

Press release

For immediate release

November 10th, 2021

Pidilite Industries reports consolidated net sales growth of 41% and EBITDA growth of 7% for quarter ended 30th September 2021.

Mumbai, November 10, 2021: Pidilite Industries Limited, India's leading manufacturer of adhesives, sealants and construction chemicals today announced its financial results for the quarter and half year ended September 30, 2021.

This quarter recorded very strong sales volume and value growth. The business witnessed much improved consumer demand environment due to accelerated vaccinations, reduced COVID infections and increased mobility.

Growth was broad based across Consumer and Bazaar ('C&B') and Business to Business ('B2B') segments as well as Urban and Rural geographies. C&B reported growth across all categories such as adhesives, construction chemicals and DIY portfolio. B2B growth led by continued momentum in industrial activities.

Gross Margins have contracted on account of sharp escalation and volatility in input costs. Calibrated pricing actions and a focus on costs and operational efficiencies have led us to have maintained EBITDA margins in our historic range.

While Domestic subsidiaries in C&B business returned to double digit growth led by higher sales in premium products, subsidiaries in B2B business have improved sequentially on account of recovery in real estate and construction related activities.

FINANCIAL PERFORMANCE

Consolidated Performance

- Net sales at Rs 2,613 Cr grew by 41% over the same quarter last year. Net sales for the half year ended stood at Rs 4,541 Cr and grew by 66% over the same period last year. On a like to like basis (excluding PAPL) Net Sales in Q2 grew by 33% and 59% for the half year.
- EBITDA before non-operating income at Rs 550 Cr grew by 7% over the same quarter last year. EBITDA for the half year ended stood at Rs 907 Cr and grew by 56% over the same period last year. On a like to like basis (excluding PAPL), EBITDA in Q2 declined by 2% and grew by 44% for the half year.
- Profit before Tax and Exceptional items (PBT) at Rs 492 Cr grew by 3% over the same quarter last year. PBT for the half year ended stood at Rs.781 Cr and grew by 53% over the same period last year. On a like to like basis (excluding PAPL), PBT in Q2 declined by 7% and grew by 40% for the half year.

- Profit after tax (PAT) at Rs 376 Cr grew by 5% over the same quarter last year. PAT for the half year ended stood at Rs 593 Cr and grew by 59% over the same period last year. On a like to like basis (excluding PAPL), PAT in Q2 declined by 4% and grew by 46% for the half year.

Standalone Performance

- Net sales at Rs 2,200 Cr grew by 36% over the same quarter last year with underlying sales volume and mix growth of 25%. This was driven by 25% growth in sales volume and mix of C&B and 20% growth in sales volume and mix of B2B. Net sales for the half year ended stood at Rs 3,817 Cr and grew by 60% over the same period last year.
- EBITDA before non-operating income at Rs 479 Cr grew by 1% over the same quarter last year. EBITDA for the half year ended stood at Rs 787 Cr and grew by 38% over the same period last year.
- Profit before Tax and Exceptional Items (PBT) at Rs 442 Cr declined by 3% over the same quarter last year. PBT for the half year ended stood at Rs 797 Cr and grew by 50% over the same period last year. On a like to like basis (excluding dividend from subsidiary) PBT grew by 32% for the half year.
- Profit after Tax (PAT) at Rs 339 Cr grew by 0.2% over the same quarter last year. PAT for the half year ended at Rs 628 Cr and grew by 59% over the same period last year. On a like to like basis (excluding dividend from subsidiary) PAT grew by 28% for the half year.

Q2 2021-22:

Commenting on the quarter performance, Mr. Bharat Puri, Managing Director, Pidilite Industries Ltd, said:

“This quarter, we have delivered very strong value and volume growth across categories, businesses, and geographies. Overall, we witnessed significant improvement in demand conditions across categories and geographies. However unprecedented increases and volatility in input costs has been a major challenge. In this environment, moderated price increases as well as a sharp focus on operational efficiencies have helped us navigate the uncertain environment. Going forward we remain cautiously optimistic on continuing robust demand conditions. Unabated commodity inflation and supply availability remains a significant challenge and would require continued focus. Our focus remains on driving consistent, profitable volume growth through investment in our brands, supply chain and people”.

About Pidilite:

Pidilite Industries Limited is a leading manufacturer of adhesives and sealants, construction chemicals, craftsmen products, DIY (Do-It-Yourself) products and polymer emulsions in India. Our products range also includes paint chemicals, automotive chemicals, art materials and stationery, fabric care, maintenance chemicals, industrial adhesives, industrial resins and organic pigments & preparations. Most of the products have been developed through strong in-house R&D. Our brand name Fevicol has become synonymous with adhesives to millions in India and is ranked amongst the most trusted brands in the country. Some of our other major brands are M-Seal, Fevikwik, Fevistik, Roff, Dr. Fixit, Fevicryl, Motomax, Hobby Ideas, Araldite.

Pidilite Industries Limited acquired 100% stake in Pidilite Adhesives Pvt Ltd (PAPL) [Formerly known as Huntsman Advanced Materials Solutions Private Limited (HAMSPL)] on 3rd November 2020.

