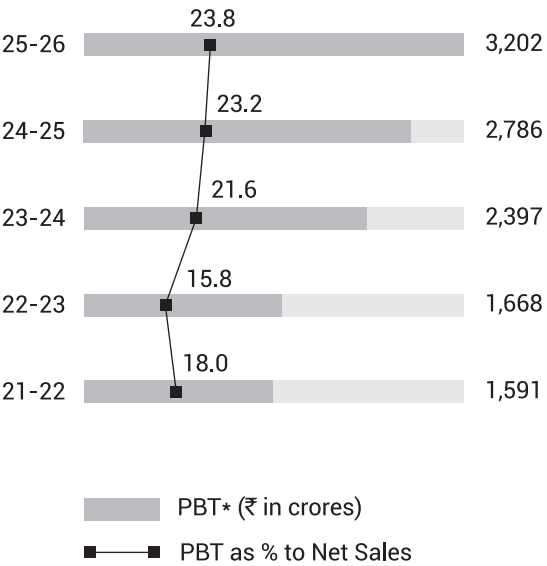


PBIT & Interest Cover



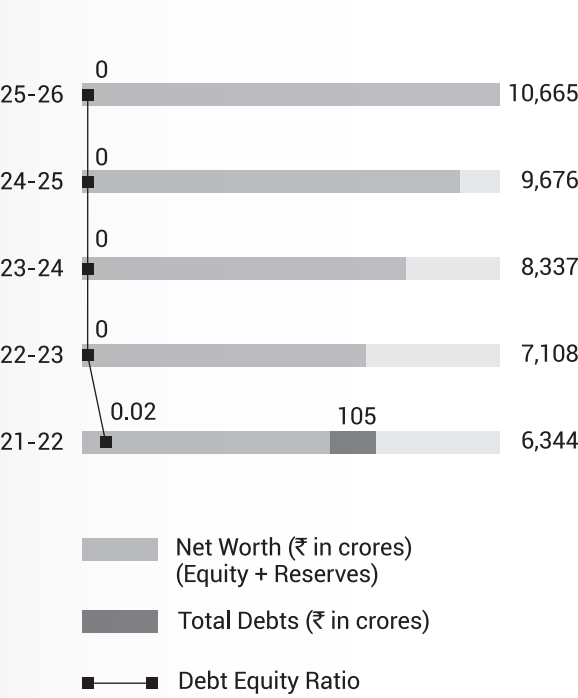
*PBIT excludes exceptional items.

PBT & PBT As % OF Net Sales

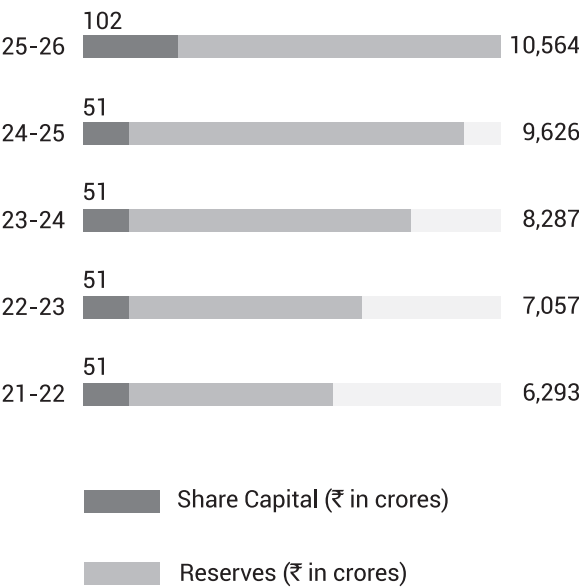


*PBT excludes exceptional items.

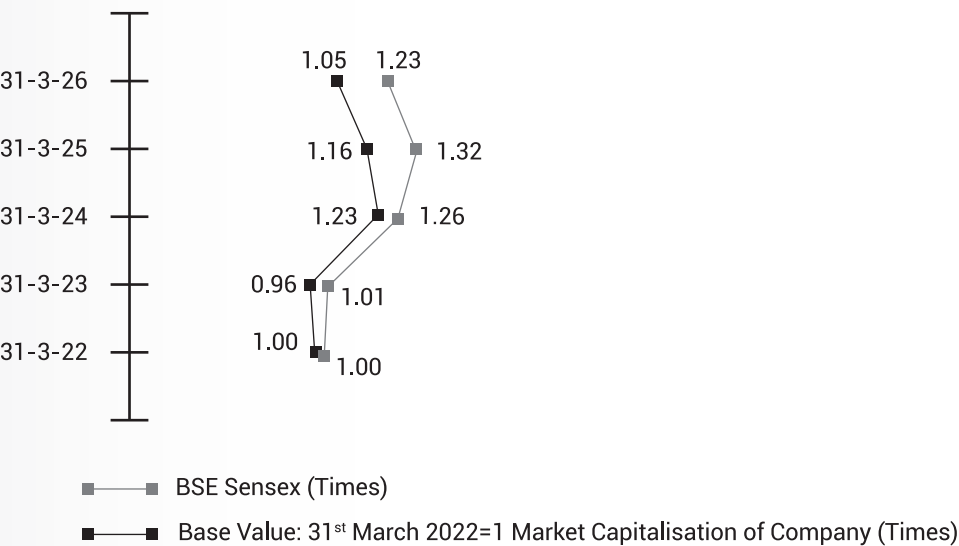
Debt Equity Ratio



Value Addition To Business Through Reserves



Growth In Market Capitalisation Of Company And BSE SENSEX Since 31st March 2022



Management Discussion & Analysis



FINANCIAL
REVIEW

FINANCIAL
REVIEW

CONSOLIDATED FINANCIALS

Consolidated Net Sales
grew by

11.1%

Profit After Tax
(PAT)* grew by

17.1%

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

16.9%

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

6.3%

and EBITDA grew by

14.5%

Profit Before Tax and
Exceptional Items (PBT)
grew by

17.1%

Domestic subsidiaries
sales grew by

7.6%

and EBITDA grew by

7.4%

*Excludes exceptional items.

STANDALONE FINANCIALS

Net sales
grew by

11.8%

Profit Before Tax and
exceptional items
(PBT) grew by

14.9%

EBITDA (excluding
non-operating income)*
grew by

16.4%

Profit After Tax
(PAT)* grew by

14.2%

*Excludes exceptional items.

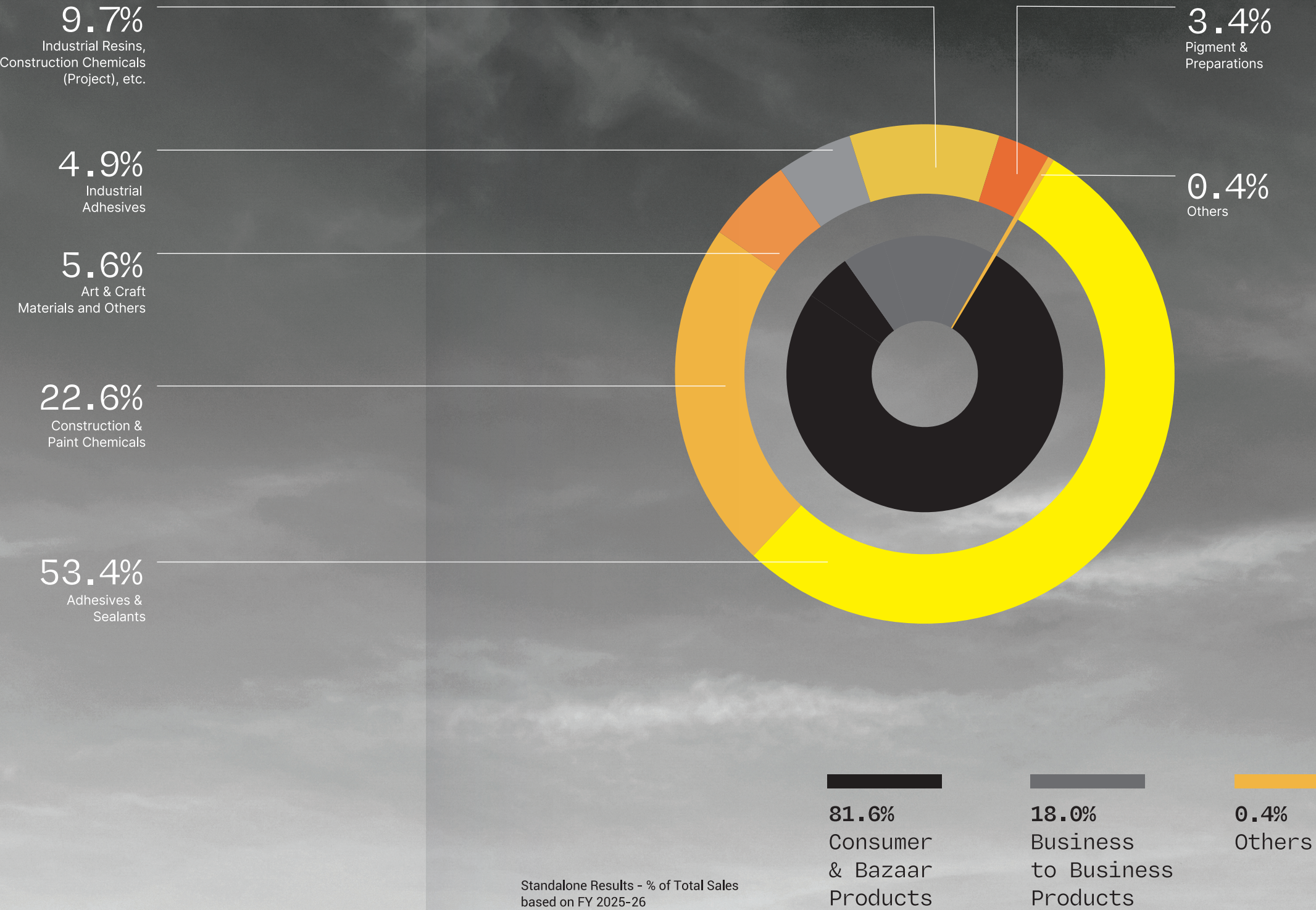
PERFORMANCE BY
INDUSTRY SEGMENT
(STANDALONE)

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

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

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

In both business segments, there are a few medium to large companies with national presence and a large number of small companies which are active regionally. Multinational companies are also present in many of the product categories in which the Company operates.



CONSUMER & BAZAAR(C&B)	BUSINESS TO BUSINESS (B2B)
Branded Consumer & Bazaar segment contributed 81.6% of the sales of the Company and grew by 12.0%	Business to Business segment contributed 18.0% of the sales of the Company and grew by 9.4%
Adhesives & Sealants category (adhesives, sealants & tapes) contributed 53.4% of the sales of the Company and grew by 9.4%	Industrial Adhesives include adhesives used in packaging, footwear, cigarette, automotive industry and joinery. This category contributed 4.9% of the sales of the Company and grew by 6.6%
Construction and Paint Chemicals contributed 22.6% of the sales of the Company and grew by 20.3%	Industrial Resins, Construction Chemicals (Projects), etc. contributed 9.7% of the sales of the Company and grew by 18.9%
Art & Craft Materials etc. contributed 5.6% of the sales of the Company and grew by 7.4%	Pigments and Preparations contributed 3.4% of sales of the Company and declined by 8.1%
OTHERS Others mainly includes sale of raw materials.	

CURRENT YEAR
OUTLOOK

Last year (FY 2025-26), the Company delivered improved Underlying Volume Growth ("UVG") across both C&B and B2B segments. Input costs remained benign during the year, which enabled the Company to step up investments behind brands and growth initiatives. EBITDA margins improved over the previous year.

The domestic demand environment is expected to remain stable backed by Government fiscal and monetary policies, continued investments in infrastructure and construction.

However, due to the ongoing conflict in West Asia, prices of all major inputs have risen steeply and there are supply chain challenges due to disruption in shipping through a key sea route. While local prices of fuel (petrol and diesel) have not been increased, if the West Asia conflicts continues for a protracted duration, even these inputs will see cost increases. This is likely to result in substantial price increases which in turn could impact overall demand.

The global economic and geo-political conditions remain uncertain, and we remain watchful of the same given its impact on global demand and inflation. Imposition of Tariffs in key markets impacted exports to these Markets.

The Company is taking actions to drive demand generation initiatives to deliver on its objective of profitable underlying volume growth.

The Domestic subsidiaries in India have delivered good sales and profit growth. The Company remains committed to strengthening the performance of these subsidiaries and has taken several strategic initiatives to improve margins and achieve consistent sales growth.

The Company's major international subsidiaries are in Dubai, Bangladesh, Sri Lanka, Thailand and Kenya. The business environment in some of these countries remains subdued due to geo-political tensions, currency challenges and inflation. However, the management is taking various steps to increase sales and market share in their respective geographies along with improvement in performance of these subsidiaries.

OUTLOOK ON OPPORTUNITIES,
THREATS, RISKS & CONCERNS

The Indian economy provides a large opportunity to the Company to market its differentiated products. The additional spending in Government programmes, GST rationalisation, higher capex spending emphasizes the focus on infrastructure and increasing disposable income in the hands of common people. This augurs well for the growth of the economy which will eventually create demand for the Company's products. Further, the home improvement area offers opportunities for growth given the focus on new construction and renovation.

Slower growth of the Indian economy due to the ongoing West Asia conflict, increase in prices of and constrained availability of key inputs and stress in sectors such as construction could put pressure on the performance of the Company. While there are near term concerns with respect to the disturbed geo-political situation and its cascading impact on demand and inflation, the Company is confident of the medium to long-term prospects of the home improvement sector and remains focused on delivering consistent and profitable volume-led growth.

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

HUMAN
RESOURCES

The Company continues to believe that people are its most important asset and has maintained its commitment to building a purposeful, empowered, and inclusive workplace culture.

In FY 2025-26, the focus remained on employee well-being, capability development, and the nurturing of organizational excellence through initiatives under the PiGlobin philosophy, which emphasizes respect, listening, humility, and empowerment.

Learning and Development efforts focused on key Centres of Excellence, including programs for Manufacturing Unit Heads, capability building in BTL operations, Margin management, and Market insights. These initiatives addressed role-specific requirements across all functions, with emphasis on practical application. IT-focused learning and AI-related capability building were prioritized to strengthen the organization's digital maturity.

The HAH program (Happy and Healthy Pidilite) promoted overall well-being through physical health, emotional balance, and mental support. It offered outdoor activities, online games, and hobby classes to encourage creativity and connection. Mental health was addressed with counselling, webinars, and expert guidance, while health camps provided free check-ups.

The Company continued to engage employees through diverse listening forums including e-Birthday sessions, Sampark, and Open Houses, while the Viva Engage platform enabled employees to contribute ideas on new initiatives and policy simplification. Culture Audit was introduced through structured Focus Group Discussions with high-attrition cohorts. The Company also strengthened its feedback mechanisms through an enhanced exit feedback process.

With a strong focus on the diversity agenda, the Company engaged women employees through initiatives that promoted an enabling and inclusive environment.

The Spirit of Pidilite Awards initiative continued the Company's commitment to recognizing and celebrating exemplary contributions. The year witnessed a 36% increase in employee nominations, reflecting strong engagement.

The Company's success is anchored in its people-their capabilities, commitment, and character. By continuing to invest in employee well-being, development, and recognition, the Company endeavours to create an environment where every individual can grow, contribute meaningfully, and realize their potential while advancing organizational excellence.

The total number of employees on the rolls of the Company was 8,835 as on 31st March, 2026.

MISCELLANEOUS

The Company's Net Worth (Equity capital + Reserves) has grown from

₹ 6,344 CRORES

as on 31st March, 2022 to

₹ 10,665 CRORES

as on 31st March, 2026, giving a Compounded Annual Growth Rate (CAGR) of 13.9%.

The market capitalisation of the Company on 31st March, 2026 was

₹ 1,30,859 CRORES

and has grown at a CAGR of 26.6% since the IPO in 1993.

OTHER MATTER

Internal control systems and their adequacy, Risk Management are elaborated in the Board's Report.

CAUTIONARY STATEMENT

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

Economic Value Added (EVA)

Computation of EVA

EVA	=	Net Operating Profit After Tax (NOPAT) - Weighted average cost of capital employed.
NOPAT	=	Net profit after tax + post tax interest cost at actual.
Weighted average cost of capital employed	=	(Cost of equity x average shareholder funds) + (cost of debt x average debt).
Cost of equity	=	Risk-free return equivalent to yield on long term Government of India (GOI) securities (taken @ 6.9%) + market risk premium (assumed @ 7.08%) x beta variant for the Company (taken at 0.92), where the beta is a relative measure of risk associated with the Company's shares as against the stock market as a whole.
Cost of debt	=	Effective interest applicable to the company based on an appropriate mix of short, medium and long term debt, net of taxes.

Item	2021-22^	2022-23	2023-24	2024-25	2025-26
1. Risk Free Return on Long Term GOI Securities	6.9%	7.3%	7.1%	6.5%	6.9%
2. Cost of Equity	12.0%	12.7%	13.5%	13.5%	13.4%
3. Cost of Debt (Post Tax)	3.0%	4.1%	0.0%	0.0%	0.0%
4. Effective Weighted Average Cost of Capital	11.9%	12.6%	13.5%	13.5%	13.4%
Economic Value Added (₹ in crores)					
5. Average Debt	80	53	-	-	-
6. Average Equity (Shareholder Funds)	5,952	6,726	7,723	9,007	10,171
7. Average Capital Employed (Debt + Equity)	6,032	6,779	7,723	9,007	10,171
8. Profit After Tax (as per Standalone Statement of Profit and Loss)	1,191 \$	1,257 \$	1,792 # \$	2,094 # \$	2,392 # \$
9. Interest (as per Standalone Statement of Profit and Loss, net of Income Tax)	20	21	22	26	30
10. Net Operating Profit After Tax (NOPAT)	1,211	1,278	1,814	2,120	2,422
11. Weighted Average Cost of Capital (4 x 7)	715	854	1,045	1,218	1,364
12. Economic Value Added (10 - 11)	496	424	769	902	1,058
13. EVA as a % of Average Capital Employed (12 ÷ 7)	8.2%	6.3%	10.0%	10.0%	10.4%

Profit After Tax excludes exceptional items.
\$ Profit is After Tax but before Other Comprehensive Income.
^ FY 2021-22 figures restated on account of merger.