



Asian Paints Limited
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www.asianpaints.com

APL/SEC/32/2023-24/55

26th October 2023

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Security Code: 500820

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Symbol: ASIANPAINT

Sir/Madam,

Sub: Investor Presentation for the quarter and half-year ended 30th September 2023

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed the presentation made to the investors on the audited standalone financial results and the unaudited consolidated financial results of the Company for the quarter and half-year ended 30th September 2023.

The audio recording and transcript of the Investors Conference will be uploaded on the website of the Company (www.asianpaints.com) and the Stock Exchanges, as prescribed under the Listing Regulations.

You are requested to take the above information on record.

Thanking you,

Yours truly,

For **ASIAN PAINTS LIMITED**

R J JEYAMURUGAN
CFO & COMPANY SECRETARY

Encl.: As above





Investor Conference

Q2 - FY2024 Results



Delivering joy since 1942....
We exist to Beautify, Preserve, Transform all Spaces and Objects,
bringing happiness to the World!



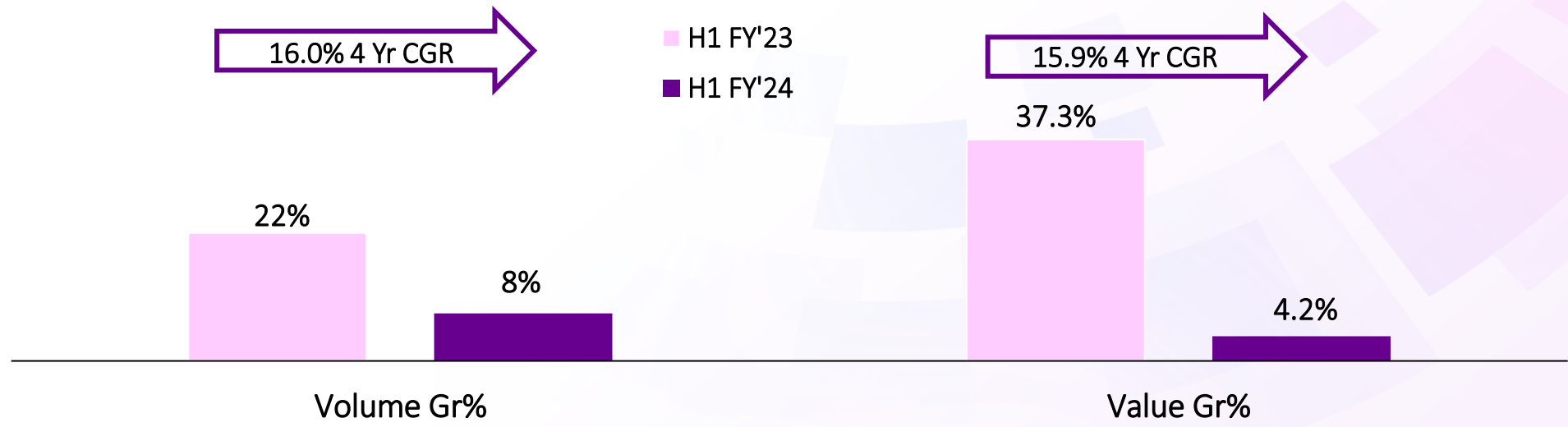
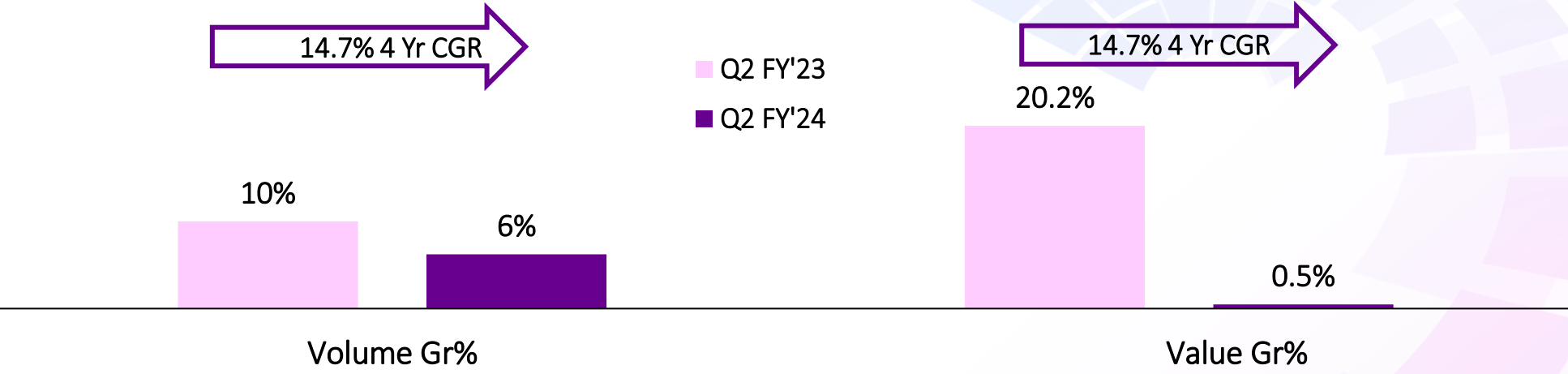


Disclaimer

This communication, except for the historical information, may contain statements which reflect the Management's current views and estimates and could be construed as forward-looking statements. The future involves many risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange and commodity price fluctuations, competitive product and pricing pressures and regulatory developments.

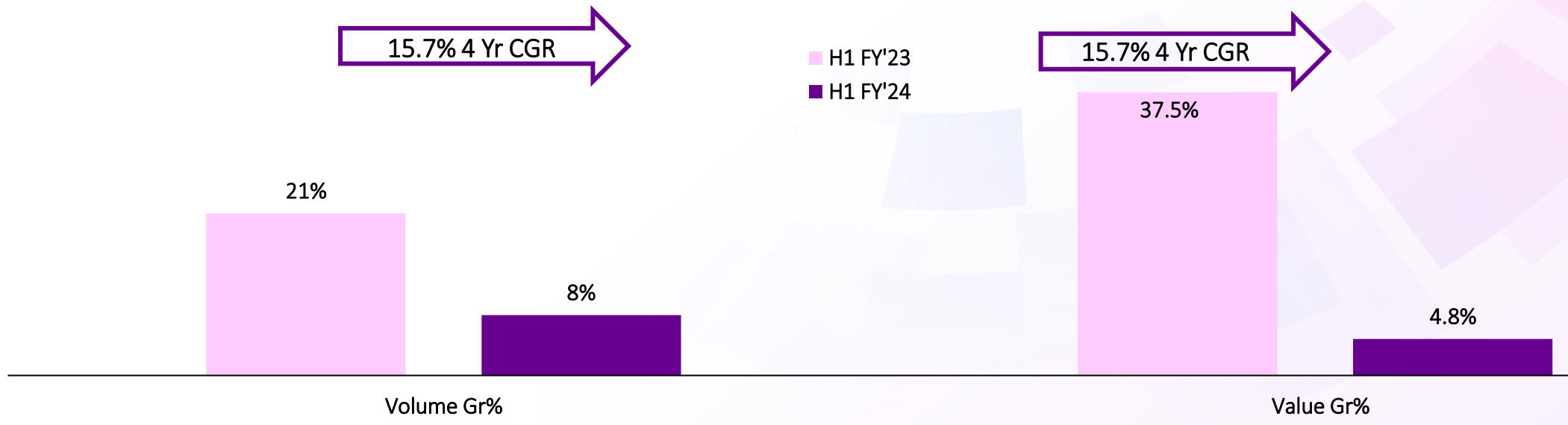
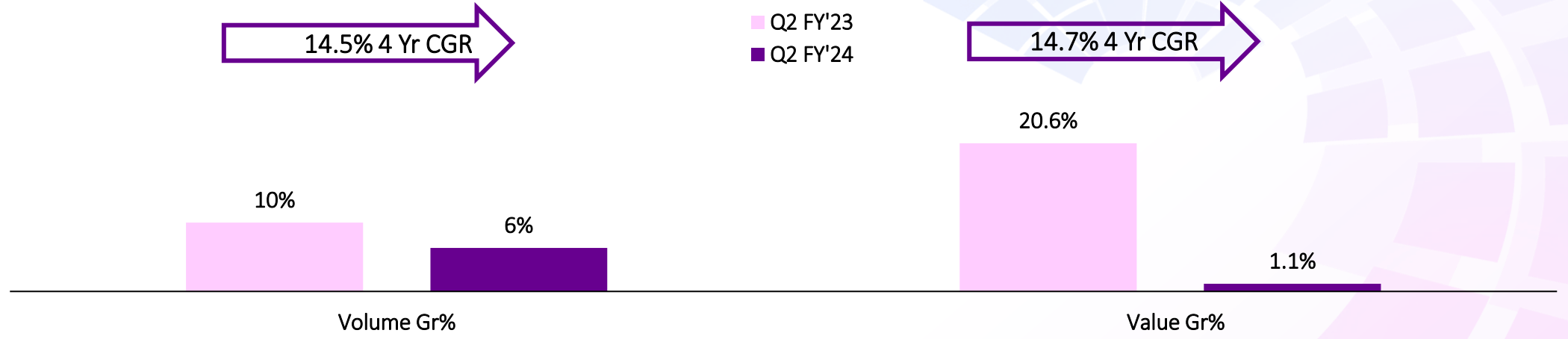
Moderation in Topline Reflecting Weak Consumer Sentiment; Healthy Exit in September

Decorative Business (India)



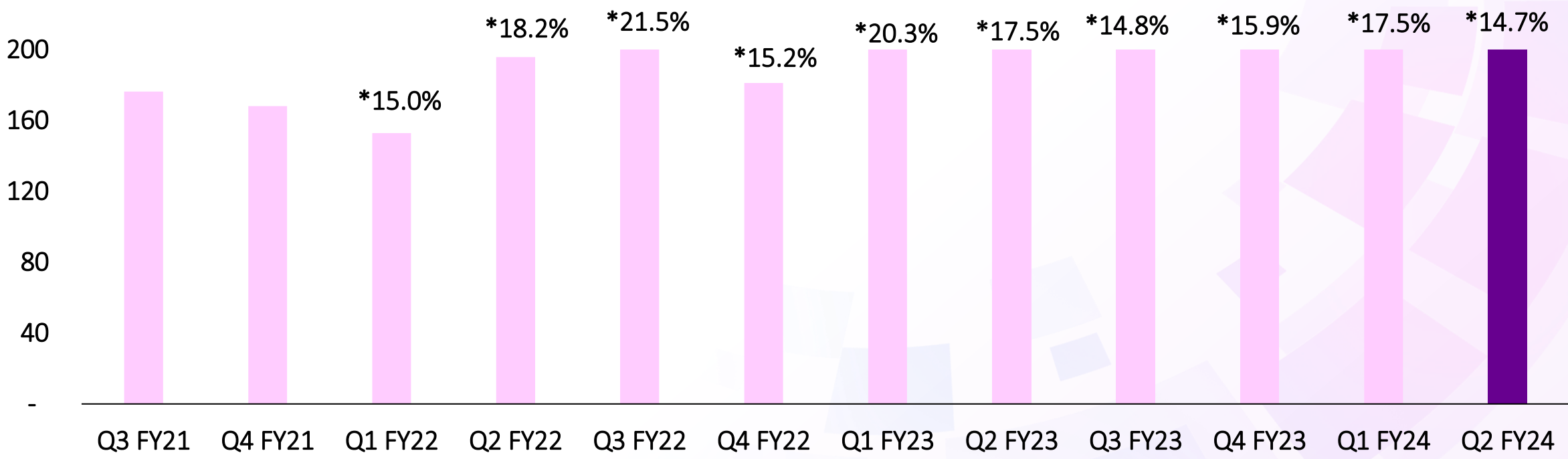
Overall Domestic Paints (Deco plus Industrial) Improves the Top Line Marginally

Decorative Plus Industrial Paints



Decorative Business (India)

A Consistent Double-Digit Volume Trajectory on 4 Year Compounded Growth Rate Basis



Quarterly Representation of Volumes Sold on Base of Q1 FY19 as 100
**% represents 4 Year Compounded Growth Rate*

Scorecard of our Growth Drivers

- ❑ High single-digit volume growth across urban markets; rural growth a notch lower
 - Over 4 years, both rural & urban centers growing equally well with similar double-digit CGRs
- ❑ Mix led by Economy range of products
 - Luxury range also saw reasonable traction
 - Reversal of trend in September
- ❑ Maintained strong growth in Smartcare Waterproofing
- ❑ Continued expansion of distribution footprint
 - Catering to over 1.6 lac retail touchpoints, added 2,500 touchpoints in Q2

- ❑ Strong traction for our Safe Painting Service (SPS) & Trusted Contractor Service (TCS)
 - Exponential growth over last year
 - Enhanced customer experience
- ❑ Robust growth in Projects / Institutional Business continues
 - Led by Builder, Factories & Govt Sector
- ❑ Continued our focus on innovation
 - New products contributed to about 11% of overall revenues
- ❑ Work on capacity expansion, backward integration initiatives progressing well

NILAYA NATURALS ECO SYSTEM



PRIMER



TOP-COAT



PUTTY

Pushing the Boundaries on Innovation

- ❑ Nilaya Naturals has over 90% natural content, leaving behind negligible carbon footprint
- ❑ Packaged in ocean recycled plastic, a 1st in the Indian Paint industry
- ❑ Available with its ecosystem - Primer & Putty, ensuring very low VOC




ROYALE
Designer Palette

SHMET | શ્રેયઃ

HERITAGE OF INDIAN WHITES AND IVORIES




LARGER-THAN-LIFE ACTION AND STAR POWER LIKE NO OTHER. ANY YET, IT'S ASIAN PAINTS ROYALE GLITZ THAT STEALS THE SPOTLIGHT.



Igniting the firecrackers early this season, Royale Glitz is back with a new film filled to the brim with luxury, elegance, and personified grandeur. Rekindling the luxurious décor world now with generous helpings of an action-packed performance, this season Royale Glitz introduces a new feature of 'Crack Free Performance'.

TVC Theme: In the previous ad, the smooth, flawless glamour of the wall stole the beauty queen, brand ambassador Deepika Padukone's, spotlight! This time, she gets one-upped in performance as well with a surprise twist. The power-packed action sequence of a film in a film doesn't let you blink. And a seamless hyperbolic product proposition integration results in something really special.



asianpaints apcolite



WILL THE WALL GET STAINED?

Stain-repellant Apcolite All Protek with LOTUS EFFECT TECHNOLOGY



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asianpaints

मेरावाला Shade

by röyale GLITZ

SPOTLIGHT WALL



SONY ENTERTAINMENT TELEVISION

asianpaints

मेरावाला Shade



ROYALE GLITZ SPOTLIGHT MOMENT OF THE DAY

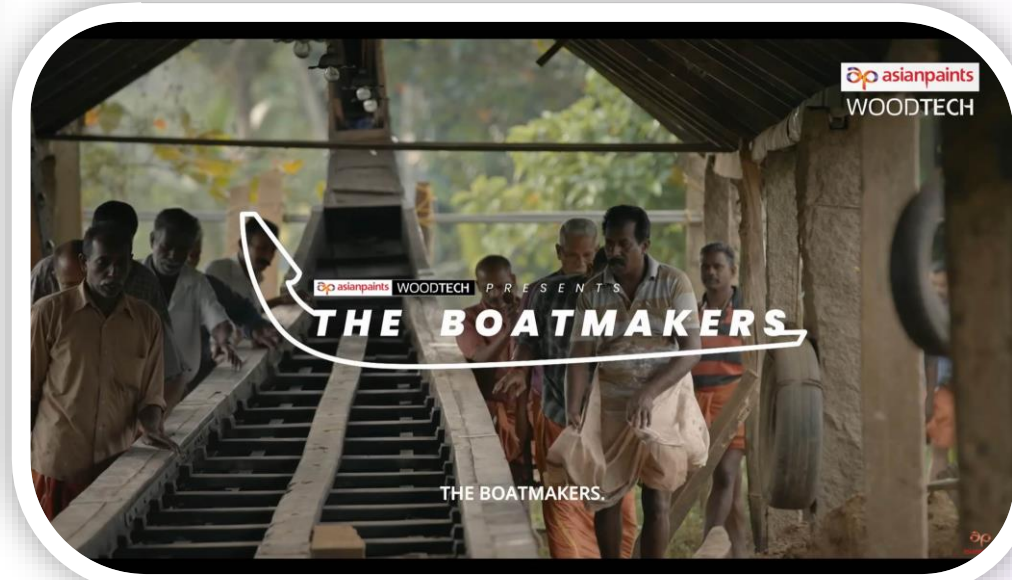


Customise your shade

www.asianpaints.com/mera-wala-shade.html

Recently Launched Media Campaigns & Initiatives to Propel Growth

Recently Launched Digital Campaigns - Bonding us with our Customers



Chaman Lal Punjab

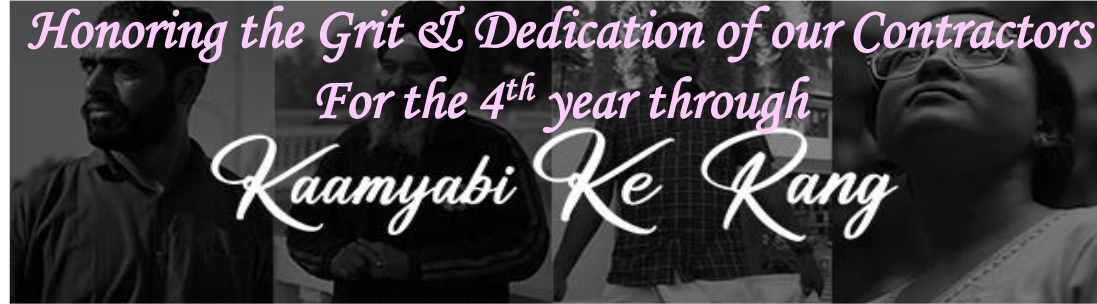
Motivated by a deep-rooted desire to provide for his family, Chaman Lal dedicated himself to mastering his finances. His eagerness to learn and drive for growth propelled his contracting business to unprecedented achievements in Punjab.



Gaurav Indore

Gaurav's love for painting runs deep, much like his father whose artworks are the talk of Indore. His commitment to professionalism and positive interactions stands as the cornerstone of his success.

*Honoring the Grit & Dedication of our Contractors
For the 4th year through
Kaamyabi Ke Rang*



Aneesh Kerala

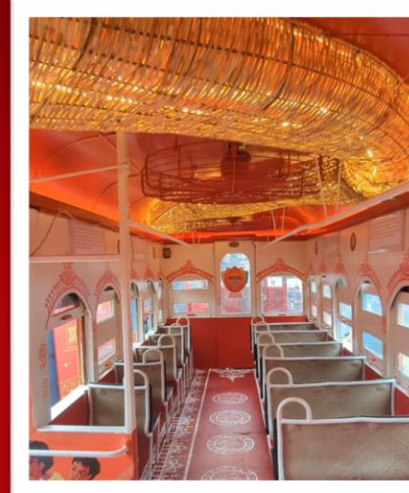
Fueled by a profound longing to give back to his hometown, Aneesh's strong determination has led him to establish a robust painting business in Kerala. His visionary outlook and innate leadership abilities have been instrumental in shaping his success story.

Akriti Ghaziabad

Guided by unwavering self-confidence and a relentless growth mindset, Akriti fearlessly pursued her childhood passions, ultimately manifesting her dreams into reality as the proud owner of a thriving contracting enterprise in Ghaziabad.

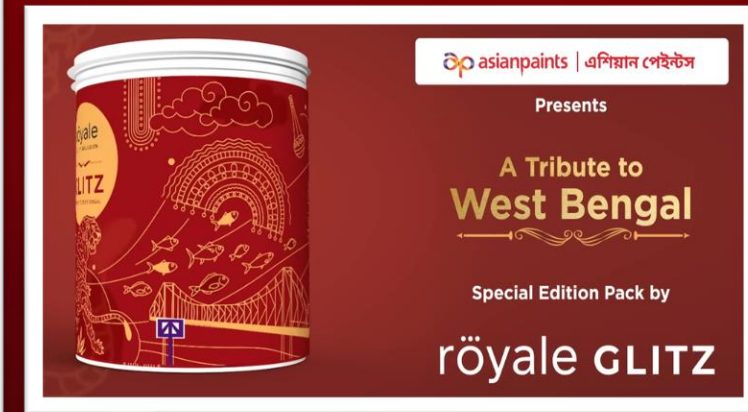


Strong Start to the Festive Season



Special Puja tram to trundle between Tollygunge & Ballygunge

A Tribute to West Bengal - Celebrating creativity, traditions & spirit of Durga Pujo with Sharad Shamman





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Ador Wallcoverings Collection





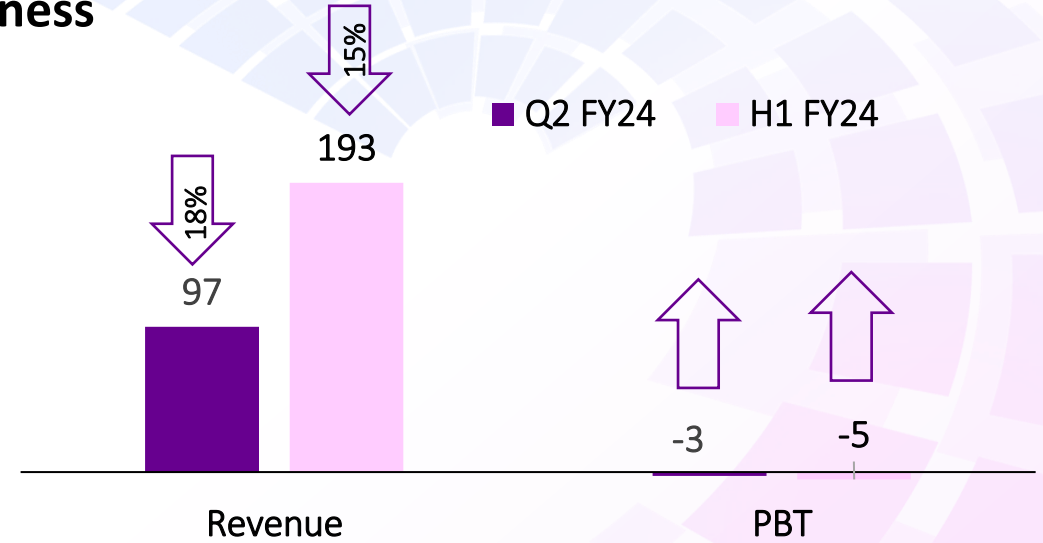
Our New Painted Forest Wallpaper Collection

A Nilaya and Tilla Studio Collaboration. Tilla, established by clothing designer Aratrik Dev Varman, celebrates handmade Indian textiles & innovative craftsmanship

Kitchen & Bath Business Impacted by Weak Consumer Sentiment

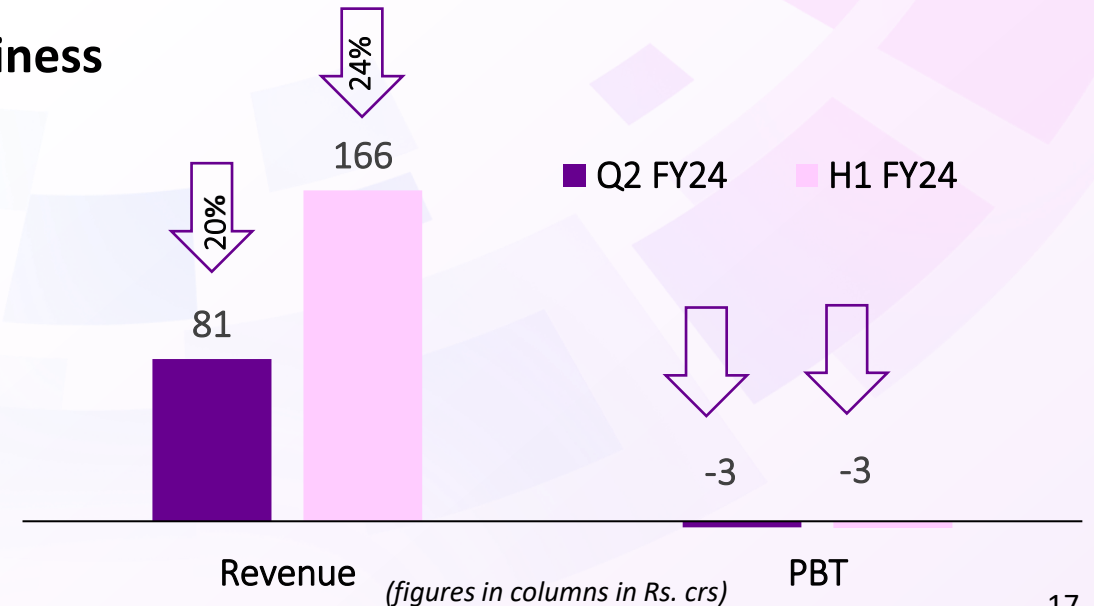
Kitchen Business

- ❑ De-growth of 18% over last year which had high base on price increases
- ❑ Focus on building a strong foothold in economy price point kitchens
- ❑ Breakeven at PBDIT level with strong focus on operational efficiencies



Bath Business

- ❑ De-growth of 20% over last year
- ❑ Working on product innovation that elevates the user's experience
- ❑ Benefitting from integration with our Beautiful Homes network



White Teak & Weatherseal – Well Integrated into our Home Décor Journey

White Teak (Offering Decorative & Designer Lights)

- ❑ Net Sales of Rs. 26.1 crs in Q2 with 8.5% growth
- ❑ Expanding store network and increasing traction across Beautiful Homes

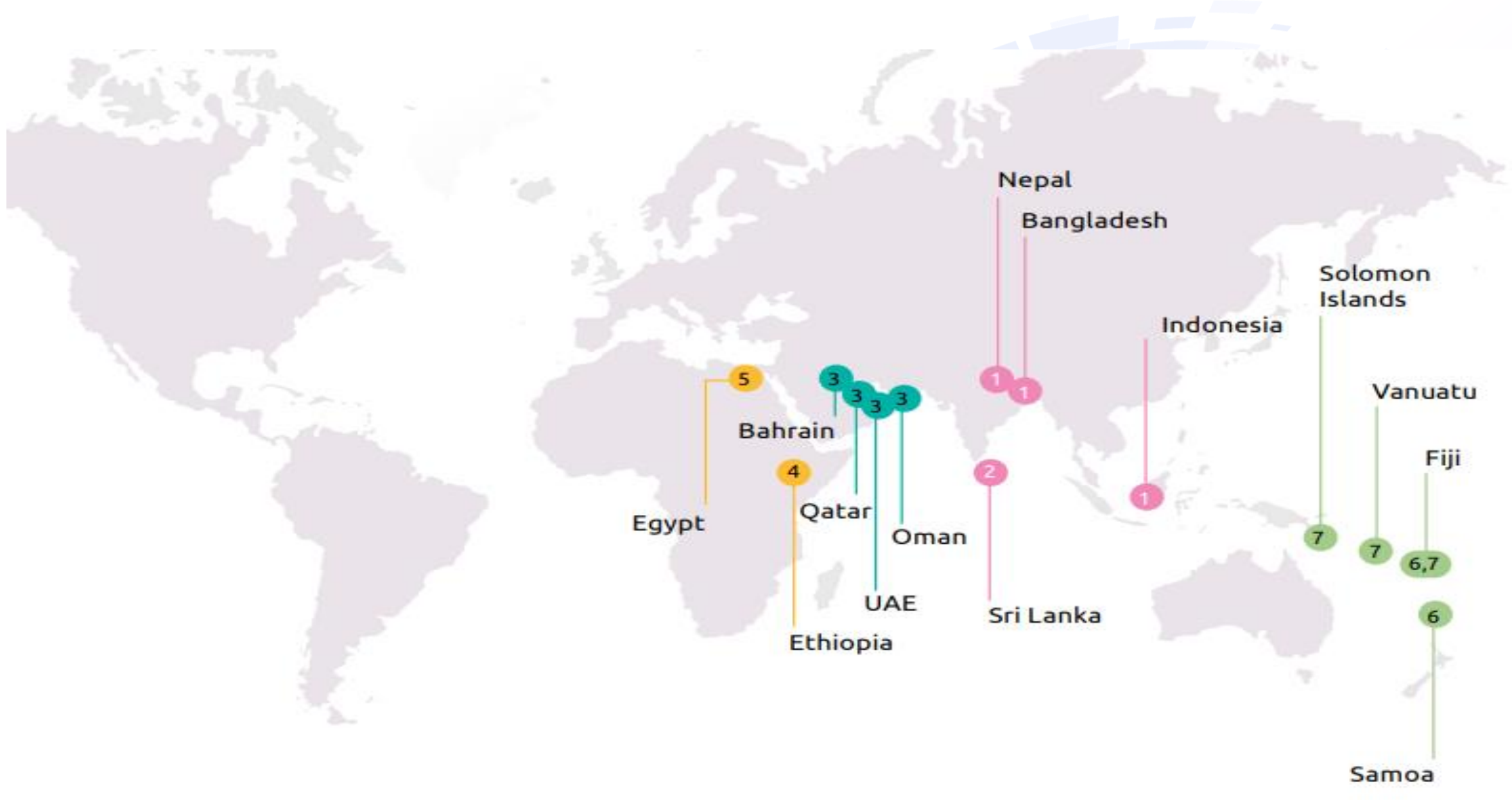


Weatherseal (uPVC Windows and Doors)

- ❑ Net Sales of Rs. 12.6 crs in Q2, almost doubling revenue YoY
- ❑ Gaining from synergies with our Projects Business

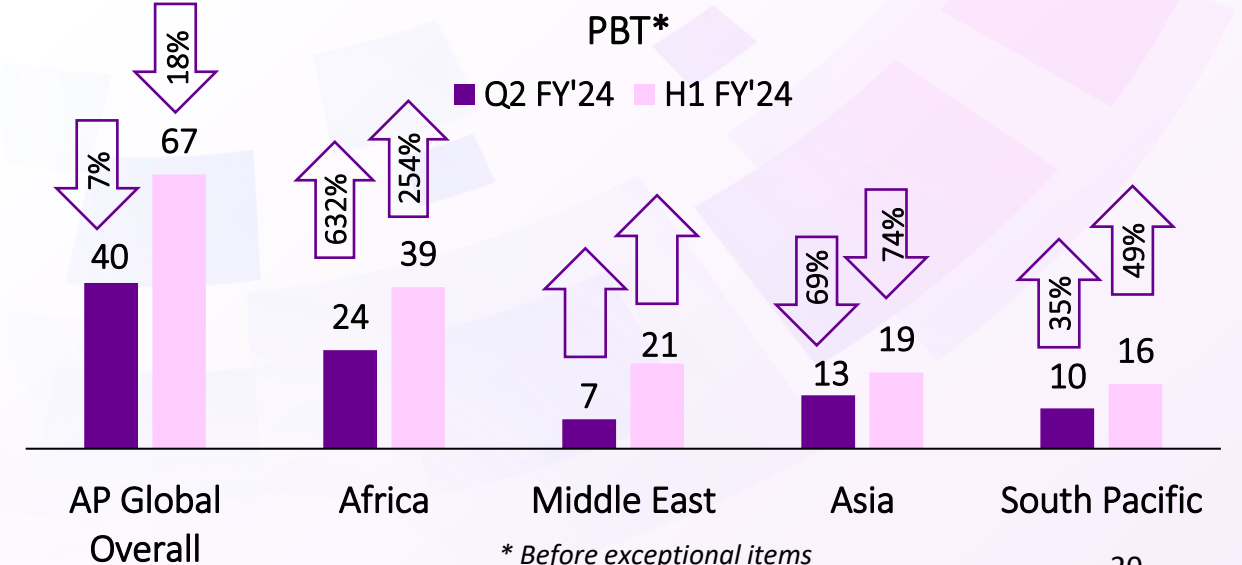
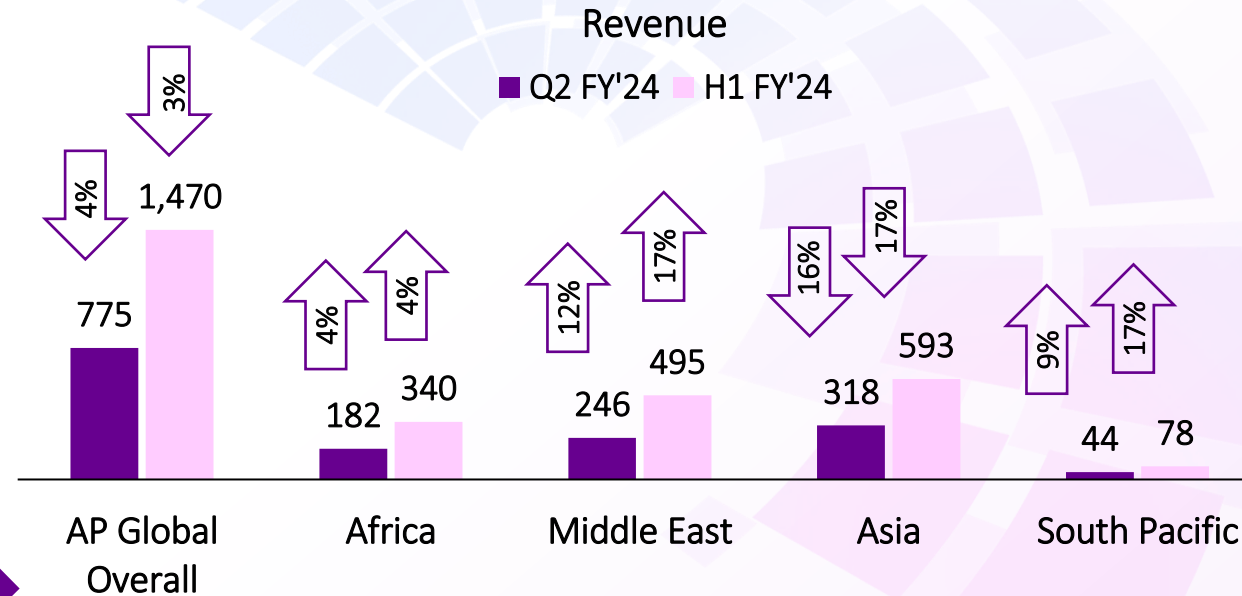


International Business



Macro-Economic Challenges in Key Markets

- ❑ De-growth of 3.9% in INR terms; constant currency growth of 1.9%
- All regions in Middle East did well with double-digit growth in this geography
- Sri Lanka business recovering on improving economic conditions
- Subdued performance in key markets:
 - High inflation & currency devaluation continued to impact Egypt
 - Liquidity crunch triggered muted sales in Nepal
 - Macro uncertainties continue to impact Bangladesh
- ❑ Continued focus on prelux category and softening raw material prices supporting PBDIT margins
- ❑ Subdued business in Asia pulling down the overall AP Global profits



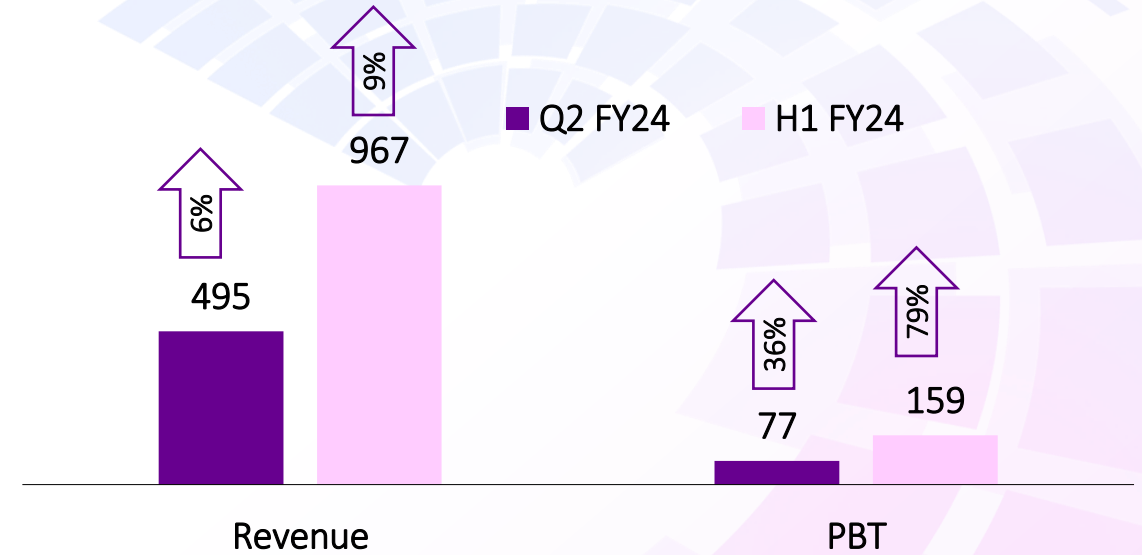
* Before exceptional items
(figures in columns in Rs. crs)

Maintaining Strong Growth Trajectory

Industrial Business

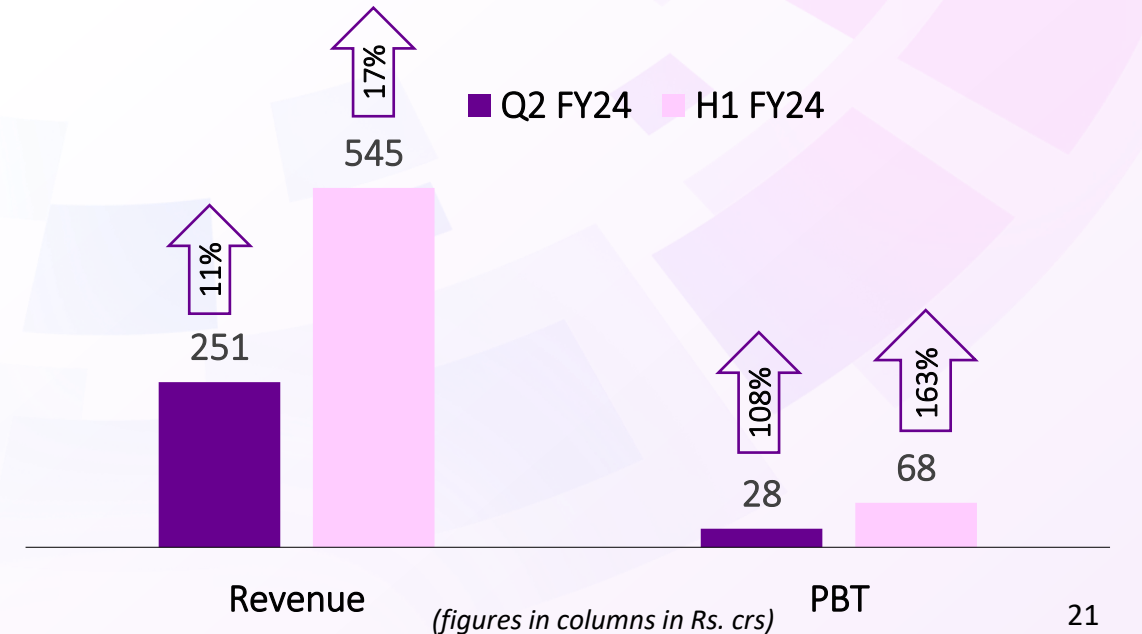
- ❑ OEM revenue growth in line with Automotive industry
- ❑ Refinish business continues to do well
- ❑ Focused customer mix & moderating raw material prices led to improvement in margins

PPGAP

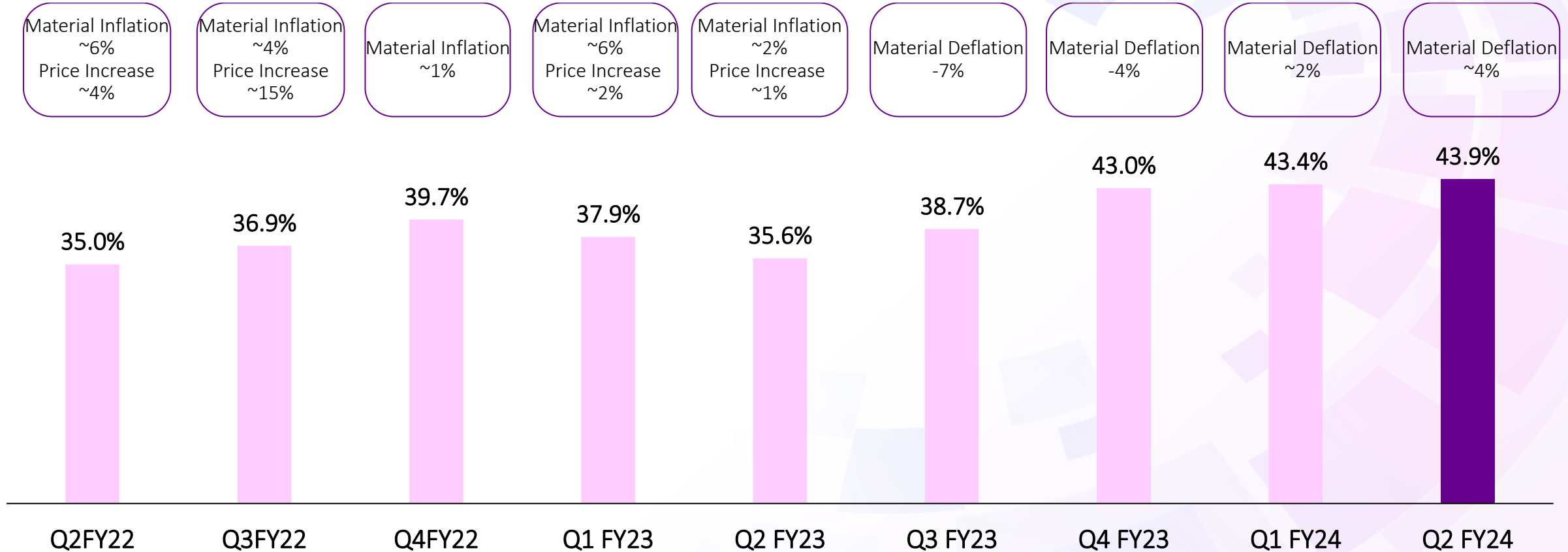


- ❑ Sustained double-digit revenue growth led by strong growth in Protective & Powder coating segments
- ❑ Gaining from focus on new customer acquisitions & comprehensive product offerings
- ❑ Enhanced sales mix coupled with moderating raw material prices led to improved margins

APPPG



Moderating Raw Material Prices coupled with Operational Efficiencies driving Gross Margins to Ten Quarter High

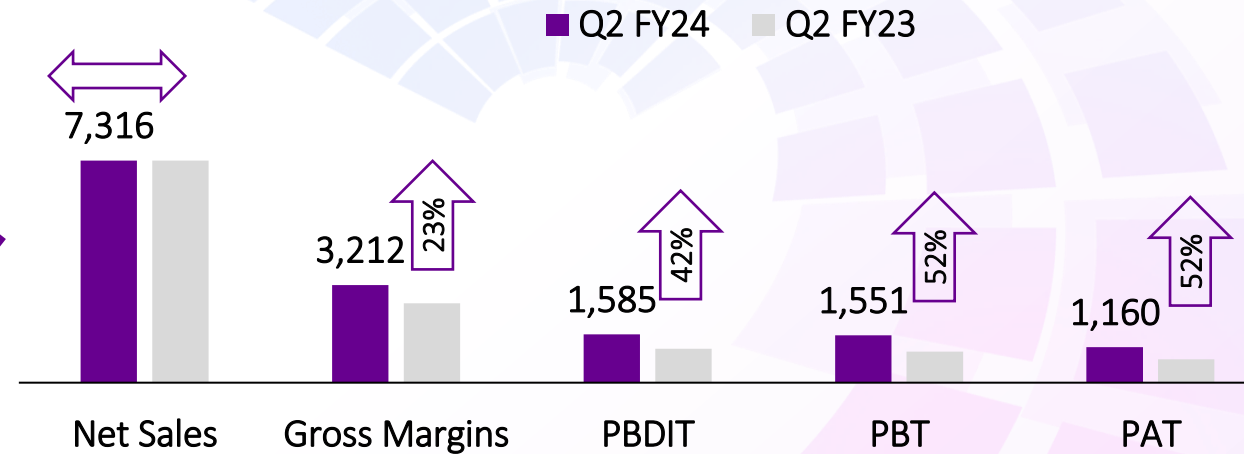


Gross margins shown here is at standalone level & as a % of Net sales

Summary Standalone Financials

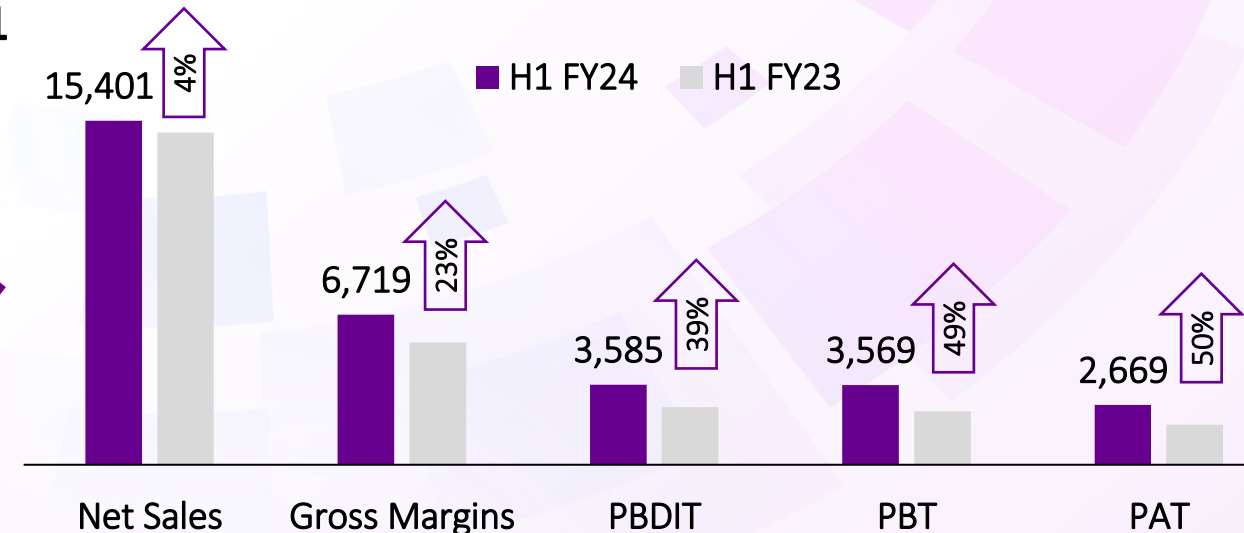
Q2

- Net Sales flat due to erratic monsoon season & weak consumer sentiment
- 830 bps improvement in Gross Margin to 43.9%, a 10 quarter high driven by moderating raw material prices coupled with operational efficiencies
- PBDIT margin improved to 21.7% vs. 15.2% in Q2 last year



H1

- Net Sales up by 3.6%
- 680 bps improvement in Gross Margin to 43.6%
- PBDIT Margin improved to 23.3% vs. 17.3% in H1 last year

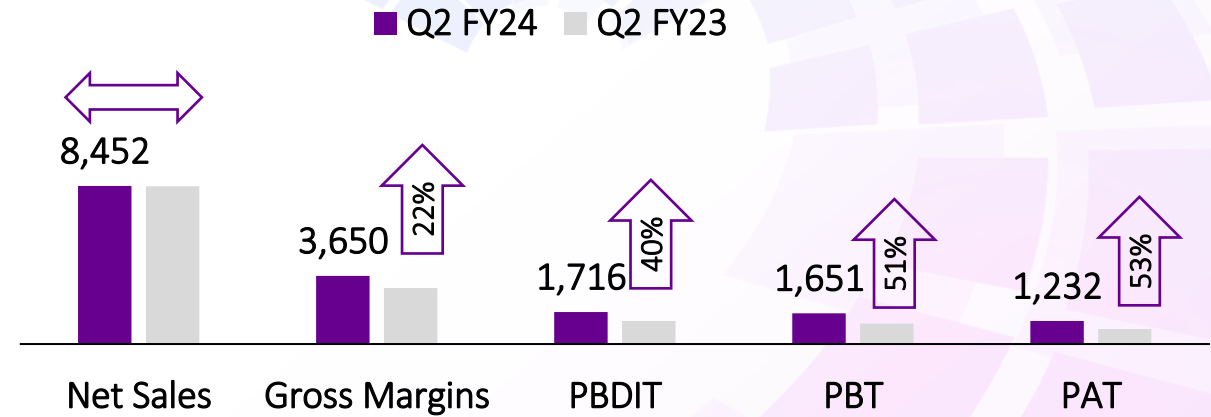


(figures in columns in Rs. crs)

Summary Consolidated Financials

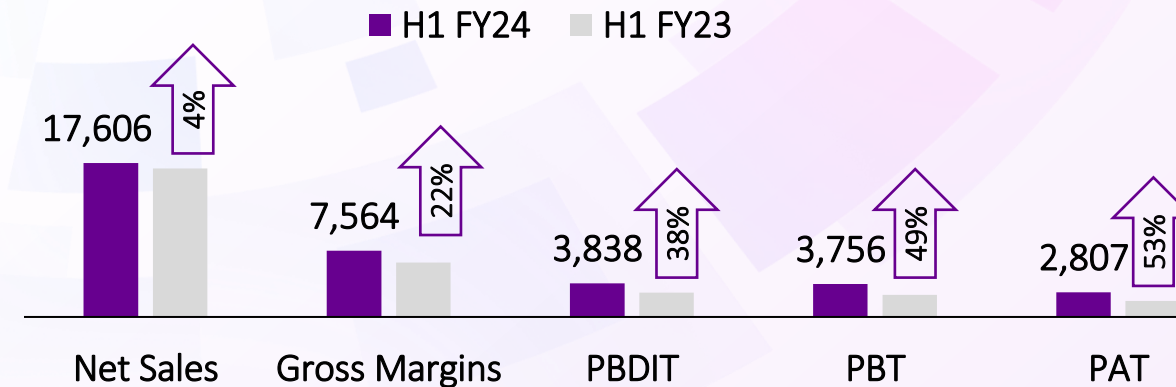
Q2

- Net Sales flat; impacted by performance in Global & Kitchen Business
- 770 bps improvement in Gross Margin to 43.2%; strengthened by improvement in profitability of the Industrial businesses
- PBDIT Margin improved to 20.3% vs. 14.6% in Q2 last year



H1

- Net Sales up by 3.5%
- 650 bps improvement in Gross Margin to 43.0%,
- PBDIT Margin improved to 21.8% vs. 16.4% in H1 last year



*PBT is Before exceptional items

(figures in columns in Rs. crs)

Dividend Distribution

FY 2023-24

Interim Dividend Rs. 515% (Rs. 5.15 per share)

FY 2022-23

Interim Dividend 440% (Rs. 4.40)

Final Dividend 2125% (Rs. 21.25)

Total Dividend 2565% (Rs. 25.65)

Payout Ratio : 60%

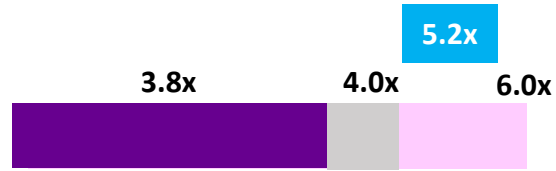
Outlook for FY2024

- ❑ Extended festive, marriage season bodes well for peak season demand
 - Industry confident of recovering from subdued offtake seen in the first half of the year
- ❑ Monsoons, though uneven and despite the El-Nino impact, were only marginally 'below normal' and should augur well for rural demand considering moderating inflation
- ❑ Boost in Government spending, rural support should give a fillip to demand
- ❑ Remain positive on further scaling up our Industrial Businesses and making deeper inroads in our Home Décor foray through network and product innovation
- ❑ Macro-economic situation remains a key concern in some of the International geographies
 - Especially, South Asia and Egypt
- ❑ Maintain caution on the evolving geo-political environment and its potential impact
 - Impact on crude & other input prices

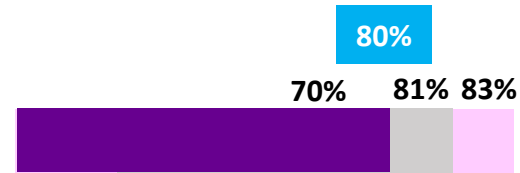
Doing Business the Right Way – Sustainability at the Core



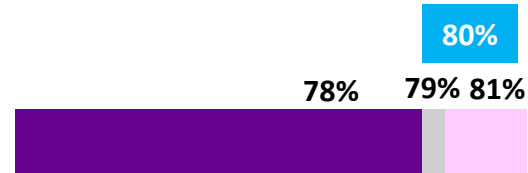
Fresh Water Replenishment



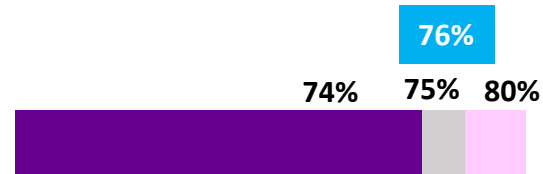
Reduction in Specific Hazardous Waste/KL Finished Product (kg/KL)



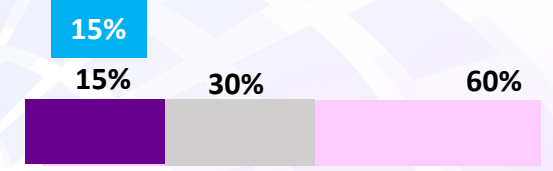
Reduction in Specific Effluent Generated per KL of Finished Product (L/KL)



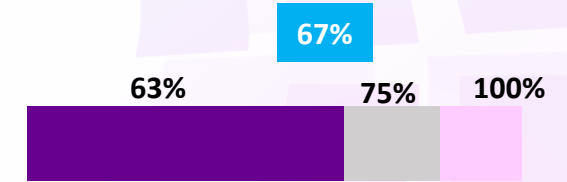
Reduction in Scope 1 & 2 Emission/KL of Finished Product (kg/KL)



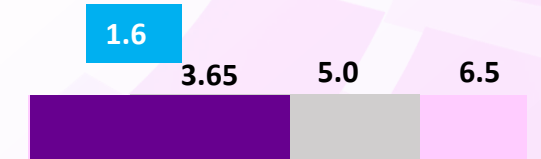
% Recycled Material in Packing



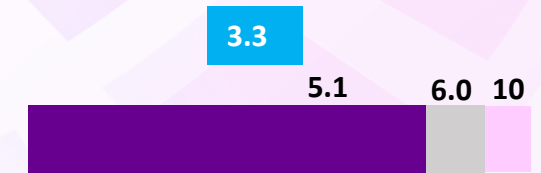
% Renewable Electricity



Beneficiaries of Healthcare Initiatives (in lakhs)



Trained at Asian Paints Colour Academy (in lakhs)



■ Performance in FY2023
 ■ H1FY2024 Progress
 ■ Target for FY2025
 ■ Target for FY2030

For further data & information on the above, read our FY23 Integrated Annual Report at: [Asian Paints Annual Report](#)

Continuing our Work of Democratizing Décor

Nochikuppam, situated at the end of Marina beach in Chennai, houses more than a thousand of their fisherfolk community. Artists from around the world came here to create the “Nochi Art District” & tell us their stories.



THANK YOU