



November 18, 2018

BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051

REFERENCE: SCRIP CODE - NSE-SHALPAINTS, BSE-509874

SUBJECT: INTIMATION OF INVESTORS MEET U/R 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir/ Ma'am,

Pursuant to the provisions of Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we would like to inform that the Company had a meeting with the Analysts / Investors yesterday i.e., Saturday, November 17, 2018 at 7:00 PM at 'Peacock ballroom 3' Pullman New Delhi Aerocity

The presentations made to Analysts/Investors during the meet, are attached herewith.

This is for your information and record.

Thanking you,

For Shalimar Paints Limited

Nitin Gupta
Company Secretary



Encl: a/a





**SHALIMAR
PAINTS**

Shareholders' Presentation

November 2018

Disclaimer



Certain statements in the presentation maybe “forward-looking” in nature. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, business strategy and the trends we anticipate in the industry and the political and legal environment, and geographical locations, and other information that is not historical information.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

These risks, uncertainties and other factors include, among other things, those listed under “Risk Factors”, as well as those included elsewhere in the ‘Draft Letter of Offer’. Prospective investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. Prospective investors are argued to refer to the detailed forward looking statements and risk factors stated in the Draft Letter of Offer available on the Company’s website: Website: www.shalimarpaints.com

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Company Overview

Critical Analysis

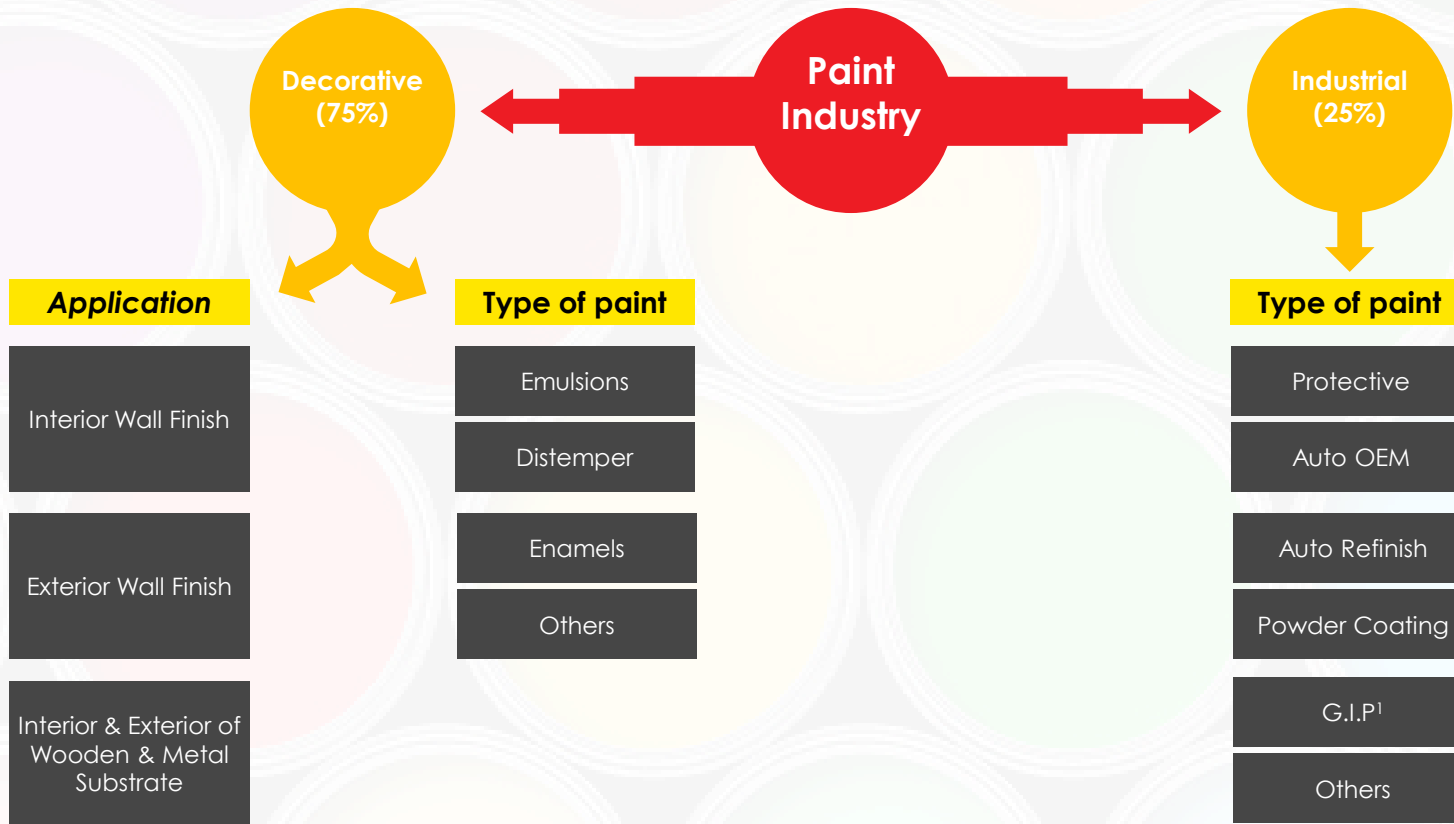
Rebuilding

Summary of Rights Issue

Industry Overview



Indian paints industry

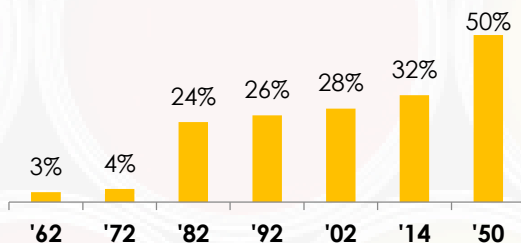


Healthy industry growth in the past

One of the best structural proxies to participate in India's robust economic growth...

Rising Urbanization

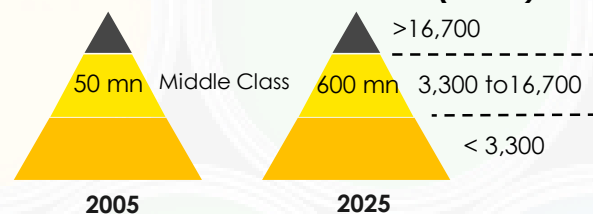
% share of urban population



Increasing Disposable Income

Rising Middle Class Population

(In USD)



Leading to healthy growth

In an under penetrated paint market, Indian Paint Market is poised for better growth in the coming years.

Company Overview



Company Snapshot

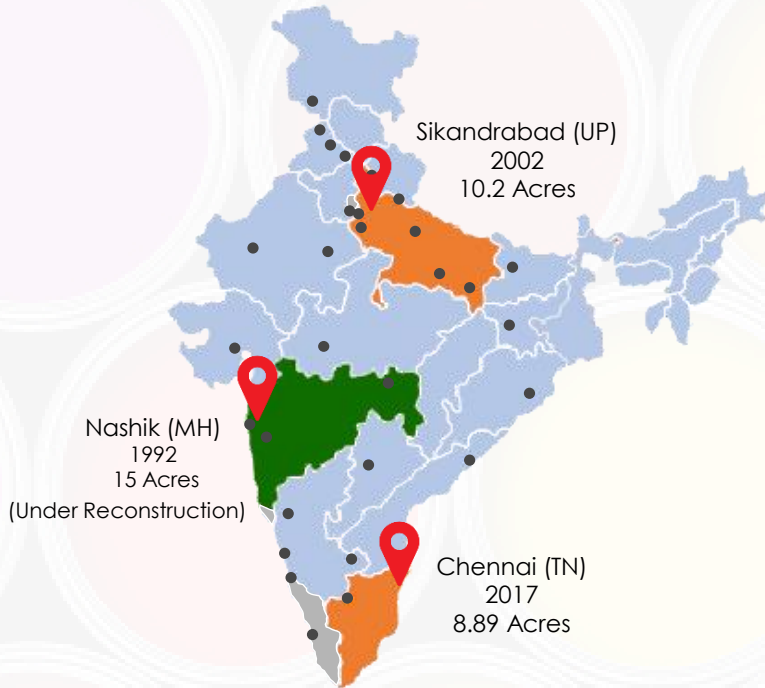
Company taken over in 1989 by current promoter; since then steady growth

Historically reputed player in Industrial Domain vis-à-vis Decorative Segment. Presently Decorative Contributes to 2/3rd of the Sales

Current Capacity at 3300 KI, Production currently at 2400 KI, scope to increase as working capital influx happens

Nasik Plant under re-instatement which will take up capacity to 6000 KI

PAN-India Manufacturing and Distribution Footprint



- Distribution network with 5,300+ active dealers, 32 sales depots and 3 regional distribution centers across all four zones in India

Strategically located manufacturing facilities to cater all four regions of the country

- 📍 Manufacturing Plant
- Depot/Sales Office

Comprehensive Product Portfolio

Shalimar offers the entire spectrum of products across categories and price points catering to all types of customers in the decorative segment

Expansive Product Portfolio



Decorative Paints	Marginal Presence	Meaningful Presence		Shalimar's revenue break-up(FY17)
	Super Premium/ Premium ³	Premium Economy/ Economy ⁴	Mass Segment ⁵	% Share ¹
Emulsion	✓	✓	✓	20.1%
Enamel	✓	✓	✓	40.4%
Distemper	NA	NA	✓	9.1%
Others	NA	✓	✓	30.4%

Catering to the high growth decorative segment in a comprehensive manner

Note 1: Represents %share of decorative revenue in terms of value for FY'17

Note 3: Super Premium/Premium category consists of products with MRP of greater than INR 300

Note 4: Premium Economy/ Economy consists of products with MRP greater than INR 100 but less than INR 300

Note 5: Mass Segment consists of products with MRP less than INR 100

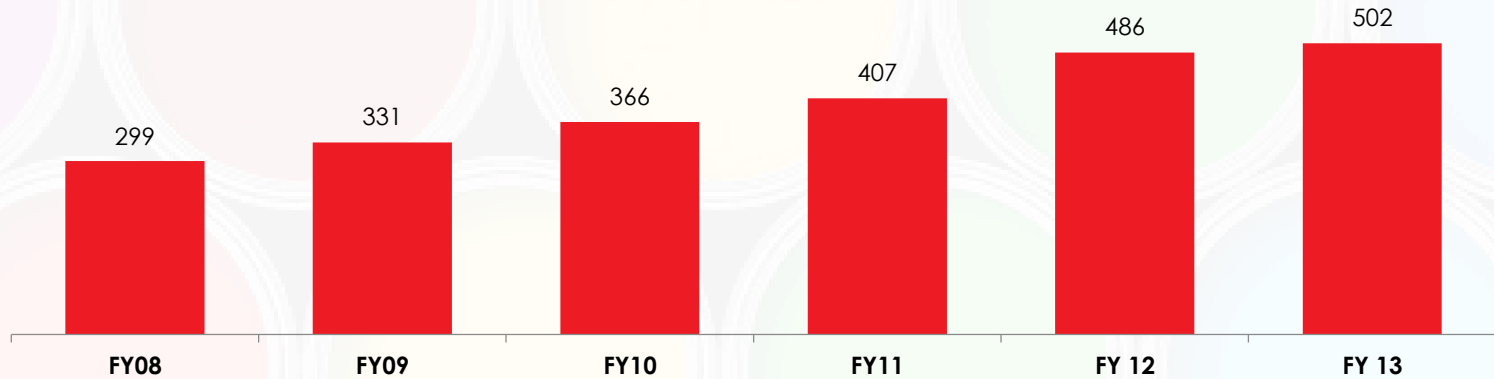
Critical Analysis



Impact on Financial & Operational performance

Sales in INR CR

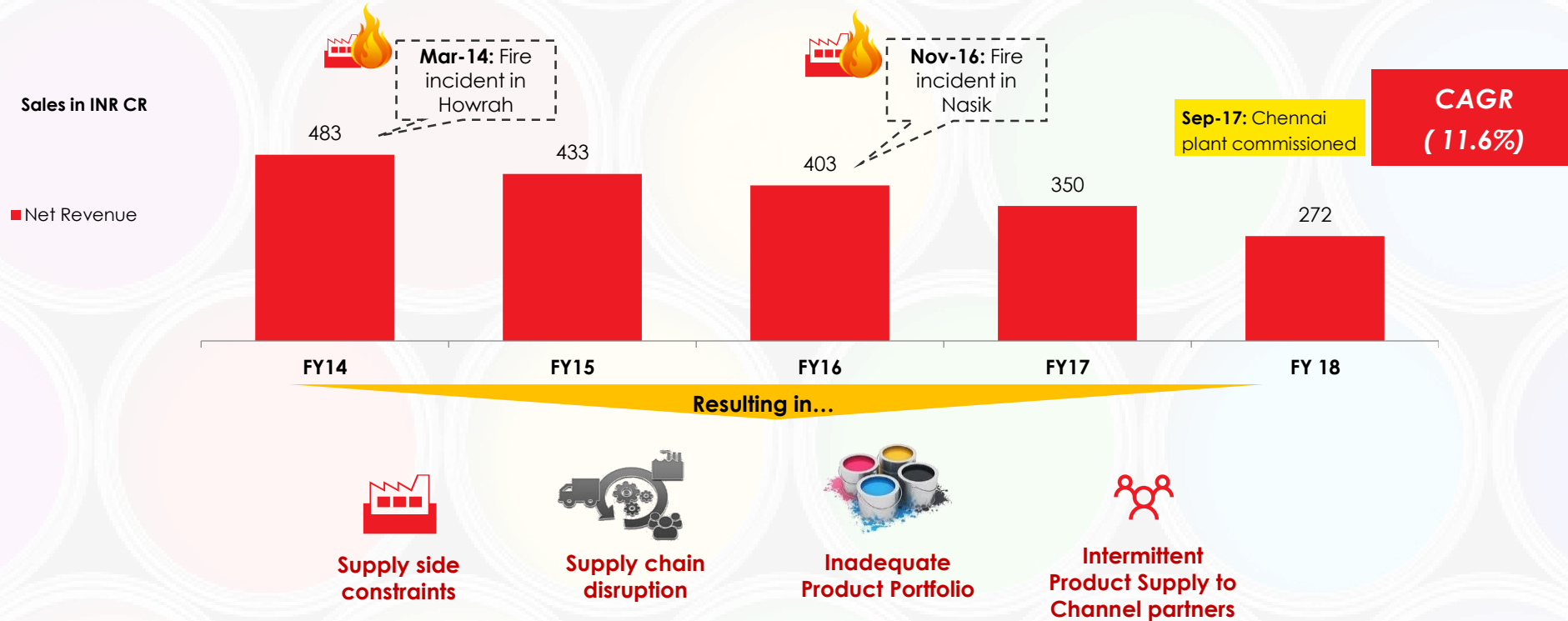
■ Revenue



Delivered a revenue CAGR of 11% from FY08 to FY13

Impact on Financial & Operational performance

Loss of capacity led to a sequence of events that impacted overall performance and growth momentum



Impact on the entire value chain – leading to operational and financial underperformance over the last 2-3 years

Rebuilding



Rebuilding

Working Capital/ CAPEX – Planning to raise equity of 217cr

Investment towards reinstatement of Nasik plant and RDC

Working capital to cater increased operations

Branding & Marketing

Rebuilding | Capacity

Current Capacity is 3,300KI and which would increase to **6,000KI** once **Nashik** is operational

- Nashik Plant which is under re-instatement, many steps have been taken to avoid future unfortunate accidents
 - Construction in record time
 - Provision to increase capacity with little investment

Rebuilding | Branding

Demand Influencers



Dealers

- Dealer Dinners
- Dealer Giveaway
- Hygiene/ Dealer Branding
- Shade Cards
- Dealer Meets
- SPOT/ SELL IN
- Festive Giveaways + Branding



Painters

- Painter CRM
- Painter Sell out
- Painter Wellness
- Painter Giveaways



Employees

- Salesman Kit
- Corporate Videos



Architects

- Trade Show
- Architect Dinner
- Architect Giveaways
- Architect Colleges / Contest Sponsorship
- Architect Trips

Demand Generators

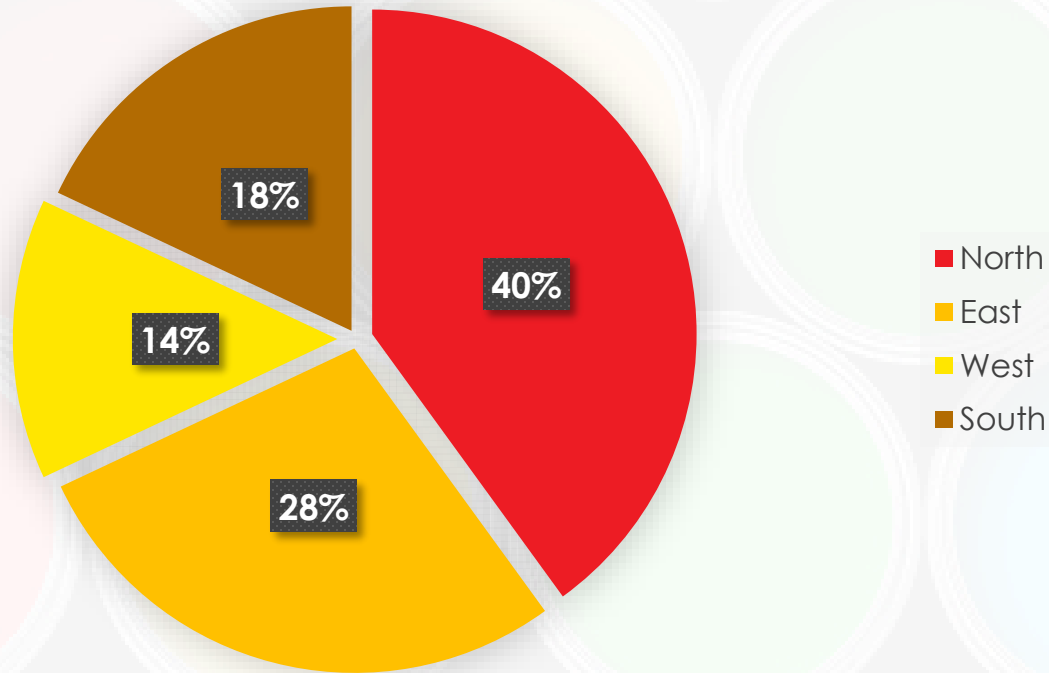


Consumer

- Website + Blog/ SEO
- Social / YouTube / SEM
- TV/ Radio, Print, OOH
- Low Cost Branding Activities
- PR/Video

Holistic Brand Campaigns addressing to Demand Influencers and Generators

Rebuilding | Distribution



To enhance distribution in under-penetrated markets i.e. south and west zones

Research & Development

- **India's first** in- house R & D to get recognition from Department of Science and Industrial research (DSIR), Govt of India in 1979
- Spread over **10000 square feet** and equipped **with world class infrastructure and certified ISO 9001**
- Many product are approved by **national and international** certified bodies
- Highly qualified, experienced and dedicated Technocrats/Scientists
- Up-gradation of existing products / process to **improve quality and reduce cost**
- R & D to Focus on
 - Increase of Color Spectrum matching to increase the base of colors provided through Tinting systems
 - Development of New Product Lines basis
 - Customised Requirement for Industries
 - Niche Market Segment Development

R&D is one of the core pillars that would not only drive innovative products line up but also be responsible towards RM price reduction thereby increasing margins

Summary of Rights Issue



Summary of Rights Issue

Total Issue

The Total number of Rights Equity Share to be issued: 33,747,518 Equity Shares

Offer size

The Rights Issue to be offered at a price of Rs. 64.50 only per Rights Equity Share (including a premium of Rs. 62.50 only per Rights Equity Share)

Subscription ratio

Rights Entitlement Ratio is fixed at a ratio of 3:2 (Three Rights Equity Shares for every two Equity shares held)

Record date

Record date for the purpose of determining the shareholders eligibility to apply for the equity shares: Friday, 9th Day of November, 2018

Objects of the Issue

1) Project of Reinstatement of paint manufacturing plant at Nashik 2) Setting up a Regional Distribution Centre (RDC) at Nashik 3) Long Term Working Capital Requirements 4) General Corporate Purposes 5) Expenses for the issue

Questions

Thanks
