



Dear Shareholders,

I along with my colleagues on the Board welcome you to the 99th Annual General Meeting of Berger Paints India Limited.

I am truly delighted to Chair the 99th Annual General Meeting of this marquee Company which is on the doorsteps of completing 100 years, a rare achievement in which the glorious past is seamlessly connected to where the Company is headed tomorrow. I must say that to reach 99 years in existence, your Company must have been resilient. It's seen times of boom and bust and witnessed new competitors entering the scene and older competitors seeking an edge.

This meeting is being held through Video Conference in line with the Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange of Board of India which allows our shareholders across all geographies to participate. I hope that you have received your e-copy of the Annual Report.

Before going into the performance of the Company, I would like to take this opportunity to express my gratitude to our esteemed shareholders for being with us in this long journey. You would be happy to note that your Company is the second largest paint company in the country, fourth largest paint company in Asia and seventh largest decorative paint company in the world. Your Company has huge, accumulated reserves including securities premium and considering this your Board of Directors at its meeting held on 9th August, 2023 decided to issue 19,42,84,497 equity shares as Bonus Shares to its shareholders by capitalisation of securities premium account in the proportion of 1 (one) equity share of Re.1 each for every 5 (five) fully paid-up equity shares held as on the record date. The resolution for issuance of Bonus Shares is open for remote e-voting, from 10th August, 2023 to 8th September, 2023.

During the Financial Year 2022-23, your Company's consolidated turnover crossed the landmark Rs 10,000 crore. At the end of the financial year, it closed at Rs.10,568 crores. The standalone turnover growth registered a 22.3% hike over the last financial year



while the consolidated turnover growth clocked 20.6% over the previous financial year. As on 30th June, 2023, your Company's market capitalisation stood at Rs.65,833.30 crores. With a focus on trust, excellence and innovation, Berger has been able to consistently deliver double digit growth in profit and in revenue. Our enduring success can be attributed to superior quality products and distinguished leadership with a diverse portfolio of world class products that have acquired wide-spread recognition coupled with a robust distribution network and a nimble sales force.

Your Company launched several new products and a few significant ones are Berger Silk Glamor Matt and Berger Silk Glamor Dazzle in the luxury emulsion interior category. Silk Glamor Matt is best in class luxury emulsion for smooth matte finish while Silk Glamor Dazzle, is a super high sheen paint which is washable and contains low VOC. Rangoli Rich Matt with best-in-class smooth matte emulsion with assured two coats hiding was also launched in the premium interior category. We launched a superior and innovative version of Luxol Enamel with superior gloss and extra coverage under brand name 'Luxol PU Enamel'. The DAMPSTOP brand with the tagline "No jhanjat, Dampstop fatafat" promotes hassle free waterproofing. Newly introduced 'Dampstop Duo' and 'Dampstop Advanced' are ready to use painter friendly products which do not require mixing various products and going through the masonry hassle of conventional waterproofing where one needs to break open the wall to reach the brick surface to carryout waterproofing treatment. Other major products introduced during the year are Berger Weathercoat Longlife 15, Berger Weathercoat Anti Dustt Kool and Berger Weathercoat Longlife Flexo. Berger Weathercoat Longlife 15 for exterior walls comes with a 15 year performance warranty. Berger Weathercoat Anti Dustt Kool, a unique product for exterior walls comes with a heat reflective nano technology that keeps the house brighter and cooler for years to come. Berger Weathercoat Longlife Flexo is a great product which has high degree of elasticity and covers the hairline cracks on the walls and protects the walls from rain and dust for a long time. It is a high-performance exterior emulsion which comes with an 8 year performance warranty.



Express Painting, a home painting service innovation from the Berger launched in 2015 has revolutionised the painting industry and offers consumers with a hassle-free painting experience. The consumers prefer Express Painting for its reliability and convenience. With time, traditional painting methods have been streamlined with introduction of advanced tools and equipment that have modified surface preparation, crack filling, sanding and priming procedures.

Berger Prolinks Division provides customised painting solutions for India's urban landmark, old and new. The performance of Prolinks during previous financial year was extremely encouraging.

Berger Protecton achieved a turnover of more than Rs.1,000 crores during the Financial Year 2022-23 with a 32% value growth over the previous year. It is also the business leader in this segment in India. Berger Protecton offers a wide range of coatings solutions tailored for various industry segments including oil refineries, power plants, railway coaches, bridges and highly durable floor coatings.

The Waterproofing and Construction Chemicals business has increased manifold. The Company along with its subsidiary, STP Limited together achieved a turnover of more than Rs.1,000 crores. Use of Moisture Meter and Scientific Water Proofing solutions distinguish us from other players in this space.

The Automotive and General Industrial and Powder Coatings business achieved a value growth of 20% over the previous financial year. The Automotive business alone registered a 30% value growth over the previous financial year with more-or-less all key accounts doing well. In the General Industrial category, Berger along with its wholly owned subsidiary SBL Specialty Coatings Private Limited holds the leadership position in India and has also performed well during the year under review.

Our extensive R&D efforts empower us to deliver best-in-class innovative products to our customers. Lean formulations, raw material options, and process efficiency has



ensured that our business remains profitable. With an eye towards the environment, low VOC paint is being manufactured, processes made more energy efficient with low carbon footprint and extended product life cycle. You would be happy to note that your Company has filed one patent application during the financial year under review.

On 6th February, 2023, your Company commissioned its state-of-the-art fully automated manufacturing facility at Sandila, Uttar Pradesh at an investment of more than Rs.1,000 crores. This factory was commissioned in a short period under 24 months from piling stage, despite COVID-19 related disturbances adding to the production capacity by 33,000 MT per month, bulk of which is water-based paint. This new facility also produces resins, emulsions, colorants, stainers, construction chemicals and putty. You will be happy to note that the Company plans to set up a new manufacturing facility in Panagarh, West Bengal which is expected to be commissioned in the Financial Year 2025-26 to produce industrial paints, solvent based paint and construction chemicals.

Away from India, your Company adheres to the same culture of innovation and competitiveness in other geographies where we are present. Your Company is present in Nepal, Poland and Russia, and through stepdown subsidiaries, in the U.K., France and Ukraine. On the international business front we faced temporary hardships owing to geopolitical headwinds. However, situation has started to normalize gradually and we are confident to be back on growth path in 2023-24.

Your Company is well on course to achieve the standards set by the global agencies in ESG. Constant endeavors are made to reduce carbon emissions and increase the generation of power through rooftop solar power plants installed by the manufacturing facilities of the Company. Afforestation, recycling of plastic waste, lead, chrome and heavy metal free products in the decorative paint segment are a few other key initiatives. Use of bio briquette fired thermic fluid heaters, LED lights, zero-liquid discharge from factories are a few key sustainability initiatives undertaken by your Company. We are well aware of our responsibility towards building a sustainable future for all.



Your Company's CSR initiative iTrain aimed at skill development of painters while imparting entrepreneur skills have resulted in increase in their earning potential. Your Company's partnership with Smile Foundation has brought in efficiency and value addition to its Mobile iTrain activity.

With a constant eye on digitization and use of Artificial Intelligence enabled solutions across functions your Company is well on course to enhance consumer experience. With an eye on strengthening our brand equity, focus on supply chain management with end-to-end supply chain digitization, ensuring rigid cyber security frame work at our organizational level while leveraging cutting edge technologies fostering a culture of growth, nurturing talent from within, prioritizing employee development and women empowerment with our Stree Shakti Mission, your Company is undoubtedly a force to be reckoned with while it turns 100 in December this year.

Under the able guidance of the Board of Directors, professional management team supported by a motivated work force, your Company is confident of achieving many more feats in the coming years.

With this I would like to conclude and once again extend my heartfelt gratitude for being with us while we turn 100.

Thank you.