

APL/SEC/31/2022-23/01

1st April, 2022

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 500820

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
Block G, Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400 051
Symbol: ASIANPAINT

Sir/Madam,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

This is to inform you that, the Company has, today, entered into a Share Purchase Agreement and other definitive documents with the shareholders of Obgenix Software Private Limited (popularly known by the brand name of ‘White Teak’) for the acquisition of 100% of its equity share capital in a staggered manner over the period of next 3 (three) years, subject to certain conditions.

In accordance with the terms of the Share Purchase Agreement and other definitive documents entered into by the Company with existing shareholders of White Teak:

- The Company would be acquiring 49% of its equity share capital for a consideration of Rs. 180 crores (approx.) along with an earn out upto a maximum of Rs. 114 crores, payable after a year, subject to achievement of mutually agreed financial milestones.
- The remaining 51% of the equity share capital would be acquired in a staggered manner, the consideration for which would be based on achievement of defined financial milestones for the business:
 - 11% of the equity share capital would be acquired for a maximum consideration of Rs. 66 crores during the financial year 2023 – 2024; and
 - 40% of the equity share capital would be acquired for a maximum consideration of Rs. 360 crores during the financial year 2025 – 2026.

White Teak is a private limited company engaged, *inter alia*, in the business to design, trade or otherwise deal in all types and description of decorative lighting products and fans, etc.

The required information under Regulation 30 read with the SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015, is appended as **Annexure A**.





Asian Paints Limited
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www.asianpaints.com

None of the related parties of the Company, including the Director(s) and/or Key Managerial Personnel(s) of the Company are concerned or interested in this transaction.

Please find attached a Press Release on the subject.

The Company will be holding a call with the investors, today at 5:00 pm (IST), to brief on the said transaction.

Further details of the call are available on the Company's website (www.asianpaints.com).

This is for your information and record.

Thanking you,

Yours truly,

For **ASIAN PAINTS LIMITED**



R J JEYAMURUGAN
CFO & COMPANY SECRETARY

Encl.: as above



ANNEXURE A

Disclosure of information pursuant to Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015

Sl. No.	Particulars	Disclosure
1.	Name of the target entity	Obgenix Software Private Limited (popularly known as White Teak) [https://whiteteak.com/]
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"?	No None of the Promoter(s) / persons belonging to the Promoter(s) Group and/or group companies are concerned or interested in this transaction.
3.	Industry to which the entity being acquired belongs	White Teak is a private limited company engaged, inter alia, in the business to design, trade or otherwise deal in all types and description of decorative lighting products and fans, etc.
4.	Objects and effects of acquisition (<i>including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity</i>)	The acquisition of stake in White Teak would be a next step forward in the Company's foray of being a complete home décor solution provider. Post-acquisition of 49% stake, White Teak will become an Associate Company.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	NA
6.	(i) Indicative time period for the completion of the acquisition; and (ii) cost of acquisition or the price at which the shares are acquired	In accordance with the terms of the Share Purchase Agreement and other definitive documents entered into by the Company with existing shareholders of White Teak: <ul style="list-style-type: none"> The Company would be acquiring 49% of its equity share capital for a consideration of Rs. 180 crores (approx.) along with an earn out upto a maximum of Rs. 114 crores, payable after a year, subject to achievement of mutually agreed financial milestones.



		<ul style="list-style-type: none"> • The remaining 51% of the equity share capital would be acquired in a staggered manner, the consideration for which would be based on achievement of defined financial milestones for the business: <ul style="list-style-type: none"> ○ 11% of the equity share capital would be acquired for a maximum consideration of Rs. 66 crores during the financial year 2023 – 2024; and ○ 40% of the equity share capital would be acquired for a maximum consideration of Rs. 360 crores during the financial year 2025 – 2026. 						
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash						
8.	Percentage of shareholding / control acquired and / or number of shares acquired	49% of the equity share capital of White Teak divided into 1,96,490 equity shares of the face value of Rs. 10/- each for the aforementioned consideration.						
9.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Brief details of White Teak are given below:</p> <p>(a) Products/line of business of the target entity: as stated above in Sl. No. 3</p> <p>(b) Date of incorporation: 06/01/1999</p> <p>(c) Last 3 years' turnover:</p> <table border="1" data-bbox="762 1444 1380 1556"> <tr> <td>2020 – 21</td> <td>Rs. 37.66 crs</td> </tr> <tr> <td>2019 – 20</td> <td>Rs. 24.66 crs</td> </tr> <tr> <td>2018 – 19</td> <td>Rs. 11.34 crs</td> </tr> </table> <p>(d) Country of operations: India</p> <p>(e) Net worth as on 31st March, 2021: Rs. 9.76 crores</p>	2020 – 21	Rs. 37.66 crs	2019 – 20	Rs. 24.66 crs	2018 – 19	Rs. 11.34 crs
2020 – 21	Rs. 37.66 crs							
2019 – 20	Rs. 24.66 crs							
2018 – 19	Rs. 11.34 crs							



Press release on acquisition of stake in White Teak

Mumbai, April 1, 2022: Asian Paints has, today, entered into definitive agreements to acquire 49% stake in Obgenix Software Private Limited (popularly known by the brand name “**White Teak**”) from the promoters, for a consideration of approximately Rs. 180 crores, along with an earn out upto a maximum of Rs. 114 crores, payable after a year, subject to achievement of mutually agreed financial milestones.

It is also agreed to acquire the remaining 51% stake in White Teak in a phased manner, wherein 11% stake would be acquired in FY 2023-24 for a consideration based on achievement of certain financial milestones, with maximum consideration of Rs. 66 crores; and the remaining 40% stake would be acquired in FY 2025-26 for a consideration based on achievement of certain financial milestones, with maximum consideration of Rs. 360 crores.

White Teak is a private limited company, established in 2016 by Silicon Valley tech entrepreneurs Mr. Pawan Mehta and Mr. Gagan Mehta, and is engaged in the business of decorative lighting products and fans. Its tech-enabled web platform, www.whiteteak.com, is one of the strongest platforms offering customers an extensive range of decorative lighting products and fans, further supplemented by its excellent store network across many key urban cities in India. It has been at the forefront of creating cutting-edge designs and ideas in this space and bringing international standard design and quality to customers. White Teak has been able to harness its strengths, scaling up the business in a strong manner, registering revenues of Rs. 18 crores in the quarter ended December 2021.

Asian Paints, with its vision of becoming the most inspirational home décor brand empowering the consumer to create her dream homes, is extremely happy to partner and associate with White Teak, taking forward its transition from a ‘share of surface’ within the home to ‘share of space’. Lighting is an integral element of home décor and Asian Paints intends to leverage the expertise of White Teak and its promoters, along with its own experience in offering inspirational décor to home-owners, to further strengthen its foray in the home décor space. Decorative lighting market in India is about Rs. 1200 crores presently and is growing at about 18-20% annually. It is currently dominated by the unorganized sector, mostly through imports from China. With this partnership, Asian Paints, along with White Teak, intends to gain a sizeable presence in this market.

Both the promoters of White Teak would continue to lead the business. Mr. Pawan Mehta would continue to be the Chief Executive Officer and Mr. Gagan Mehta would be the Chief Operating Officer of White Teak.

“White Teak offers us an unique opportunity to further strengthen our foray in the home décor space by capitalizing on its capabilities in the designer and decorative lighting products, and thus enhances the overall value proposition of our home décor offerings to the consumers. This alliance would also help Asian Paints to leverage various categories of Home Décor on the online digital space and start exploding the e-commerce space in future”, commented Mr. Amit Syngle, MD & CEO of Asian Paints Limited.



“We are extremely happy to partner with Asian Paints, a well-established brand with strong customer connect, and look forward to taking the White Teak business to greater scale, driving on the synergistic opportunities that Asian Paints offers”, quoted Mr. Pawan Mehta, Founder & CEO of White Teak.

About Asian Paints Limited:

Asian Paints is India’s leading paint company and ranked among the top ten Decorative coatings companies in the world with a consolidated turnover of ₹ 21,712.79 crores (₹ 217 billion). Asian Paints along with its subsidiaries have operations in 15 countries across the world with 26 paint manufacturing facilities, servicing consumers in over 60 countries through Asian Paints, Apco Coatings, Asian Paints Berger, Asian Paints Causeway, SCIB Paints, Taubmans and Kadisco Asian Paints. Asian Paints is also present in the Home Improvement and Décor space in India.

