



**SHALIMAR**  
PAINTS

August 16, 2021

BSE Limited  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort, Mumbai - 400 001

National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G- Block  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400051

**(Scrip Code: BSE – 509874, NSE – SHALPAINTS)**

**Subject: Press Release**

Dear Sir(s),

We furnish herewith a copy of press release dated August 16, 2021 for your reference and records.

You are requested to kindly take the above information and Acknowledge receipt.

Thanking You

For Shalimar Paints Limited

(Mohit Darter)  
Chief Financial Officer



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**Shalimar Paints Ltd.**

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## **Shalimar Paints Limited**

### **Key Consolidated Highlights for Q1 FY22**

**Investor Release (16<sup>th</sup> August 2021):** Shalimar Paints Limited engaged in the manufacturing and marketing of decorative paints and industrial coatings has declared its Un-audited financial statements for the Quarter ended 30<sup>th</sup> June 2021.

#### **Key Consolidated Financial Highlights:**

Particulars (Rs. Crs.)	Q1 FY22	Q1 FY21	Q4FY 21
Revenues	65.2	44.5	111.7
EBITDA	-8.9	-5.2	-1.3
Profit/Loss After Tax	-19.5	10.6	-28.6

#### **Key Challenges:**

- **Increase in raw material cost:**
  - From Q3 FY21, raw material prices have seen an increasing trend, which resulted into ~7%-10% increase in overall manufacturing costs
  - Compared to last year, prices of key raw material have increased by more than 50%, impacting the profitability of the company
  - During the quarter, company partially increased its selling price
  - In the coming quarters looking at the raw material trend, company will decide on the future pricing strategy
- **Increase in Other Expenditure:**
  - Increase in the freight cost was largely due to
    - Disruption in transport facilities due to COVID-19 2nd wave
    - Increase in diesel prices



**Commenting on the Results, Mr. Ashok Gupta, Managing Director, Shalimar Paints said,**

“It has been a challenging year and the company has witnessed a disruption that had a devastating impact on the Company’s performance. Despite the initial phase of reopening of the economy, the unforeseen challenges & crisis of 2<sup>nd</sup> wave of COVID-19 hit the pause button again.

Commodity prices too witnessed an unprecedented surge. The company has felt the impact of increasing raw material cost over the past few quarters. Also there has been some disruption in transport facilities leading to an increase in freight cost. These all factors have impacted our profitability.

Unlocks, and the big sentiment booster of vaccination rollout are expected to spur consumer spending and boost business confidence. The pandemic also brought about certain fundamental shifts in the industry. Home improvement and focus on health & hygiene are expected to remain key growth catalysts. With the uptake in the real estate sector on the back of consumers buying houses we expect volumes to pick up in the coming quarters.

We believe we are working in the right direction for a long-term sustainable growth”.



### **About Shalimar Paints Limited**

Established in 1902, the history of Shalimar Paints is the history of the paint industry in India. The company is engaged in the manufacturing and marketing of decorative paints and industrial coatings. The Decorative business covers both Interior and Exterior paints, where it has a number of flagship brands. Some of India's iconic buildings and structures such as the Howrah Bridge, Rashtrapati Bhawan, Salt Lake Stadium, All India Institute of Medical Sciences, and many others, have been painted with Shalimar Paints. The company currently has three manufacturing units and a strong footprint across the country with over 30+ branches and depots. The wide and expansive network of RDC and depots spread across the country ensures that the products are available at every doorstep. Apart from India, Shalimar also caters to consumers in Nepal, Bhutan, Dubai, and Seychelles.

### **Safe Harbor**

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

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#### **Company:**

#### **Investor Relations Advisors:**



#### **Shalimar Paints Limited**

CIN: L24222HR1902PLC065611

#### **Ms. Minal Srivastava**

Vice President - Strategy

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