



Dear Shareholders,

I along with my colleagues on the Board welcome you to the 98th Annual General Meeting of Berger Paints India Limited.

I am delighted to Chair the 98th Annual General Meeting of this marquee Company with remarkable legacy and lineage nearing 100 years.

This meeting is being held through Video Conference due to the COVID-19 pandemic in line with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange 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. Berger's consistent focus on transforming challenges into opportunities has been the pivot which has enabled the Company to do well even during tough times. The inherent challenges brought about by multiple waves of the COVID-19 pandemic and escalation of geographical tensions resulting in war, in Eastern Europe towards the end of the financial year made it imperative that we focus on our strengths and look for available opportunities. At the financial year end the consolidated revenue from operations was Rs.8761.78 crores registering an increase of 28.52% over that of the previous financial year. The EBIDTA (excluding other income) on a consolidated basis stood at Rs.1331.07 crores as against Rs.1187.98 crores registering an increase of 12.04% over the previous financial year. The consolidated net profit grew by 15.73% over the last financial year.

You will be delighted to know that your Company is sixth among the top 15 global paint companies as per market capitalization. The CAGR of market capitalization was 23.66% over the last five years. Your Company's aggressive network expansion drives in the rural and up-country markets and renewed emphasis on the infrastructure and project segment in the urban markets helped the Company to stride forward. Paint and



coatings still remains an under-penetrated category in India with a huge scope of increasing our footprint in newer geographies. Initiatives have been taken to drive premium/luxury segment including launch of new products, new advertisements and revamping of existing portfolio which helped to drive up profitability. Your Company registered good growth in numbers both in top-line as well as bottom-line. Margin pressure was there due to escalating raw material prices and the Company took series of steps to cut costs, improve margins and increase prices to mitigate this challenge . Your Company's path breaking and leading products such as Easy Clean, Anti Dustt, Homeshield Waterproof Putty and others were revered and emulated by other competitors in the paint industry.

Your Company launched various new products and a few significant ones are WeatherCoat Longlife Flexo, Luxol PU Enamel, BP White Primer Lite, BP Anti Corrosive 1K Epoxy Primer, Berger Imperia BreatheEasy, Woodkeeper Rainbow, Berger Imperia Polyester. Your Company's Do-It-Yourself products under the i-Paint umbrella turned out to be an instant success. Your Company also re-branded some of its products like Silk Illusions which has now been re-branded as Silk GlamArt. The textures are designed to make your home a thing of beauty while defining your personality. The tagline 'Live Your Style', aims at making the home an ultimate style statement. Express Painting, a home painting service innovation by Berger enjoys a 95%+ Customer Satisfaction Score with its specialized personal consultancy, precision, mechanized tools and trained painters transforming the journey of Express Painting consumers. Waterproofing and construction chemical business also grew by more than 50% overall. In some markets the revenue tripled as well. Berger Homeshield has now become one of the major players in this segment with strong presence in more than 30,000 outlets across the country. Strong forays were made into industries, government, builders and repair segment. Scientific waterproofing solution has been provided by your Company across the country through more than 20,000 trained applicators. Berger Prolinks division continue to customize painting solutions for India's urban landmarks, old and new. Auditorium and cinemas, malls and multiplexes, high-end housing complexes, hotels and resorts, multi-specialty hospitals, international schools and university campuses, all have their unique needs



and require considerable outlays to build and maintain. Your Company's professionalism and experience have made it an ideal partner for such construction activity. Berger Protecton business is the undisputed leader in the protective coatings segment and has remained the same since inception. Ranging from pipe coatings to refinery projects, railway coaches, iron and steel plants, road marking business, thermal power plants, floor coating, airports - Berger Protecton is present everywhere. This business registered record revenue and its future is extremely bright with an array of innovative offerings. Your Company's Auto, General Industrial and Powder Coating businesses fared satisfactorily during the previous financial year. A number of new OEMs were successfully added resulting in sizeable value growth particularly in the General Industrial business.

Berger's growth is engineered with constant focus on innovation and there is a continual focus on investment in new technologies to comply with the current and future demand. Your Company today has one of the oldest R & D centers which is recognized by the Government of India. Your Company offers its employees endless opportunities to grow and build a rewarding career. The sense of 'One Berger family' binds all employees together. It encourages them to soldier through difficult times with resilience in order to achieve the desired goal. With extremely volatile raw material prices, procurement and management of inventory, supply chain and logistics support has been the order of the day. Your Company ensured seamless supply of raw materials and finished goods in spite of the turbulence caused due to multiple waves of COVID-19 pandemic and tensions in Eastern Europe. Your Company's investment in Information Technology to enhance ease of doing business for our sales team, channel partners and influencers have been worth their weight in gold. The manufacturing focus of the Company was on energy efficiency improvement, manpower optimization and related Environmental, Social and Governance initiatives while maintaining COVID protocols. The manufacturing function successfully ensured that there is no dearth in supply of finished goods. Reduction of carbon emissions, roof top solar power plant, bio briquette fired thermic fluid heaters, LED lights are only a few sustainability and energy conservation initiatives undertaken by the Company among many other undertaken by the Company in all its manufacturing locations.



You will be proud to note that your Company won 'Deloitte India's Best Managed Companies 2021' Award for overall business performance and sustained growth with the prestigious 'Best Managed' title.

Your Company's overseas operations, especially Nepal, continued to report high sales and earnings while in Poland a differentiated identity has been created with the use of green technology that is designed to reduce energy consumption by 30% to 35%.

Your Company's CSR initiative iTrain aimed at skill development of painters while imparting entrepreneurship skills results in the increase in earning potential. Your Company has partnered with the reputed 'Smile Foundation' for the iTrain programme to bring in more efficiency.

Carrying this success story forward, I am pleased to declare that your Company registered highest ever sale in a quarter in the Company's history during April to June, 2022.

Friends, you will be happy to note that the Company expects to commission its new plant at Sandila Industrial Area, Hardoi, Lucknow during this year subject to receipt of required consents and approvals.

Under the able guidance of the Board of Directors, professional management team supported by a motivated workforce your Company is confident of making rapid progress in the coming years. With an eye towards safety and well-being of our employees we would continue to march ahead and reach our centenary year with many more achievements to showcase. With this, I hope and pray that each one of you and your family and friends stay safe and secure.

Thank you