

KHANNA & PANCHMIA

CHARTERED ACCOUNTANTS

SPECIAL PURPOSE AUDIT REPORT

To,
The Board of Directors,
Pidilite Industries Limited,
Regent Chambers,
7th Floor, Jammalal Bajaj Marg,
208, Nariman Point,
Mumbai - 400021

Auditors Report on Special Purpose Ind AS Financial Statement of Pidilite USA Inc

Special Purpose Financial Statement

Accompanying Special Purpose Standalone Ind AS Financial Statement of **Pidilite USA Inc.** ('PUSA' or "the Company"), which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in the Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Ind AS Financial Statements").

The said financials statement of "the Company" has been prepared solely for the purpose of usage in preparation of Consolidated Financial Statements of "PIL" as audit is not applicable to the company in the country of incorporation.

Report on the Financial Statements

We have audited the accompanying special purpose Standalone Ind AS Financial Statements of **Pidilite USA Inc.** ('PUSA' or "the Company"), which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in the Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Special Purpose Standalone Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Special Purpose Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were



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operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the Special Purpose Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Standalone Ind AS 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these Special Purpose Standalone Ind AS Financial Statements based on our audit.

We conducted our audit in accordance with the Standards issued by the Institute of Chartered Accountants of India (ICAI). These Standard requires that we plan and perform the audit to obtain moderate assurance as to whether the financial statements are free of material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Standalone Ind AS financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted.

Restriction of use

These Special Purpose Standalone Ind AS financial statements are prepared for the use of the Company and the Holding Company, Pidilite Industries Limited and are prepared for the sole purpose of compliance with section 129(3) the Act. These financial statements are not the statutory financial statements of the Company. As a result, these financial statements may not be suitable for any other purpose. Our report must not be copied, disclosed, quoted, or referred to, in correspondence or discussion, in whole or in part to anyone other than the purpose for which it has been issued without our prior written consent.



Accordingly, we do not accept or assume any liability to any other party to whom it is shown without our prior consent in writing.

For Khanna & Panchamia
Chartered Accountants
Firm Reg. No.136041W

Ketan
Jagdish
Panchmia

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Ketan Panchmia
Partner
Membership No. 038985

Mumbai, 4th May 2026
UDIN 26038985GAOKKL8191

Pidilite USA, Inc.
Balance Sheet as at 31st March, 2026

(Amount in US\$)

Particulars	Notes	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment		-	-
(b) Right of Use Assets		-	-
(c) Goodwill		-	-
(d) Other Intangible Assets		-	-
Total Non Current Assets		-	-
2. Current Assets			
(a) Financial Assets			
(i) Investments	6	3,68,401	10,22,260
(iii) Cash and Cash Equivalents	7	1,06,678	6,63,543
(iv) Other Financial Asset	8	51,376	68,877
Total Current Assets		5,26,455	17,54,680
TOTAL ASSETS		5,26,455	17,54,680
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	9	9,80,000	27,80,000
(b) Other Equity	10	(4,95,164)	(10,52,860)
Total Equity		4,84,836	17,27,140
1. Current liabilities			
(a) Financial liabilities			
i) Trade Payables	11	41,619	27,540
(b) Other Current Liabilities	12	-	-
Total Current Liabilities		41,619	27,540
Total Liabilities		5,26,455	17,54,680
TOTAL EQUITY AND LIABILITIES		5,26,455	17,54,680
Summary of material accounting policies	1-2		
The accompanying notes are an integral part of the financial statements.		3-22	
As per our report of even date attached		For and on behalf of Pidilite USA, Inc.	
For Khanna & Panchamia		SANKET	
Chartered Accountants		SUSHILKUM	
Firm's Registration No: 136041W		AR PAREKH	
Ketan Jagdish Panchmia	Digitally signed by Ketan Jagdish Panchmia Date: 2026.05.04 18:18:21 +05'30'	Digitally signed by SANKET SUSHILKUM AR PAREKH Date: 2026.05.04 18:08:44 +05'30'	
Ketan Panchmia	Partner	Sanket Parekh	
Membership Number: 038985		President	
Place : Mumbai		Place : Mumbai	
Date : 4th May 2026		Date : 4th May 2026	

Pidilite USA, Inc.
Statement of profit and loss for the year 31 March, 2026

(Amount in US\$)

Particulars	Notes	For the Period ended 31st March 2026	For the year ended 31st March, 2025
Income			
Other Income	13	46,111	84,685
Total Income		46,111	84,685
Expenses			
Employee benefit expenses	15	1,24,164	90,209
Other expenses	16	1,63,452	2,60,461
Total expenses		2,87,616	3,50,670
(Loss)/Profit before tax from continuing operations		(2,41,505)	(2,65,985)
Tax expense			
Current tax		-	-
Deferred Tax		-	-
(Loss)/Profit for the period		(2,41,505)	(2,65,985)
Other Comprehensive Income		-	-
Total Comprehensive Loss for the Period		(2,41,505)	(2,65,985)
Earning per equity share			
Basic and Diluted (not annualised)	18	(0.25)	(0.27)
Summary of material accounting policies	1-2		
The accompanying notes are an integral part of the financial statements.	3-22		

As per our report of even date attached

For Khanna & Panchamia

Chartered Accountants

Firm's Registration No: 136041W

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Ketan Panchmia

Partner

Membership Number: 038985

Place : Mumbai

Date : 4th May 2026

For and on behalf of Pidilite USA, Inc.

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Sanket Parekh

President

Place : Mumbai

Date : 4th May 2026

Pidilite USA, Inc.
Statement of changes in Equity for the year ended 31st March, 2026

(Amount in US\$)

a. Equity Share Capital	As at 31st March, 2026	As at 31st March, 2024
Opening Balance	27,80,000	1,47,80,000
Changes in equity share capital during the year	(18,00,000)	(1,20,00,000)
Closing Balance	9,80,000	27,80,000

(Amount in US\$)

b. Other Equity	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 1st April 2024	(11,04,588)	(11,04,588)
Loss for the year	(2,65,985)	(2,65,985)
Other comprehensive income for the year, net of income tax	-	-
Gain on buyback of shares	-	-
Balance as at 31st March, 2025	(13,70,573)	(13,70,573)
Loss for the year	(2,41,505)	(2,41,505)
Other comprehensive income for the year, net of income tax	-	-
Balance as at 31st March, 2026	(16,12,078)	(16,12,078)

Summary of material accounting policies 1-2

The accompanying notes are an integral part of the financial statements. 3-22

As per our report of even date attached

For Khanna & Panchamia

Chartered Accountants

Firm's Registration No: 136041W

Ketan Jagdish Panchmia
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Ketan Panchmia

Partner

Membership Number: 038985

Place : Mumbai

Date : 4th May 2026

For and on behalf of Pidilite USA, Inc.

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Sanket Parekh
President

Place : Mumbai

Date : 4th May 2026

1. Corporate information

Pidilite USA, Inc. ("the Company") was incorporated in Delaware on May 12, 2006. The Company is a wholly owned subsidiary of Pidilite Industries Limited (parent company), a publicly listed company in India.

2.1A Basis of accounting and preparation of financial statements

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rule, 2015 notified under Section 133 of the Indian Companies Act, 2013 ("the Act").

These financial statements do not constitute a set of statutory financial statements in accordance with the local laws in which the company is incorporated and are prepared for the sole purpose of compliance with section 129(3) of the Act.

The financial statements have been prepared on an accrual basis under the historical cost basis, except otherwise stated.

The financial statements are presented in United States Dollars (USD).

2.1B Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realised/ settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realised/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

2.1C Functional and Presentation Currency

These financial statements are presented in United State Dollars (USD) which is also the functional currency. All the amounts have been rounded off to the nearest USD, unless otherwise indicated.

2.2 Significant Accounting Judgements and key sources of Estimation Uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Pidilite USA, Inc.

2.3 Employee Benefits

2.3.1 Short-term Benefits

Employee benefits include salaries and wages, social security contributions and other benefits.

2.3.2 Post-Employment Benefits

The Company's contribution to 401(k) retirement plan is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

2.4 Taxation

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

2.4.1 Current Tax

The tax currently payable is based on taxable profit for the year and any adjustment of the tax payable or receivable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the respective Country's slab rate and other tax laws, as applicable.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.4.2 Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

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

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

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

In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.4.3 Current and Deferred Tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

2.5 Financial Instruments

2.5.1 Initial Recognition and Measurement

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

All financial assets and financial liabilities are initially measured at fair value, except for trade receivables without a significant financing component which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value Through Profit or Loss (FVTPL) are recognised in the Statement of Profit and Loss.

2.5.2 Financial Assets

Classification

Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- (i) Financial assets at fair value (FVTPL/FVTOCI)
- (ii) Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at Amortised Cost (net of any write down for impairment, if any)

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Other Comprehensive Income ("FVTOCI")

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL"):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Derecognition of Financial Assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Company has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

2.5.3 Financial Liabilities and equity instruments

2.5.3.1 Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

2.5.3.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

2.5.4 Financial Liabilities

All financial liabilities (other than derivative financial instruments) are measured at amortised cost using effective interest method at the end of reporting periods.

2.5.5 Derecognition of Financial Assets and Liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive the cash flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

The Company derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.6 Property, Plant and Equipment

Useful lives of tangible assets, as determined by the company and assessed on an annual basis, is based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II of the Companies Act, 2013, prevalent in India, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

2.7 Intangible Assets

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

2.8 Leasing

The Company at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short - term leases). For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.9 Provisions and Contingencies

A provision is recognised when as a result of past event, the Company has a present legal or constructive obligation which can be reliably estimated and it is probable that an outflow of economic benefit will be required to settle the obligation.

Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.10 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.11 Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

2.12 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / loss before tax for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments. Cash Flows from operating, investing and financing activities of the Company are segregated.

Cash and Cash Equivalents for the purpose of Cash Flow Statement comprise of cash at bank, cash in hand and short- term deposits with an original maturity of three months or less, as reduced by bank overdrafts.

6 Investments - Current

	(Amounts in US\$)	
	As at 31st March 2026	As at 31st March 2025
Current Investments		
A] Investment in Mutual Funds (at FVTPL) (Quoted)		
U.S. Government Market Fund Current Investments (A)	3,68,401	10,22,260
A] Investment in Promissory Note (at amortised cost) (Unquoted)		
Convertible Promissory Note of Optmed Inc	7,25,797	7,25,797
Less: Impairment in value of Investments	(7,25,797)	(7,25,797)
(B)	-	-
Total (A+B)	3,68,401	10,22,260
Aggregate carrying value of quoted investments	3,68,401	10,22,260
Aggregate market value of quoted investments	3,68,401	10,22,260
Aggregate carrying value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	7,25,797	7,25,797

7 Cash and Cash Equivalents

	As at 31st March 2026	As at 31st March 2025
Balance with banks		
In Current Account	1,08,678	2,95,401
In Fixed Deposit Accounts with original maturity of 3 months or less	-	3,68,142
Total	1,08,678	6,63,543

8 Other Financial Assets-Current

	As at 31st March 2026	As at 31st March 2025
Other receivables		
Unsecured, Considered good	51,376.09	68,877
Total	51,376	68,877

9 Share Capital

	31st March 2026		31st March 2025	
	Number of Shares	USD	Number of Shares	USD
Authorised Capital:				
Common Stocks of USD 1 each	2,70,00,000	2,70,00,000	2,70,00,000	2,70,00,000
Issued, Subscribed and Paid up Capital:				
Common Stocks of USD 1 each fully paid up	9,80,000	9,80,000	27,80,000	27,80,000

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

Particulars	31st March 2026		31st March 2025	
	Number of Shares	USD	Number of Shares	USD
Opening Balance	27,80,000	27,80,000	1,47,80,000	1,47,80,000
Add: Number of shares allotted as fully paid-up during the year	-	-	-	-
Less: Numbers of shares bought back during the year	(18,00,000)	(18,00,000)	(1,20,00,000)	(1,20,00,000)
Closing Balance	9,80,000	9,80,000	27,80,000	27,80,000

Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of USD 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion of their shareholding.

Details of shareholders holding more than 5%/ Holding company/Promoter Holding:

Shares held by promoters at the end of the year	31st March 2026		31st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pidilite Industries Limited*	9,80,000	100%	27,80,000	100%

*There is no change in % of promoter holding in the current year as well as previous year

10 Other Equity

	As at 31st March 2026	As at 31st March 2025
Retained Earnings		
Opening Balance	(10,52,860)	(7,86,875)
Add: Profit/(Loss) for the year	(2,41,505)	(2,65,985)
Add: Gain on Buyback of shares	7,99,200	-
Closing Balance	(4,95,164)	(10,52,860)

Retained Earnings

Retained earnings are the profits that the Company has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders

11 Trade Payables

	(Amounts in US\$)	
	As at 31st March 2026	As at 31st March 2025
Total Outstanding dues to Micro Enterprises & Small Enterprises	-	-
Total Outstanding dues to creditors other than Micro Enterprises & Small Enterprises	41,619	27,540
	<u>41,619</u>	<u>27,540</u>

Trade Payables Ageing schedule
Particulars

Particulars	Not Due	Outstanding for following periods from due date of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed Dues - MSME	41,619	-	-	-	-	41,619
(iv) Disputed Dues -Others	-	-	-	-	-	-
Total	41,619	-	-	-	-	41,619

Trade Payables Ageing schedule
Particulars

Particulars	Not Due	Outstanding for following periods from due date of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed Dues - MSME	27,540	-	-	-	-	27,540
(iv) Disputed Dues -Others	-	-	-	-	-	-
Total	27,540	-	-	-	-	27,540

12 Other Current Liabilities

	As at 31st March 2026	As at 31st March 2025
	Statutory Remittances	-
	<u>-</u>	<u>-</u>

Pidilite USA, Inc.

Notes forming part of the financial statements for the year ended 31 March 2026

(Amounts in US\$)

13 Other Income

	For the year ended 31st March 2026	For the year ended 31st March 2025
Interest on Fixed Deposit	46,111	14,697
Dividend income	-	49,546
Other income	-	11,098
Liabilities no longer required written back	-	9,344
	46,111	84,685

14 Employee Benefits expense

	For the year ended 31st March 2026	For the year ended 31st March 2025
Salaries and Wages	1,24,164	51,826
Staff Welfare Expenses	-	38,383
	1,24,163.50	90,208.90

15 Other Expenses

	For the year ended 31st March 2026	For the year ended 31st March 2025
Legal, Professional and Consultancy fees	97,333	1,66,652
Impairment of investment	-	50,797
Computer and Software expenses	13,857	8,088
Payments to auditor	-	3,000
Rent (refer note 23)	4,396	3,019
Miscellaneous expenses	47,867	28,906
	1,63,452.28	2,60,461.14

16 Discontinued Operations

During the year ended 31st March 2023, the Company had decided to discontinue the operations of its Sargent Arts division in a phased manner over a period of one year. Accordingly during the year ended 31st March 2024 the operations of Sargent Arts division have been completely discontinued.

Results of discontinued operation

	For the year ended 31st March 2026	For the year ended 31st March 2025
Total Income	-	43,79,096
Total expenses	-	72,55,070
Loss before tax from discontinued operation	-	(28,75,974)
Income tax on discontinued operation	-	-
Loss after tax from discontinued operation	-	(28,75,974)

Cash flows from discontinued operations

	For the year ended 31st March 2026	For the year ended 31st March 2025
Cash flows generated/(used in) from operating activities	-	30,35,761
Cash flows generated/(used in) from investing activities	-	87,955
Cash flows generated/(used in) from financing activities	-	-
Net Cash flows generated	-	31,23,716

Pidilite USA, Inc.**Notes forming part of the financial statements for the year ended 31 March 2025****17 Earnings per share**

	<u>For the year ended 31st March 2026</u>	<u>For the year ended 31st March 2025</u>
a. From Continuing Operations		
Computation for both basic and diluted earnings per share of US\$ 1 each (previous year USD 1 each)		
a. (Loss)/ Profit as per statement of profit & loss available for equity shareholders	(2,41,505)	(2,65,985)
b. Number of equity shares for basic and diluted earnings per share computation	9,80,000	9,80,000
c. Basic and diluted earnings per share (₹)	(0.25)	(0.27)
b. From Discontinued Operations		
Computation for both basic and diluted earnings per share of US\$ 1 each (previous year USD 1 each)		
a. Loss as per statement of profit & loss available for equity shareholders	-	-
b. Number of equity shares for basic and diluted earnings per share computation		9,80,000
c. Basic and diluted earnings per share (US\$)	-	-
c. From Continuing and Discontinued Operations		
Computation for both basic and diluted earnings per share of US\$ 1 each (previous year USD 1 each)		
a. Loss as per statement of profit & loss available for equity shareholders	(2,41,505)	(2,65,985)
b. Number of equity shares for basic and diluted earnings per share computation	9,80,000	9,80,000
c. Basic and diluted earnings per share (US\$)	(0.25)	(0.27)

18 Contingent Liabilities and Commitments

There are no contingent liabilities and commitments as on 31st March 2025

Note 19 Financial Instruments

(Amounts in US\$)

a) Capital Management

The Company manages its capital to ensure that it is able to continue as going concerns while maximising the return to stakeholders through the optimum

b) Categories of financial instruments

	As at 31st March 2026	As at 31st March 2025
Financial assets		
Measured at Fair Value Through Profit or Loss (FVTPL)		
Investment in Mutual funds	368401.3	10,22,260
Measured at amortised cost		
Investment	-	-
Cash and Cash Equivalents	1,06,678	6,63,543
Other Financial Assets	51,376	68,877
Total Financial Assets	5,26,455	17,54,680
Financial liabilities		
Measured at amortised cost		
Trade Payables	41,619	27,540
Other Financial Liabilities	-	-
Total Financial Liabilities	41,619	27,540

c) Financial risk management objectives

The Company's management monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk. The Company does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

ii) Credit risk management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk

iv). Foreign currency sensitivity analysis

The Company's activities does not expose it to the financial risk of changes in foreign currency exchange rates .

i) Liquidity risk management

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting its financial obligation as they fall due. The Company manages the liquidity

Liquidity risk tables

	Less than 1 year	1-5 years	More than 5 years	Total	Carrying Amount
As at 31st March 2026					
Non-interest bearing					
- Trade Payables	41,619	-	-	41,619	41,619
- Other Financial Liabilities	-	-	-	-	-
	41,619	-	-	41,619	41,619
As at 31st March 2025					
Non-interest bearing					
- Trade Payables	27,540	-	-	27,540	27,540
- Other Financial Liabilities	-	-	-	-	-
	27,540	-	-	27,540	27,540

Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

(i) Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets / financial liabilities	Fair value as at		Fair value heirarchy	Valuation technique(s) and key input(s)
	31st March 2026	31st March 2025		
Investment in Mutual Funds	Listed funds fair value of USD 3,68,401.30	Listed funds fair value of USD 10,22,259	Level 1	Quoted bid prices in active market

(ii) Financial instruments measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

20 Related Party Disclosures

Related Party Disclosures as required by Ind-AS 24 'Related Party Disclosures' are given below:

(i) Relationships

- a. Pidilite Industries Limited (Holding Company)
- b. Pidilite International PTE Ltd (Fellow Subsidiary)

(ii) Key Management Personnel (KMP):

- a. Sanket Parekh President & Director
- b. Bharat Oza Director
- c. Janda Henkel Director
- d. Apurva Parekh Director
- e. Ajay Parekh Director

ii) Transactions with Related Parties are as follows:

(Amounts in US\$)

Sr. No.	Particulars	Category	31st March 2026	31st March 2025
a	Royalty Paid Pidilite International PTE Ltd	1	-	-
b	Reimbursement of expenses made Pidilite Industries Limited	1	4,14,894	2,87,943

iii) Amount outstanding:

Sr. No.	Particulars	Category	31st March 2026	31st March 2025
a	Other receivables Pidilite Industries Limited	1	51,376.09	68,876.60

PIDILITE USA, Inc.

Notes forming part of the financial statements for the year ended 31st March 2025

21 Employee Benefits Plans

Defined Contribution 401(k) Plan

The Company and the Subsidiaries have a defined contribution plan for the benefit of its eligible employees pursuant to Section 401(k) of the Internal Revenue Code. The employer contribution charged to the Company's and the subsidiaries' operations amounts to the following for the years ended March 31 2025 is \$156.(March 31,2024: \$17,746)

22 Lease

The components of lease cost for operating lease for the year ended March 31, 2025, and March 31, 2024, are summarized below:

	(Amounts in US\$)	
	31st March 2026	31st March 2025
Operating lease cost*	4396	3,019
Total	4396	3,019

*Operating lease expenses include short-term leases, variable lease costs, and leases that did not meet the capitalization requirement of the Company.

As per our report of even date attached
For Khanna & Panchamia
Chartered Accountants
Firm's Registration No: 136041W
Ketan
Digitally signed by
Ketan Jagdish
Panchmia
Jagdish
Panchmia
Date: 2026.05.04
18:19:35 +05'30'
Ketan Panchmia
Partner
Membership Number: 038985

Place : Mumbai
Date : 4th May 2026

For and on behalf of Pidilite USA, Inc.

SANKET
SUSHILKUMAR
AR PAREKH
Digitally signed by
SANKET SUSHILKUMAR
PAREKH
Date: 2026.05.04
18:11:06 +05'30'
Sanket Parekh
President

Place : Mumbai
Date : 4th May 2026