

# Comprehensive Business Performance Analysis of Pidilite Industries

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## ABSTRACT

This research report presents a comprehensive performance analysis of Pidilite Industries Limited, a leading Indian manufacturer in the adhesives and specialty chemicals sector. The study evaluates the company's financial, marketing, human resources, corporate social responsibility (CSR), and Environmental, Social, and Governance (ESG) performance to provide a holistic view of its operational effectiveness, market competitiveness, and sustainability practices.

Using a combination of quantitative and qualitative data, including annual reports, employee metrics, market analysis, and CSR disclosures, this report identifies Pidilite's strengths, weaknesses, opportunities, and challenges across its core business areas. Key performance indicators (KPIs) are assessed to determine the company's current position and growth trajectory.

The findings reveal strong financial health, effective brand positioning, employee engagement initiatives, and a committed approach to CSR and ESG standards. Strategic recommendations are provided to further enhance Pidilite's long-term value creation and sustainability.

Key word : CSR, ESG KPI,

## INTRODUCTION

Pidilite Industries Limited is an Indian **adhesive manufacturer** based in Andheri (East) in Mumbai. The company is a **major Indian adhesive manufacturer. Pidilite also produces products in industries such as art materials and stationery. Food and fabric care; car products, adhesives, sealants. Special industrial products such as adhesives, pigments and more. Textile resin, leather chemicals, abdominal discharge.**

**Pidilite sells the Febicol area of adhesive. Other brands include Fevikwik, Fevigum, and Dr. Fixit, Roff, Cyclo, Rani pal, Hobby Ideas, M-Seal, Acron. We also sell and produce WD-40 in India.**

This research report presents a comprehensive performance analysis of **the Pidilite industry, where financial, marketing, human resources and corporate social responsibility (CSR) performance is evaluated. The purpose of this study is to assess key performance indicators (KPIs) in these areas to gain insights into our general effectiveness, competitiveness and sustainability.**

**Analyses are based on quantitative and qualitative data, including annual financial statements, market trends, employee performance metrics, and CSR initiatives. This report provides strategic recommendations to improve business performance and drive long-term growth by determining strengths, weaknesses, opportunities and challenges.**

**The results of this study help stakeholders, investors and management to make data control decisions to improve operational efficiency, market positioning, corporate responsibility, and at the same time ensure sustainable business success.**

## OBJECTIVE

- To analyse the overall financial performance of the company.
- To analyse the human resource performance of the company.
- To analyse the marketing performance of the company.

- To analyse the corporate social responsibility (CSR) performance of the company.

To analyse the ESG (Environmental, Social, Governance) Performance of the company.

## COMPANY OVERVIEW

Pidilite Industries Limited is an Indian **adhesive manufacturer** based in Andheri (**East**) in Mumbai. The company is the dominant and **large adhesive** company in India. **Pidilit** also **produces** products **through industries** such as art materials and **stationery**. **Food** and fabric care; car products, adhesives, **sealants**. **Special** industrial products **such as** adhesives, **pigments and more**. **Textile resin**, leather chemicals, **abdominal discharge**. **Pidilit** sells the **Febicol** area of **adhesive**. **Other brands include** Fevikwik, Dr. Fixit, Roff, Cyclo, Ranipal, Hobby Ideas, **M-Seal, Acron**. **We also sell and produce** WD-40 in India.

The company has manufacturing facilities **throughout India**, including **Pidilite** from Mahad (Maharashtra), **VAPI** (Gujarat), **Badi** and **Karabis** (both Himachal Pradesh). For decades, we have **closed strong relationships with people in all areas of life**, pioneering products for small to large **applications in our homes and industries**. **Our product portfolio is diverse, ranging from adhesives, sealants, water storage solutions, abdominal discharges to handicrafts, industrial resins, polymers, and more**. **Today, the Pidilit brand is a reliable home term and industry name and is a market leader in adhesives**. A robust and growing network makes products accessible **in demographic data and locally**.

## KEY COMPETITORS:

- Asian Paints (for waterproofing)
- Berger Paints (for construction chemicals)
- Henkel (in industrial adhesives)
- Astral Adhesives (in solvent-based adhesives)

## Future Outlook

Pidilite is expanding aggressively into **waterproofing and construction chemicals**, focusing on **sustainability and R&D-driven innovations**. With rising construction and infrastructure development in India, the company is expected to maintain **strong growth** in the coming years.

## Market Presence

- **India:** Dominates the adhesives market with an extensive distribution network.
- **Global:** Presence in over **70 countries**, with subsidiaries and joint ventures in **Brazil, the USA, Thailand, Egypt, Bangladesh, and Sri Lanka**.

## Financial Performance (as of the latest reports)

- **Revenue:** ₹10,000+ crore (approx.)
- **Market Cap:** ₹1.5+ lakh crore (approx.)
- **Profitability:** Strong margins due to brand strength and premium pricing

## Competitive Advantage

- **Strong brand recall** (Fevicol is a household name)
- **Wide distribution network** (urban and rural penetration)
- **Continuous product innovation** (new waterproofing and industrial solutions)
- **Strong marketing campaigns** (iconic Fevicol advertisements)

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## Revenue and Profitability

In the fiscal year 2023-24 (FY24), Pidilite reported net sales of ₹12,383 crore, marking a substantial increase from ₹9,921 crore in FY22. The operating profit for FY24 stood at ₹2,707 crore, reflecting robust growth compared to ₹1,847 crore in FY22. Earnings Per Share (EPS) also saw a significant boost, reaching ₹34.01 in FY24, up from ₹23.76 in FY22.

## Expense Analysis

Total expenses for FY24 rose to ₹9,676 crore from ₹7,937 crore in FY22. Despite the increase in expenses, the company maintained a healthy operating profit margin of 22% in FY24, up from 19% in FY22, indicating effective cost management.

## Liquidity and Solvency

Pidilite exhibits a strong liquidity position, with cash and equivalents amounting to ₹2,406 crore as of March 31, 2024. The company remains term debt-free, underscoring its conservative approach to leveraging. This robust liquidity ensures that Pidilite can comfortably meet its working capital requirements and capital expenditures over the medium term.

## Market and Shareholder Value

As of the latest available data, Pidilite's market capitalization stands at approximately ₹1,57,885 crore. The company's Return on Equity (ROE) is 22.8%, reflecting efficient utilization of shareholder funds. The stock is trading 5.33% below its 52-week high and

35.4% above its 52-week low, indicating a stable market performance.

### Market Performance Analysis

In the second quarter ending September 30, 2024, Pidilite reported a consolidated net profit of ₹535 crore, an 18.8% increase year – over - year, surpassing analysts' expectations. Revenue rose by 5.2% to ₹3,235 crore during the same period. The consumer and bazaar segment, accounting for nearly 80% of Pidilite's revenue, grew by 2.9%, while the business-to-business segment saw a 14.3% increase.

### Human Resource Performance Analysis

Pidilite places a strong emphasis on employee well-being and safety. The company has set targets to reduce overall safety ratios, including fatality rate, severity rate, and incident rate, by 30% from FY19 levels by 2030. Gender diversity at Pidilite stands at 6%, which is higher than the industry average, reflecting the company's commitment to inclusive growth.

### Corporate Social Responsibility (CSR) Performance Analysis

Demonstrating its commitment to societal betterment, Pidilite exceeded its CSR obligations for the financial year 2022-23 by spending ₹32.80 crore, surpassing the mandated ₹30.49 crore. This proactive approach underscores the company's dedication to community development and societal welfare.

### Marketing Performance Analysis:

- **Fevicol, Fevikiwik, Dr. Fixit, and M-Seal** are household names, commanding a strong market share in adhesives and sealants.
- Pidilite continues to dominate the **B2C adhesives market** due to deep brand penetration and emotional connect with consumers.
- Creative ad campaigns (e.g., "Fevicol ka Jod") have enhanced recall and loyalty.
- New product innovations in construction chemicals and art materials (Hobby Ideas, etc.) to capture niche segments.

### Human Resources Analysis:

- Emphasis on **employee empowerment**, innovation, and internal growth.
- Great Place to Work certified in several years, reflecting high employee satisfaction.
- Structured programs for leadership development and technical upskilling.
- Investment in digital transformation and HR tech to streamline operations.
- Competitive compensation, stock options, and value-driven culture help attract and retain talent.

### Corporate Social Responsibility (CSR):

- Focus on **education, water conservation, rural development, and skill development.**
- Pidilite's collaboration with **BAIF** for sustainable agriculture and rural livelihoods.
- **CSR spend** is consistent and aligns with the company's long-term sustainability goals.
- Environmental efforts include **reducing carbon footprint, water recycling, and green manufacturing** initiatives.
- Regular sustainability reports are released, maintaining transparency with stakeholders.