

**INDEPENDENT AUDITORS' REPORT AND
FINANCIAL STATEMENTS
OF
PIDILITE SPECIALITY CHEMICALS BANGLADESH PRIVATE LTD.
AS AT AND FOR THE YEAR ENDED 31 MARCH 2026**



AHMED MASHUQUE & CO., *Chartered Accountants*

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**INDEPENDENT AUDITORS' REPORT
to the shareholders of
Pidilite Speciality Chemicals Bangladesh Private Ltd.
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of Pidilite Speciality Chemicals Bangladesh Private Ltd., (the company), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2026, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 to cease operations, or has no realistic alternative but to do so.

Those charge with governance are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities 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 ISAs 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 ISAs, we exercise professional judgement 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. But not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

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. 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 gives a true and fair view.

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.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dated: 27 April 2026
Dhaka

Ahmed Mashuque & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-115

Jahangir Hussain

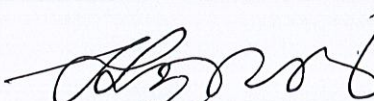
Jahangir Hussain FCA
Partner
Enrolment number: 1960
DVC: 2604281960AS900749

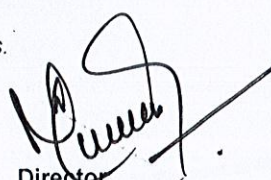
Pidilite Speciality Chemicals Bangladesh Private Ltd.
Statement of financial position
As at 31 March 2026

Particulars	Notes	Amount in BDT	
		31 March 2026	31 March 2025
Assets			
Property, plant and equipment	5.00	718,375,302	745,670,827
Intangible Assets	6.00	2,429,027	4,874,343
Capital work-in-progress	7.00	2,713,223	5,352,099
Right to use of assets	8.00	10,976,754	19,333,254
Deferred tax assets	18.00	4,258,377	-
Investment in shares	9.00	44,000	44,000
Security deposit	10.00	4,024,000	4,024,000
Non current assets		742,820,683	779,298,523
Inventories	11.00	423,112,960	374,930,469
Goods in transit	12.00	35,291,134	27,020,971
Trade & other receivable	13.00	453,477,816	398,294,540
Advances, deposits and prepayments	14.00	112,395,175	247,688,079
Investments	16.00	312,411,655	175,513,893
Cash and cash equivalent	15.00	172,370,519	24,706,010
Current assets		1,509,059,259	1,248,153,962
Total assets		2,251,879,943	2,027,452,485
Equity and liabilities			
Equity			
Share capital	17.00	352,694,500	352,694,500
Retained earnings		1,367,311,098	1,063,309,923
Total equity		1,720,005,598	1,416,004,423
Liabilities			
Deferred tax liabilities	18.00	-	905,723
Shareholders's loan	19.00	48,899,987	48,899,987
Lease Liability	20.00	11,693,852	17,970,169
Provision for leave encashment	21.00	23,223,533	18,794,102
Non current liabilities		83,817,372	86,569,981
Trade & other payables	25.00	209,637,557	302,372,771
Short term Borrowing	22.00	-	86,453,421
Other liabilities	23.00	92,522,237	43,946,095
Current portion of lease liability	20.00	6,276,329	9,797,237
Provision for expenses	24.00	66,417,541	44,135,565
Net current tax liability	26.00	73,203,308	38,172,993
Current liabilities		448,056,972	524,878,082
Total liabilities		531,874,344	611,448,062
Total equity and liabilities		2,251,879,943	2,027,452,485

These financial statements should be read in conjunction with the annexed notes.

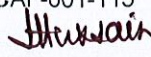

Chief-Accounts & Finance


Director


Director

Signed in terms of our separate report of even date annexed

Dated: 27 April 2026
Dhaka

Ahmed Mashuque & Co.
Chartered Accountants
 FRC Enlistment No: CAF-001-115


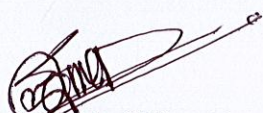
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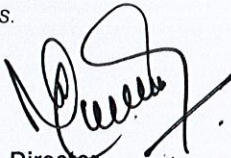
Pidilite Speciality Chemicals Bangladesh Private Ltd.
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2026

Particulars	Notes	Amount in BDT	
		31 March 2026	31 March 2025
Revenue (Net of VAT)	27	3,078,442,097	2,701,556,808
Cost of sales	28	1,903,045,487	1,755,149,440
Gross profit		1,175,396,610	946,407,368
Administrative expenses	29	139,769,796	126,327,581
Selling and distribution expenses	30	380,791,413	351,129,290
Foreign exchange (gain)/Loss	31	2,370,791	8,687,409
Total expenditure		522,932,000	486,144,281
Profit from operation		652,464,610	460,263,087
Non operating income/expenditure			
Finance expenses	32	8,065,201	37,887,165
Less: Other income	33	25,870,230	57,714,382
		(17,805,029)	(19,827,217)
Profit before contribution to WPPF		670,269,639	480,090,305
Contribution to WPPF		31,917,602	22,861,443
Profit before tax		638,352,037	457,228,861
Income tax expense:		180,428,698	111,107,181
Current tax		183,396,412	130,015,754
Deferred tax		(2,967,714)	(18,908,573)
Profit after tax for the year		457,923,338	346,121,680
Other Comprehensive Income:			
Actuarial gain/(loss) on defined benefit plan		(7,986,859)	(7,209,403)
Deferred tax impact on defined benefit plan		2,196,386	2,472,924
Total other Comprehensive Income / (Loss), net of tax		(5,790,473)	(4,736,479)
Total comprehensive income for the year		452,132,865	341,385,201

These financial statements should be read in conjunction with the annexed notes.


Chief-Accounts & Finance

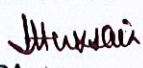

Director


Director

Signed in terms of our separate report of even date annexed

Dated: 27 April 2026
Dhaka

Ahmed Mashuque & Co.
Chartered Accountants
 FRC Enlistment No: CAF-001-115


Jahangir Hussain FCA
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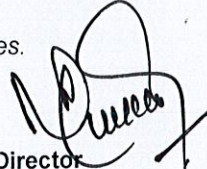
Pidilite Speciality Chemicals Bangladesh Private Ltd.
Statement of changes in equity
For the year ended 31 March 2026

Particulars	<i>Amount in Taka</i>		
	Share capital	Retained earnings	Total
Balance as at 1 April 2024	352,694,500	904,161,970	1,256,856,470
Dividend Paid	-	(182,237,248)	(182,237,248)
Addition during the year	-	341,385,201	341,385,201
Balance as at 31 March 2025	352,694,500	1,063,309,923	1,416,004,423
Balance as at 1 April 2025	352,694,500	1,063,309,923	1,416,004,423
Dividend Paid	-	(148,131,690)	(148,131,690)
Profit during the year	-	457,923,338	457,923,338
Other comprehensive income / (loss) during the year		(5,790,473)	(5,790,473)
Balance as at 31 March 2026	352,694,500	1,367,311,098	1,720,005,599

These financial statements should be read in conjunction with the annexed notes.


Chief-Accounts & Finance


Director


Director

Dated: 27 April 2026
Dhaka



Pidilite Speciality Chemicals Bangladesh Private Ltd.
Statement of cash flows
For the year ended 31 March 2026

Particulars	Amount in Taka	
	31 March 2026	31 March 2025
A. Cash flows from operating activities		
Collection from sales	3,029,489,156	2,709,305,057
Payment to suppliers	(1,820,128,723)	(1,704,999,202)
Payment for expenses	(515,383,872)	(780,977,045)
Interest paid	(4,338,272)	(30,261,030)
Income tax paid	(148,366,097)	(119,582,526)
Net cash generated from operating activities	541,272,192	73,485,255
B. Cash flows from investing activities:		
Acquisition of fixed assets	(21,793,270)	(39,746,699)
Sales of fixed assets	7,826	177,621
Encashment of/(Investment in) fixed deposits	(136,738,503)	397,389,470
Interest received	19,428,636	53,727,055
Capital work-in-progress	(19,927,259)	(5,352,099)
Net cash used in investing activities	(159,022,571)	406,195,348
C. Cash flows from financing activities:		
Short term loan received/(payment)	(86,453,421)	(125,582,269)
Dividend paid	(148,131,690)	(482,027,573)
Shareholders's loan	-	26,900,000
Net cash used in financing activities	(234,585,111)	(580,709,842)
Net changes in cash and bank balances (A+B+C)	147,664,510	(101,029,239)
Add: Cash and bank balances at the beginning of the year	24,706,010	125,735,249
Cash and bank balances at the end of the year	172,370,519	24,706,010

These financial statements should be read in conjunction with the annexed notes.


Chief-Accounts & Finance


Director


Director

Dated: 27 April 2026
Dhaka



Pidilite Speciality Chemicals Bangladesh Private Ltd.
Notes, comprising a summary of significant accounting policies and other explanatory information
As at and for the year ended 31 March 2026

1 Company profile

1.1 Legal form

Pidilite Speciality Chemicals Bangladesh Private Ltd. incorporated in Bangladesh as a private limited company on 29th December 2005 having registered office at House # B101 (North), Road #7, New DOHS, Mohakhali, Dhaka vide registration no. C-60121 (2129)/05.

1.2 Nature of business

The objectives of the Company include manufacturing and marketing of all kinds of dyes and other colouring materials, chemicals and chemical compounds, adhesives, etc. and selling those in Bangladesh as well as exporting to other countries. The company commenced its commercial production from October 2009. Besides, the company is also engaged in commercial import and trading of adhesives, colouring materials and allied products since December 2012.

2 Basis of preparation and summary of significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 1994 and other relevant local laws and regulations as applicable. IFRS comprise of

- International Financial Reporting Standards (IFRS);
- International Accounting Standards (IAS); and
- Interpretations.

The titles and format of these financial statements follow the requirements of IFRS which are to some extent different from the requirements of the Companies Act, 1994. However, such differences are not material and in the view of management IFRS title gives better presentation to the shareholders.

2.1 Reporting period

The financial year of the company has been determined to be from 01 April to 31 March each year. These financial statements cover period from 01 April 2025 to 31 March 2026 consistently.

2.1 Basis of accounting

The financial statements have been prepared under the accrual basis of accounting.

2.1 Going concern

As per management assessment the company had adequate resources to continue in operation for foreseeable future and there is no material uncertainties related to event on conditions which may cast significant doubt upon the company's ability to continue as going concern, and hence, the financial statements have been prepared on going concern basis.

2.1 Basis of measurement

The financial statements have been prepared under the historical cost convention except inventories which is measured at lower of cost and net realizable value on even reporting date.

2.2 Date of authorisation for issue of financial statements

The Board of Directors has authorised these financial statements on 27 April 2026.

2.2 Directors' responsibility statement

The Board of Directors takes the responsibility for the preparation and fair presentation of these financial statements.

2.2 Use of estimates and judgments

The preparation of the financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Judgements

Information about judgments made in applying accounting policies that have most significant effect on the amount recognized in the financial statements is included in the following notes:

- | | |
|-----------|-------------------------------|
| Note 3.01 | Property, plant and equipment |
| Note 3.03 | Inventories |

Assumption and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year is included in the following notes:

- | | |
|--------------|------------------------------------|
| Note - 23.02 | Employee benefits expenses payable |
| Note - 24 | Provision for expenses |

2.2 Functional and presentation currency

These financial statements are presented in Bangladesh currencies (Taka), which is both functional currency and presentation currency of the company. All amount have been rounded off to the nearest Taka unless otherwise indicated.



3.0 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are stated at cost net of accumulated depreciation. Cost of an item of property, plant and equipment comprises its net purchase price after deducting trade discount and rebates, import duties, non refundable taxes and any cost that are directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

b) Subsequent cost

The cost of replacing component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits are embodied within the component will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in the statement of profit or loss and other comprehensive income as incurred.

c) Depreciation

Depreciation on assets is charged from the month in which the asset is brought into use irrespective the date of acquisition under straight-line basis at the following rates:

<u>Assets Category</u>	<u>Rate</u>
Machinery and Equipment	10%
Factory buildings	5%
Vehicles	20%
Computers	30%
Furniture & Fixtures	10%
Mechanical Office Equipment	10%
Laboratory Equipment	10%
Software license	20%
VAT Software	30%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

d) Disposal

On disposal of property, plant and equipment, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

e) Impairment

Management determines whether an item of property, plant and equipment is impaired by applying the provisions of IAS 36: Impairment of Assets.

3.1 Capital work-in-progress

Capital work-in-progress is stated at cost of acquisition and also subsequently stated at cost, until the construction is completed or the assets are being ready to use. No depreciation is charged on capital-work-in-progress

3.2 Leases

i. IFRS 16: Lease

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments

Short-term leases and leases of low-value assets :

The Company does not apply the recognition and measurement requirements of IFRS 16 to short-term leases (leases of less than 12 months maximum duration). It also does not apply the recognition and measurement requirements of IFRS 16 to leases for which the underlying asset is of low value (i.e. less than USD 5,000 when new). Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

Measurement

Initial measurement of the right-of-use asset

At the commencement date, the right-of-use asset are measured at cost.

The cost of the right-of-use asset comprise:

- the amount of the initial measurement of the lease liability,
- any lease payments made at or before the commencement date, less any *lease incentives* received.
- any *initial direct costs* incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.



Initial measurement of the lease liability

At the commencement date, the lease liabilities are measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the *interest rate implicit in the lease/incremental borrowing rate* which is 11.50% for city office and 9% for warehouse.

Subsequent measurement of the right-of-use asset

After the commencement date, the right-of-use asset are measured applying a cost model.

Cost model

To apply a cost model, a lessee shall measure the right-of-use asset at cost:

- less any accumulated depreciation and any accumulated impairment losses; and
- adjusted for any remeasurement of the lease liability.

The straight-line depreciation is applying as per requirements in IAS 16 *Property, Plant and Equipment* is applied in depreciating the right-of-use asset.

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the *useful life* of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the *useful life* of the right-of-use asset or the end of the lease term.

IAS 36 *Impairment of Assets* is applied to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Subsequent measurement of the lease liability

After the commencement date, the lease liabilities are measured by:

- increasing the carrying amount to reflect interest on the lease liability.
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments

Assets type	Agreement period (no of months)	Implicit interest rate/ incremental borrowing rate
Head office	120	11.5%
Warehouse	72	9.0%

3.3 Inventories

Inventories are valued in accordance with IAS-2 : *Inventories* at lower of cost and net realizable value. Cost is determined at weighted average method. The cost of raw, packing and semi finished goods comprises of expenditure incurred in the normal course of business in bringing these items to their present location and condition. The cost of finished goods comprises of cost of raw materials, direct labor and production related overheads (based on normal capacity). Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sales.

3.4 Provisions

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the statement of financial position date

3.5 Taxation

Income tax expenses comprises current and deferred tax . Current tax and deferred tax is recognised in profit or loss except to the extent that its relates to items recognised directly in equity in which case it is recognized in equity.



Current tax

During the year ended on 31 March 2026 applicable income tax rate on income of manufacturing operations was 27.5%. Further, income tax on other income, interest income and income from trading of imported goods has been recognized as per the Income Tax Act, 2023.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss.
- temporary differences related to investment in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future, and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 Revenue recognition

(a) Sales of goods

The Company has applied IFRS 15 "Revenue from Contracts with Customers" for annual reporting periods beginning on or after 01 January 2018. IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations are satisfied.

The new standard is based on the principle that revenue is recognized when control of goods or services transfers to a customer, so the concept of control replaces the existing concept of risks and rewards. This standard combines, enhances and replaces specific guidance on recognizing revenue with a single standard. A new five-step process must be applied before revenue from contract with customer can be recognized:

- i). Identify the contracts with customers;
- ii). Identify the separate performance obligation;
- iii). Determine the transaction price of the contract;
- iv). Allocate the transaction price to each of the separate performance obligations; and
- v). Recognize the revenue as each performance obligation is satisfied.

3.7 Statement of cash flows

Statement of cash flows is prepared in accordance with IAS-7 : *Cash Flow Statement* under direct method.

3.8 Finance costs

Finance costs comprise interest expense on short term borrowings.

3.9 Employees' benefit schemes

The company maintains defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

(a) Defined contribution plan (provident fund)

The Company operates contributory provident fund for all its permanent employees, which is a defined contribution plan. The provident fund is administered by the Board of Trustee and is funded by contributions from employees and from the company @ 8.33% of the basic pay. These contributions are invested separately from the Company's business. This fund is recognized by National Board of Revenue.

(b) Employees' Retirement Gratuity

The company provides retirement benefit in the form of gratuity determined by reference to employees' earnings and years of service to each eligible employees at the time of retirement/separation. However, the provision has been made in respect of all eligible employees and reflected in these accompanying financial statements. At the time of separation, the liability to each employee is settled in cash. Actuary valuation of the gratuity plan is carried out by a professional actuary.



(c) Workers' profit participation fund (WPPF)

The Company provides 5% of its profit before charging such expense as WPPF in accordance with the Bangladesh Labour Law, 2006 (as amended in 2013).

(d) Insurance Scheme

The company has a group life and hospitalisation insurance scheme for its permanent employees, premium for which is being charged to Statement of profit or loss and other comprehensive income annually as per the insurance policy.

(e) Leave encashment

Permanent employees of the company are entitled to receive leave encashment on unavailed earned leave at the time of retirement/separation. Actuary valuation of the unavailed leave is carried out by a professional actuary.

4.0 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The company classifies financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

• **Accounts receivable**

Accounts receivable is stated net of provisions, if any.

• **Cash and bank balances**

Cash and bank balances consist cash in hand, bank deposits, which were held and available for use of the company without any restriction.

• **Advances, deposits and prepayments**

Advances

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deduction, adjustment.

Deposits

Deposits measured at cost value.

Prepayments

Prepayments are initially measured at cost. After initial recognition, Prepayments are carried at cost less charges to Statement of profit or loss and other comprehensive income.

Financial liability

The company initially recognises all financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

• **Trade and other payables**

Trade and other payables and other financial liabilities are recognized when contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

4.1 Interest income and expenses

Interest income comprises interest income on investment in T-bills and FDR. Interest expenses comprise interest expense on borrowings from bank.

4.2 Offsetting

Financial assets and liabilities are offset and net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amounts and the company intends to either to settle on the net basis, or to realize the assets and to settle the liabilities simultaneously.



4.3 Materiality and aggregation

Each material class of similar items present separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

4.4 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net off any tax effects.

Paid up capital represents total amount of shareholders capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time.

4.5 Earning per share

The Company calculates its earnings per share in accordance with IAS 33: *Earning per share*.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there were no preference shares requiring returns or dividends, minority interest or extraordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

4.6 Events after the reporting date

In accordance with IAS 10: *Events after the reporting period*, amount recognized in the financial statements are adjusted for the reporting period that provide additional evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for event after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

4.7 Transactions in foreign currencies

Transactions denominated in foreign currencies are translated into Bangladesh taka at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Bangladesh taka at the exchange rates ruling at the statement of financial position date. Non monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into Bangladesh taka at the exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognized in the statement of profit or loss and other comprehensive income. This rates are as follows:

Currencies	Closing rate as at	
	31 March 2026	31 March 2025
BDT/USD	122.80	122.00

4.8 Comparative information

Comparative figures have been regrouped /reclassified wherever found necessary to conform to the presentation adopted in these financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS 8: Accounting policies, Changes in Accounting Estimates and Errors.

4.9 Significant information related to factory land

Pidilite Speciality Chemicals Bangladesh Private Ltd. (PSCBPL) had purchased and possessed total 1.5415 acres land in West Mukterpur, Munshiganj. The Roads & Highways department of Bangladesh Govt. wants to acquire 0.23 acres land and sent notices. Out of this 0.23 acres, the land acquisition department claimed 0.15 acres being "Khas Land" (Govt. land) and requested to remove all structures within shortest period of time. The company aggrieved and filed writ petition and high court allowed primarily 03 months and further extended to 15 months.

After that, Govt. sent eviction notice and again, the company aggrieved and filed 2nd Writ Petition before High Court Division to challenge this notice. During pendency of 2nd Writ Petition dated 11 January 2024 Government demolished PSCBPL factory infrastructure especially established in the Khas Land and other acquisition part

Finally, based on the Govt. petition, the Appellate Division directed dated on 19 March 2024 to dispose of the first Writ Petition within 3 months. The rule is discharged for non-prosecution dated 2nd June 2024.

However, the company is eligible to get compensation for 0.08 acres of land only. Govt. considered the value of compensation for this land is Tk. 1,34,93,832.00 and applied for compensation before DC office dated 28.01.2025 which is still under process. There would be challenged to get the infrastructure and land compensation of Khas land (0.15 acres). Based on that challenge Company has applied only for infrastructure compensation dated 04.02.2025 as guided by DC verbally.



5 Property, plant and equipment
For 2026

Asset Category	Amount in Taka											
	Cost					Depreciation					Carrying value	
	As at 1 April 2025	Addition during the year	Disposal/ Adjustment	As at 31 March 2026	As at 1 April 2025	Charged during the year	Disposal/ Adjustment	As at 31 March 2026	As at 31 March 2026	Carrying value at 31 March 2026	Carrying value at 31 Mar 2025	
Freehold land	184,959,523	-	-	184,959,523	-	-	-	-	184,959,523	184,959,523		
Factory buildings	451,197,716	4,168,729	-	455,366,446	128,682,851	22,692,550	-	151,375,401	303,991,045	322,514,865		
Machinery and equipment	502,698,276	30,974,884	-	533,673,160	331,474,571	30,940,786	-	362,415,357	171,257,802	171,223,705		
Furniture and fixtures	29,318,804	177,935	-	29,496,739	15,692,348	2,443,537	-	18,135,885	11,360,854	13,626,455		
Office equipment	118,782,034	5,874,017	72,800	124,583,251	65,999,350	14,573,984	72,800	80,500,534	44,082,716	52,782,684		
Computers	7,116,806	2,690,741	-	9,807,547	6,553,211	530,975	-	7,084,186	2,723,361	563,595		
As at 31 March 2026	1,294,073,159	43,886,306	72,800	1,337,886,665	548,402,331	71,181,832	72,800	619,511,363	718,375,302	745,670,827		

A portion of land was acquired by the Government. Further details have been disclosed in Note #4.9 to the financial statements.

6 Intangible Assets
For 2026

Asset Category	Cost					Amortization					Carrying value	
	As at 1 April 2025	Addition during the year	Disposal/ Adjustment	As at 31 March 2026	As at 1 April 2025	Charged during the year	Disposal/ Adjustment	As at 31 March 2026	As at 31 March 2026	Carrying value at 31 March 2026	Carrying value at 31 Mar 2025	
	Software & Software License	14,681,810	473,100	-	15,154,910	9,807,467	2,918,415	-	12,725,883	12,725,883	2,429,027	4,874,343
As at 31 March 2026	14,681,810	473,100	-	15,154,910	9,807,467	2,918,415	-	12,725,883	12,725,883	2,429,027	4,874,343	



		Amount in Taka	
		31 March 2026	31 March 2025
7.00	Capital work-in-progress		
	Opening Balance	5,352,099	157,977,655
	Addition during the year	19,927,259	5,352,099
	Less: Transferred to Property, Plant & Equipment	22,566,136	157,977,655
	Closing balance	2,713,223	5,352,099
	Assets wise details as follows:		
	Building, Machinery and equipment	2,713,223	5,352,099
		2,713,223	5,352,099
	These expenditures will be capitalized and recognized as operating assets upon completion of the acquisition process or construction, where applicable and physical possession thereof.		
8.00	Right to use of assets		
	The company has already adopted IFRS 16 Leases wef. 1st April 2019 and the below 'Right to use assets' created against lease contracts. Detail requirements described in Note 3.02.		
	Opening balance	19,333,254	27,689,754
	Adjustment during the year	-	-
	Depreciation during the year	(8,356,500)	(8,356,500)
	Closing balance	10,976,754	19,333,254
9.00	Investment in shares		
	Nina Percept (Bangladesh) Pvt. Ltd.	44,000	44,000
		44,000	44,000
	Nina Percepts (Bangladesh) Pvt. Ltd. has taken decision on winding up of the company voluntary through EGM dated 19 Jan 2026 according final accounts has been completed to expedite voluntary winding up.		
10.00	Security deposit		
	Security deposit to Titas Gas T&D Co. Ltd.	277,500	277,500
	Security deposit to Dhaka Electric Supply Authority(DESA)	240,000	240,000
	Security deposit to REB (Mymensingh Palli Bidyut Samity)	385,000	385,000
	Bank Guarantee of Titas Gas-Bhaluka	371,500	371,500
	Security deposit to Linde Bangladesh Limited.	20,000	20,000
	Security deposit to City Office and warehouse Rent.	2,730,000	2,730,000
		4,024,000	4,024,000
11.00	Inventories		
	Raw materials	254,883,120	229,804,813
	Packing materials	43,362,562	27,674,464
	Work in progress	5,452,703	4,713,345
	Manufactured finished goods	96,844,230	85,899,211
	Imported finished goods	65,126,966	67,199,807
	Stores and spares	4,888,100	2,053,709
	Provision for Raw materials and Packing materials	(23,908,575)	(14,346,328)
	Provision for Finished goods	(23,536,147)	(28,068,552)
		423,112,960	374,930,469
12.00	Goods in transit	35,291,134	27,020,971
13.00	Trade & other receivable		
	Accounts Receivable	451,713,816	396,313,071
	Other receivable	1,764,000	1,981,469
		453,477,816	398,294,540



		Amount in Taka	
		31 March 2026	31 March 2025
13.01	Accounts receivable		
	Sundry Receivables - Exports	36,547,189	34,536,846
	Sundry Receivables - Domestic	449,234,543	395,611,132
	Provision for bad debts	(34,067,915)	(33,834,907)
		<u>451,713,816</u>	<u>396,313,071</u>
			Note: 13.03
13.02	Other receivable		
	Receivable for reimbursable promotional expenses	1,764,000	1,981,469
		<u>1,764,000</u>	<u>1,981,469</u>
13.03	Provision for bad debts		
	Opening Balance	33,834,907	33,686,138
	Addition/reversal during the year	1,986,547	1,199,648
	Written off during the year	(1,753,539)	(1,050,879)
	Closing balance	<u>34,067,915</u>	<u>33,834,907</u>
14.00	Advances, deposits and prepayments		
	Advances		
	Advance to employees	20,610,375	18,050,366
	Advance to supplier	23,797,751	10,743,012
	VAT receivable	1,110,958	7,967,616
	Deposits		
	Margin Money with Bank	5,665,483	5,665,483
	Import deposit	52,259,143	196,344,143
	Prepayments		
	Warehouse rent	-	375,000
	Insurance	8,951,465	8,542,459
		<u>112,395,175</u>	<u>247,688,079</u>
15.00	Cash & Cash equivalent		
	Cash in hand	-	-
	Cash at bank		
	Dutch Bangla Bank Ltd.	135,867	113,092
	Mutual Trust Bank Limited	66,014,417	156,580
	Standard Chartered Bank(SCB)	30,747,092	19,670,919
	Eastern Bank Ltd	11,277,341	137,433
	Brac Bank Ltd	36,967,598	863,077
	State Bank of India	8,275	8,965
	Premier Bank Limited	26,975,968	3,052,819
	Citibank N.A	243,961	703,125
		<u>172,370,519</u>	<u>24,706,010</u>
16.00	Investments		
	Treasury Bill for 182 days	216,499,683	170,761,180
	Fixed deposits	91,000,000	-
	Interest receivable	4,911,972	4,752,713
		<u>312,411,655</u>	<u>175,513,893</u>
17.00	Share capital		
	Authorized	<u>500,000,000</u>	<u>500,000,000</u>
	50,00,000 ordinary shares of Taka 100 each		
	Issued, subscribed and paid-up	<u>352,694,500</u>	<u>352,694,500</u>
	3,526,945 ordinary shares of Taka 100 each		
	Shareholding position of the company is as follows :		
	Pidilite International Pte. Ltd (Singapore)	349,150,500	349,150,500
	Pidilite Middle East Ltd (United Arab Emirates)	3,544,000	3,544,000
		<u>352,694,500</u>	<u>352,694,500</u>



Amount in Taka	
31 March 2026	31 March 2025

18.00 Deferred tax liabilities/(Assets)

Deferred tax has been recognized and measured in accordance with the provision of IAS 12, Income tax
Deferred tax arrived at as follows:

	As at 31 March 2026		Taxable/ (deductible) Temporary difference
	Carrying amount	Tax base	
Property, plant and equipment			
Factory buildings	303,991,045	200,470,136	103,520,909
Machinery and equipment	171,257,802	174,846,038	(3,588,235)
Furniture and fixtures	11,360,854	13,130,489	(1,769,635)
Office equipment	44,082,716	62,927,362	(18,844,645)
Computers	2,723,361	3,786,097	(1,062,736)
Software & Software License	2,429,027	8,013,637	(5,584,610)
	535,844,806	463,173,758	72,671,048
Provision for doubtful debts	(34,067,915)	-	(34,067,915)
Provision for inventory	(47,444,722)	-	(47,444,722)
Unrealized forex loss	(866,604)	-	(866,604)
Actuarial gain/(loss) on defined benefit plan	(7,986,859)	-	(7,986,859)
Interest expenses	(2,128,227)	4,338,272	2,210,045
Net temporary difference			(15,485,007)
Tax rate			27.50%
Deferred tax liability/(Asset)			(4,258,377)
Change in deferred tax assets and liability			
Opening balance		905,723	22,287,220
Provision recognized in Profit & Loss		(2,967,714)	(18,908,573)
Provision Recognized in Other Comprehensive Income		(2,196,386)	(2,472,924)
Balance as at 31 March - Deferred tax liability/(Asset)		(4,258,377)	905,723

19.00 Shareholders's loan

Long-term loan from related parties

48,899,987	48,899,987
48,899,987	48,899,987

The Company has intended to take parental loan of USD 3,000,000/-@3.5% interest, from shareholder Pidilite International Pte. Ltd (Singapore) and obtained requisite approval from BIDA and Bangladesh bank. Repayable period is 3 years with 1 year moratorium period from the date of first tranche of loan. The company already received 1st tranche of loan USD 200,000 in February 2024 and 2nd tranche of the loan USD 200,000 in May 2024

20.00 Lease liability

The Company has leases assets including corporate office and warehouses. The incremental borrowing rate (IBR) which is 11.50% for corporate office and 9% for warehouse. Details as follows:

Opening balance	27,769,084	36,645,510
Addition during the year	-	-
Less: Interest on lease liabilities	2,560,040	3,480,850
Less: Rent paid during the year	(12,357,264)	(12,357,276)
Closing balance	17,971,860	27,769,084
Less: Current portion of lease liability	6,276,329	9,797,237
Long term lease liability	11,693,852	17,970,169

21.00 Provision for leave encashment

Opening balance
Addition during the year
Less: Paid during the year
Closing balance
Less: Current portion of leave encashment
Non-current portion of leave encashment

25,495,819	20,809,916
12,719,310	11,523,148
(7,366,740)	(6,837,245)
30,848,389	25,495,819
7,624,856	6,701,717
23,223,533	18,794,102



Amount in Taka
31 March 2026 31 March 2025

22.00 Short term Borrowing

UPAS Facility

-	86,453,421
-	86,453,421

Standard chartered Bank is providing credit facility against LC of industrial raw materials. Bank extended the temporary credit facility against letter of credit in the form of foreign currency. The tenor of credit is maximum 360 days @SOFR+4%

23.00 Other liabilities

Security Deposit received
 Withholding income tax and VAT
 Employee benefits expenses payable

Note:23.01

 Note:23.02

41,642,400	2,550,000
11,337,379	13,332,936
39,542,458	28,063,159
92,522,237	43,946,095

23.01 In order to manage credit exposure effectively and minimize risks, the company requires a security deposit from wholesale stockist under credit transactions. The security deposit serves as a safeguard and is determined in accordance with the company's established policies and procedures.

23.02 Employee benefits expenses payable

Employees' retirement gratuity
 Provision for leave encashment
 Workers' Profit Participation and Welfare Fund

Note:22.02.01

-	-
7,624,856	6,701,717
31,917,602	21,361,442
39,542,458	28,063,159

22.02.01 Employees' Retirement Gratuity

Present value of defined benefit obligation
 Fair value of plan assets

87,230,407	68,921,492.00
(87,230,407)	(68,921,492.00)
-	-

Movement in the present value of the defined benefit obligation are as follows

Opening balance	68,921,492	53,159,751
Current service cost	10,273,059	8,567,019
Interest cost	7,333,768	6,079,934
Benefits paid during the year	(3,833,119)	(3,229,484)
Actuarial (gains)/ losses arising from changes in demographic assumption	(1,154,257)	-
Actuarial (gains)/ losses arising from changes in financial assumption	3,682,907	2,702,472
Actuarial (gains)/ losses arising from changes in experience adjustment	2,006,555	1,641,800
	87,230,407	68,921,492

Movement in the fair value of the plan assets are as follows

Opening balance	68,921,492	53,159,746
Contributions from employer	18,019,214	15,445,291
Expected Return on Plan Assets	7,574,472	6,411,065
Benefits paid during the year	(3,833,119)	(3,229,484)
Adjustment for opening fair value	-	-
Actuarial (Gain) / loss	(3,451,652)	(2,865,127)
	87,230,407	68,921,492

i) Net Benefit (Asset)/Liability

Defined benefit obligation
 Fair value of plan assets
 Net Benefit (Asset)/Liability

87,230,407	68,921,492
87,230,407	68,921,492
-	-

ii) Total expenses recognized in the statement of profit and loss

Current Service cost
 Interest cost on benefit obligation (net)
 Total expenses recognized in the statement of profit and loss

10,273,059	8,567,019
(240,704)	(331,131)
10,032,356	8,235,888



Amount in Taka
31 March 2026 31 March 2025

iii) Re-measurement effects recognized in other comprehensive income for the year		
Actuarial (gains)/ losses arising from changes in demographic assumption	(1,154,257)	-
Actuarial (gains)/ losses arising from changes in financial assumption	3,682,907	2,702,472
Actuarial (gains)/ losses arising from changes in experience adjustment	2,006,555	1,641,800
Return on plan asset	3,451,652	2,865,127
Recognized in other comprehensive income	(7,986,858)	(7,209,399)
Actual return on plan assets	-	-
Assumptions employed for the valuations are as follows	%	%
Expected rate of salary increase	8.00	8.00
Discount rate	10.48	10.99
24.00 Provision for expenses		
Professional fees	5,482,059	3,342,667
Security service	348,000	339,000
Utilities	714,454	856,228
Advertising & Promotion expenses	17,700,000	16,700,120
Travelling and conveyance	4,738,357	4,612,000
Audit fees	462,504	430,000
Freight	12,986,760	4,697,725
Internet	45,228	42,452
Factory overhead expenses	1,075,179	207,567
Office maintenance	154,013	-
Office manintance	15,000	-
Courier	450,000	-
Entertainment	200,000	247,452
Telephone	3,502,386	5,712,431
Interest payable	13,780,605	6,548,043
Salary & allowances	4,762,996	399,880
Sales agents payable	66,417,541	44,135,565
25.00 Trade & other payables		
Trade payables	207,943,983	302,372,771
Other payables	1,693,574	-
	209,637,557	302,372,771
25.01 Trade payables		
Payable for raw materials	21,982,831	49,726,239
Payable for packing materials	21,696,692	24,011,491
Payable for Service provider	68,293,624	104,394,877
Payable for Intercompany	95,970,834	124,240,162
	207,943,983	302,372,771
25.02 Other payables		
Interest on Security deposit	1,575,529	-
Supplementary Duty Payable	118,045	-
	1,693,574	-
26.00 Net current tax liability /(Net Advance Income Tax)		
Provision for income tax	213,441,075	151,186,464
Advance income tax	(140,237,767)	(113,013,471)
	73,203,308	38,172,993
26.01 Provision for income tax		
Opening balance	151,186,464	181,666,149
Provision made during the year	183,396,412	130,015,754
Adjustment during the year	(121,141,801)	(160,495,439)
	213,441,075	151,186,464
26.02 Advance income tax		
Opening balance	113,013,471	153,926,384
Addition during the year	148,366,097	119,582,526
Adjustment during the year	(121,141,801)	(160,495,439)
	140,237,767	113,013,471



		Amount in BDT	
		31 March 2026	31 March 2025
27.00	Revenue (Net of VAT)		
	Local sales-Manufacturing	2,712,715,340	2,363,389,010
	Deemed export-Manufacturing	130,399,030	124,875,061
	Local Sales- Trading	235,327,727	213,292,737
		3,078,442,097	2,701,556,808
28.00	Cost of sales		
	Cost of goods sold (Manufacturing)	28.01 1,702,069,362	1,579,595,613
	Cost of sales (Trading)	28.03 200,976,124	175,553,827
		1,903,045,487	1,755,149,440
28.01	Cost of goods sold (Manufacturing)		
	Materials consumed		
	Opening stock of raw material and packing material	257,479,277	188,436,482
	Addition during the year	1,506,078,441	1,451,687,559
	Less: Closing stock of raw material and packing material	(298,245,682)	(257,479,277)
	Total	1,465,312,036	1,382,644,764
	Manufacturing overhead	Note 28.02 232,104,631	210,245,914
	Opening stock of work-in-progress	4,713,345	4,272,362
	Closing stock of work-in-progress	(5,452,703)	(4,713,345)
	Total	(739,358)	(440,983)
	Cost of production	1,696,677,309	1,592,449,695
	Opening stock of own manufactured finished goods	85,899,211	55,416,122
	Closing stock of own manufactured finished goods	(96,844,230)	(85,899,211)
	Damage and obsolete materials provision	16,337,073	17,629,007
	Total	5,392,054	(12,854,082)
	Cost of goods sold(Manufacturing)	1,702,069,362	1,579,595,613
28.02	Manufacturing overhead		
	Salary & Allowance	83,818,336	78,333,103
	Wages	22,403,788	20,799,785
	Travelling and conveyance	2,669,730	2,783,472
	Rent others - Rented Vehicle	5,913,951	5,175,640
	Repairs and maintenance	5,061,575	4,766,718
	Consumable materials	10,927,413	7,367,339
	Seminars and company meetings expense	455,385	429,216
	Fuel and petrol	1,686,542	2,554,420
	Stationery and office supplies	967,295	879,655
	Security service charges	3,477,765	3,184,926
	Cleaning expenses	361,716	367,000
	Medical service cost	1,022,248	711,897
	Telephone and fax	524,677	526,000
	Internet expenses	344,517	297,947
	Electricity charges	7,219,774	7,272,610
	Gas charges	1,312,418	1,420,345
	Entertainment	2,592,972	2,444,338
	Insurance	10,352,465	10,423,587
	Group insurance	1,165,340	1,088,794
	Testing and certification expenses	1,118,081	639,780
	License, registration and membership	946,710	1,007,132
	Rates and Taxes	120,000	61,732
	Environment & Safety	1,313,200	1,293,974
	Depreciation and Amortization	66,328,733	56,415,704
	Total	232,104,631	210,245,914
28.03	Cost of sales (Trading)		
	Opening stock of imported finished goods	67,199,807	55,720,844
	Purchase of imported finished goods during the year	198,903,284	187,032,790
	Closing stock of imported finished goods	(65,126,966)	(67,199,807)
	Cost of sales (Trading)	200,976,124	175,553,827



	Amount in BDT	
	31 March 2026	31 March 2025
29.00 Administrative expenses		
Salary and allowances	55,030,885	49,042,669
Travelling and conveyance	5,311,018	4,920,040
Rent others - Rented Vehicle	891,248	855,600
Repairs and maintenance	665,595	574,102
Stationery and office supplies	557,187	486,637
Cleaning expenses	366,534	389,284
Telephone and fax	525,620	476,881
Internet expenses	283,902	211,676
Electricity charges	597,575	639,905
Entertainment	6,109,912	5,401,011
Insurance	588,706	654,159
Group insurance	439,586	406,903
License, registration and membership	407,110	732,772
Recruitment expenses	57,890	299,000
Audit fees	357,500	325,000
Audit fees for PF, GF & WPPF	105,000	210,000
Professional fees	4,143,268	5,195,174
Postage	384,253	462,722
Data processing services charges	7,650,430	6,732,296
Royalty	39,607,513	34,968,099
Board Meeting attendance fee	161,000	155,750
Employee training	-	77,784
Bank charges	1,941,043	2,045,416
Office expenses and supplies	904,248	696,034
Bad debts	1,986,547	1,199,648
Depreciation and Amortization	7,464,337	5,937,131
Depreciation on right of use asset	3,231,888	3,231,888
	139,769,796	126,327,581
30.00 Selling and distribution expenses		
Salary and allowances	181,343,876	161,999,643
Travelling and conveyance	58,596,780	54,483,659
Insurance	616,044	560,968
Sample expense	1,389,228	428,942
Convention and exhibit expense	31,860,934	23,699,834
Advertising	17,328,893	43,335,643
Sales promotion expenses	14,565,602	11,827,900
Warehouse rent	-	440,981
Delivery expenses	30,650,117	31,218,310
Overseas travelling	15,127,364	1,589,431
Group insurance	2,702,618	2,526,193
Seminars and company meetings expense	3,169,098	3,511,281
Telephone and fax	3,517,234	3,495,058
Internet expenses	101,823	127,573
Stationery and office supplies	847,804	584,117
Sale agents expenses	12,620,241	5,066,577
Electricity charges	231,000	251,216
Security service charges	690,968	618,345
Depreciation and Amortization	307,177	239,008
Depreciation on right of use asset	5,124,612	5,124,612
	380,791,413	351,129,290
31.00 Foreign exchange (gain)/Loss		
Realized exchange (gain)/Loss	1,504,187	4,059,180
Unrealized exchange (gain)/Loss	866,604	4,628,230
	2,370,791	8,687,409



Amount in BDT	
31 March 2026	31 March 2025
2,128,227	32,687,223
1,801,405	1,600,994
1,575,529	118,098
2,560,040	3,480,850
8,065,201	37,887,165

32.00 Finance cost
Interest on short term borrowing(UPAS)
Interest on Shareholders's loan
Dealer Deposits & others
Interest cost on Lease

7,826	(24,994)
52,000	102,608
6,222,509	5,655,259
19,587,895	51,981,510
25,870,230	57,714,382

33.00 Other income
Gain/(Loss) on sale of assets
Charge for overdue receivable
Sale of scrap
Interest on fixed deposits

34.00 Basic earnings per share (EPS)
Profit after tax
Number of shares
Basic EPS

457,923,338	346,121,680
3,526,945	3,526,945
129.84	98.14

35.00 Particulars of employee

Nationality:

Bangladeshi
Non-Bangladeshi

256	245
1	1
257	246

Salary range:

Monthly Taka 3,000 or above
Monthly below Taka 3,000

257	246
-	-
257	246

36.00 Related party transaction

During the year the company carried out a number of transactions with related parties in the normal course of business. Names of those related parties, Nature of those transactions and their total value have been set out in accordance with the provisions of IAS 24 : *Related Party Disclosure* .

Name of the related party transaction	Nature of transaction	Relationship	Amount due/(receivable) as at 31 Mar 2025	Transaction during the year		Amount due/(receivable) at 31 Mar 2026
				Debit	Credit	
Pidilite Industries Ltd. India	Purchase of finished goods	Parent company through wholly owned subsidiaries	-	143,083,018	143,083,018	-
	Purchase of raw and packing materials		43,768,078	247,139,660	247,122,548	43,750,966
	Royalties		34,968,099	34,968,099	39,607,513	39,607,513
	IT Service		3,798,397	3,798,397	6,189,994	6,189,994
	Cross Charges Digital Campaign at Bangladesh		4,678,742	-	-	4,678,742
	Transfer pricing reimbursement		(1,981,469)	7,606,606	7,824,075	(1,764,000)
Pidilite International Pte. Ltd (Singapore)	Shareholder's Loan received	Parent company	48,899,987	-	-	48,899,987
	Interest on loan		1,700,981	-	1,801,405	3,502,386
	Dividend		-	-	-	-
Mohd. Moniruzzaman	Board Meeting fees	Independent director	-	161,000	161,000	-

37.00 Capital expenditure commitment

Capital expenditure commitment as of 31 March 2026 is BDT 9,283,165.

38.00 Contingent Liability

The company has filed appeals with the Commissioner of Taxes (Appeal) and the Appellate Tribunal against the order of the Deputy Commissioner of Taxes and Appellate Tribunal concerning the income tax assessments for the assessment years 2015-2016, 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2023-2024. The disputed amounts are BDT 14,705,780, BDT 11,025,831, BDT 19,065,456, BDT 51,475,988, BDT 16,619,566, and BDT 155,165,365 respectively. However, the outcome remains uncertain until the final assessment is made. Nevertheless, the management believes that the claim by the Tax Authority is unjustified, and the company has reasonable grounds to expect a favorable judgment.



Pidilite Speciality Chemicals Bangladesh Private Ltd.
 Statement of profit or loss and other comprehensive income
 Income Year: 2025-2026 (Income year ended 31 March 2026)
 Assessment Year: 2026-2027

Annexure 1

	Amount in Taka			
	Sales of manufactured goods		Trading of	Total
	Local Sales	Export Sales	Imported finished goods	
Total sales ratio	88.12%	4.24%	7.64%	100%
MFG sales to Local & Export ratio	95.41%	4.59%		
Total Sales - net of VAT	2,712,715,340	130,399,030	235,327,727	3,078,442,097
Less: Cost of sales	(1,624,004,197)	(78,065,165)	(200,976,124)	(1,903,045,487)
Materials consumed	1,398,105,711	67,206,325	200,976,124	1,666,288,160
Manufacturing overhead	225,898,486	10,858,841	-	236,757,327
Salary & Allowance	79,974,020	3,844,316	-	83,818,336
Wages	21,376,241	1,027,546	-	22,403,788
Travelling and conveyance	2,547,283	122,447	-	2,669,730
Rent others - Rented Vehicle	5,642,708	271,243	-	5,913,951
Repairs and maintenance	4,829,426	232,148	-	5,061,575
Consumable materials	10,426,228	501,184	-	10,927,413
Seminars and company meetings expense	434,499	20,886	-	455,385
Fuel and petrol	1,609,189	77,353	-	1,686,542
Stationery and office supplies	922,930	44,365	-	967,295
Security service charges	3,318,258	159,507	-	3,477,765
Cleaning expenses	345,126	16,590	-	361,716
Medical service cost	975,363	46,885	-	1,022,248
Telephone and fax	500,613	24,064	-	524,677
Internet expenses	328,716	15,801	-	344,517
Electricity charges	6,888,641	331,134	-	7,219,774
Gas charges	1,252,224	60,194	-	1,312,418
Entertainment	2,474,046	118,926	-	2,592,972
Insurance	9,877,651	474,814	-	10,352,465
Group insurance	1,111,892	53,448	-	1,165,340
Testing and certification expenses	1,066,801	51,281	-	1,118,081
License, registration and membership	903,289	43,421	-	946,710
Rates and Taxes	114,496	5,504	-	120,000
Environment & Safety	1,252,971	60,230	-	1,313,200
Depreciation and Amortization	63,286,575	3,042,158	-	66,328,733
Changes in inventory of finished goods and working progress	4,439,300	213,395	-	4,652,696
Gross profit	1,088,711,143	52,333,864	34,351,602	1,175,396,610
Gross profit ratio	40%	40%	15%	38%
Administrative expenses	48,671,269	2,152,847	4,206,768	55,030,885
Salary and allowances	4,697,253	207,771	405,994	5,311,018
Travelling and conveyance	788,251	34,866	68,130	891,248
Rent others - Rented Vehicle	588,676	26,039	50,881	665,595
Repairs and maintenance	492,796	21,798	42,593	557,187
Stationery and office supplies	324,176	14,339	28,019	366,534
Cleaning expenses	464,877	20,563	40,180	525,620
Telephone and fax	185,689	8,213	90,000	283,902
Internet expenses	528,517	23,378	45,681	597,575
Electricity charges	5,384,039	258,808	467,065	6,109,912
Entertainment	520,672	23,031	45,003	588,706
Insurance	388,786	17,197	33,604	439,586
Group insurance	360,063	15,926	31,121	407,110
License, registration and membership	51,200	2,265	4,425	57,890
Recruitment expenses	316,186	13,986	27,329	357,500
Audit fees	92,866	4,108	8,027	105,000
Audit fees for PF, GF & WPPF	3,664,453	162,088	316,727	4,143,268
Professional fees	339,847	15,032	29,374	384,253
Postage	6,766,312	299,290	584,828	7,650,430
Data processing services charges	37,790,920	1,816,593	-	39,607,513
Royalty	142,394	6,298	12,307	161,000
Board Meeting attendance fee	-	-	-	-
Employee training	1,716,728	75,935	148,381	1,941,043
Bank charges	799,749	35,375	69,124	904,248
Office expenses and supplies	1,902,399	84,148	-	1,986,547
Bad debts	7,148,157	316,180	-	7,464,337
Depreciation and Amortization	3,094,989	136,899	-	3,231,888
Depreciation on right of use asset	127,221,264	5,792,971	6,755,561	139,769,796
Selling and distributing expenses	173,662,372	7,681,504	-	181,343,876
Salary and allowances	56,114,692	2,482,088	-	58,596,780
Travelling and conveyance	589,949	26,095	-	616,044
Insurance	1,389,228	-	-	1,389,228
Sample expense	30,511,344	1,349,590	-	31,860,934
Convention and exhibit expense	17,328,893	-	-	17,328,893
Advertising	14,565,602	-	-	14,565,602
Sales promotion expenses	-	-	-	-
Warehouse rent	27,108,052	1,199,054	2,343,011	30,650,117
Delivery expenses	14,486,587	640,777	-	15,127,364
Overseas travelling	2,381,540	114,480	206,598	2,702,618
Group insurance	3,034,859	134,239	-	3,169,098
Seminars and company meetings expense	3,368,248	148,986	-	3,517,234
Telephone and fax	90,056	3,983	7,784	101,823
Internet expenses	749,828	33,167	64,809	847,804
Stationery and office supplies	12,085,663	534,578	-	12,620,241
Sale agents expenses	204,305	9,037	17,659	231,000
Electricity charges	611,117	27,031	52,820	690,968
Security service charges	271,679	12,017	23,482	307,177
Depreciation and Amortization	4,532,389	200,478	391,745	5,124,612
Depreciation on right of use asset	363,086,403	14,597,103	3,107,907	380,791,413
Foreign exchange (gain)/Loss	2,270,367	100,424	-	2,370,791
Operating profit for the year	596,133,110	31,843,366	24,488,134	652,464,610
Less: Non-operating expenses/Income	18,076,248	(75,520)	(195,699)	17,805,029
Interest on short term borrowing(UPAS)	(2,038,078)	(90,149)	-	(2,128,227)
Dealer Deposits & others	(1,508,792)	(66,737)	-	(1,575,529)
Interest on long term loan	(1,725,100)	(76,305)	-	(1,801,405)
Interest cost on Lease	(2,255,901)	(108,440)	(195,699)	(2,560,040)
Gain/(Loss) on sale of assets	7,495	331	-	7,826
Charge for overdue receivable	49,797	2,203	-	52,000
Sale of scrap	5,958,931	263,578	-	6,222,509
Interest on fixed deposits	19,587,895	-	-	19,587,895
	614,209,358	31,767,846	24,292,435	670,269,639
Less: Contribution to WPPF	29,248,065	1,512,755	1,156,783	31,917,603
Profit before income tax for the year	584,961,293	30,255,091	23,135,652	638,352,037



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