



Berger Paints India Limited
Earnings Update Call, Q1 FY24
August 9, 2023





**STRONG OUTSIDE
BEAUTIFUL INSIDE**

India's First Premium 2-in-1 Emulsion with Recron® Microfiber



Loops

BERGER SILK GLAMOR



Paint your Imagination



Q1 FY24 Performance

Transform Your Residential Complex With Our Repainting And Renovation Solutions



One-Stop Solution



Site Inspections



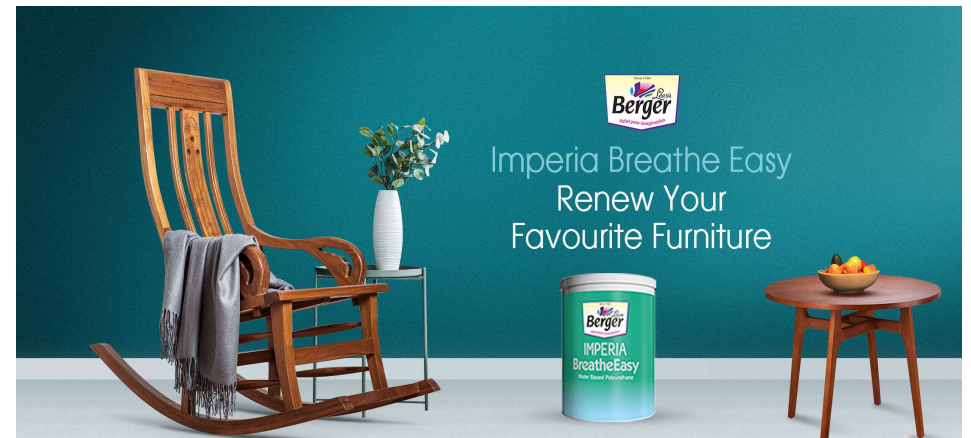
Skilled Contractors



Performance Warranty



Imperia Breathe Easy
Renew Your
Favourite Furniture



Financial Results – Standalone Q1 FY24

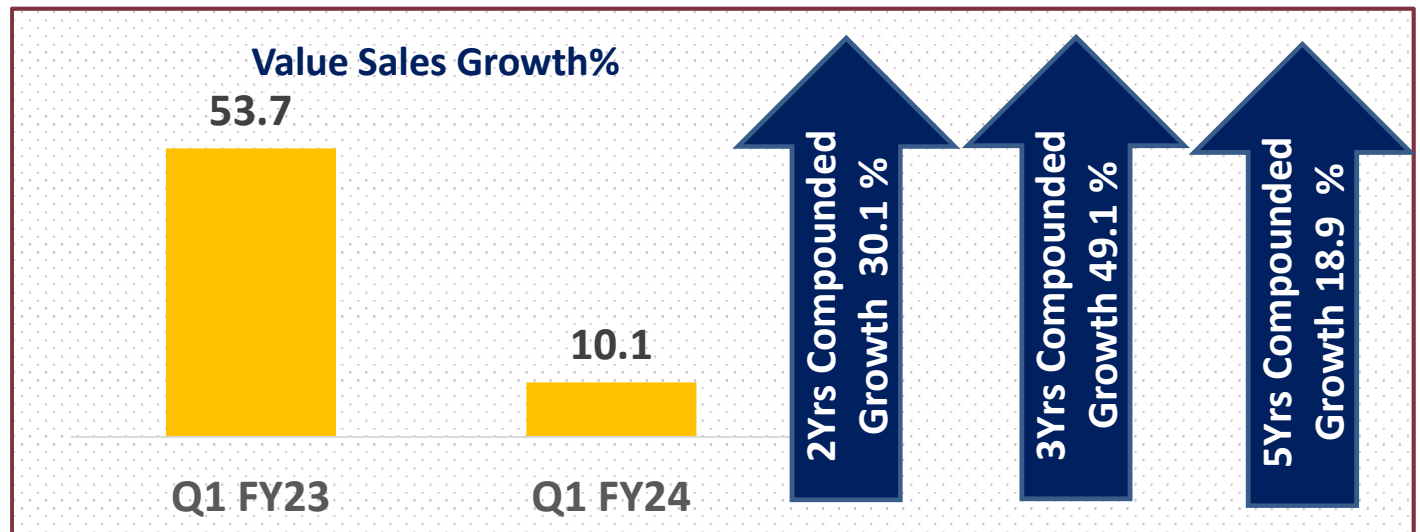
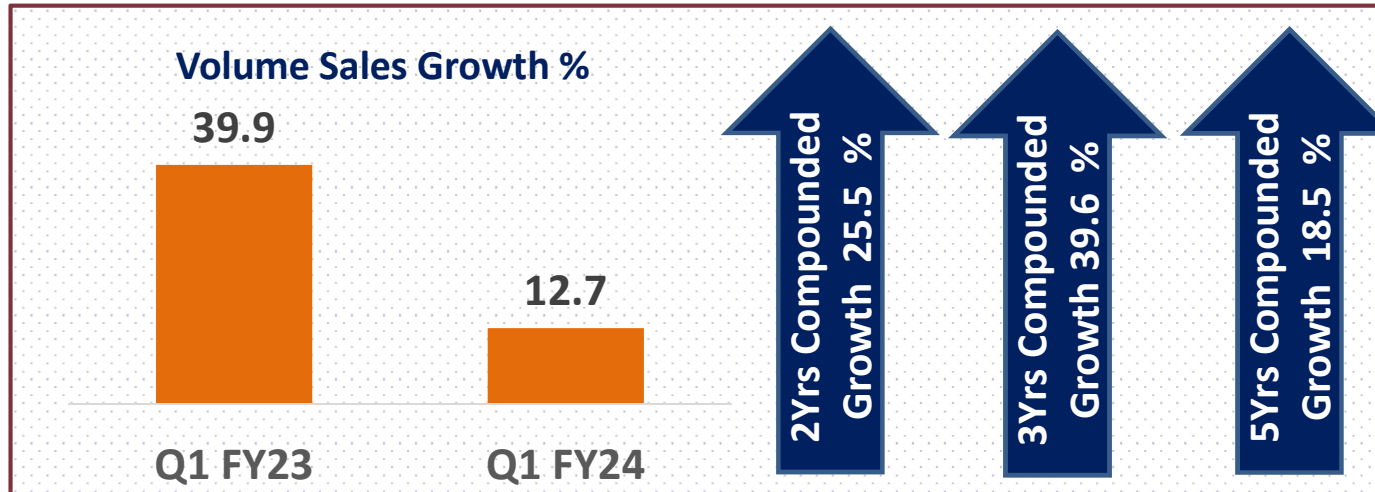


Rs Crores

	Q1 FY24	% to Total Income	Q1 FY23	% to Total Income	Growth %
Total income from operations	2,739.76		2,488.67		10.1
Material Cost	1,661.27	60.6	1,610.32	64.7	
Employee Cost	126.24	4.6	110.79	4.5	
Other expenses	438.42	16.0	393.84	15.8	
PBDIT (Excluding Other Income)	513.83	18.8	373.72	15.0	37.5
Depreciation	69.85	2.5	55.57	2.2	
Profit from operation before interest	443.98	16.2	318.15	12.8	
Other Income	11.73	0.4	10.62	0.4	
PBIT	455.71	16.6	328.77	13.2	38.6
Finance Cost	16.71	0.6	13.99	0.6	
PBT	439.00	16.0	314.78	12.6	39.5
Taxes	112.68	4.1	80.38	3.2	
PAT	326.32	11.9	234.40	9.4	39.2
Other comprehensive income, net of income tax	(0.19)	(0.0)	2.80	0.1	
Total comprehensive income for the period	326.13		237.20		



Sustained Growth



High double digit compounded growth sustained across 2/3/5 years
Decorative business grew by 11.4% which is far ahead of industry growth helping the company to consistently gain Market share

Business Highlights



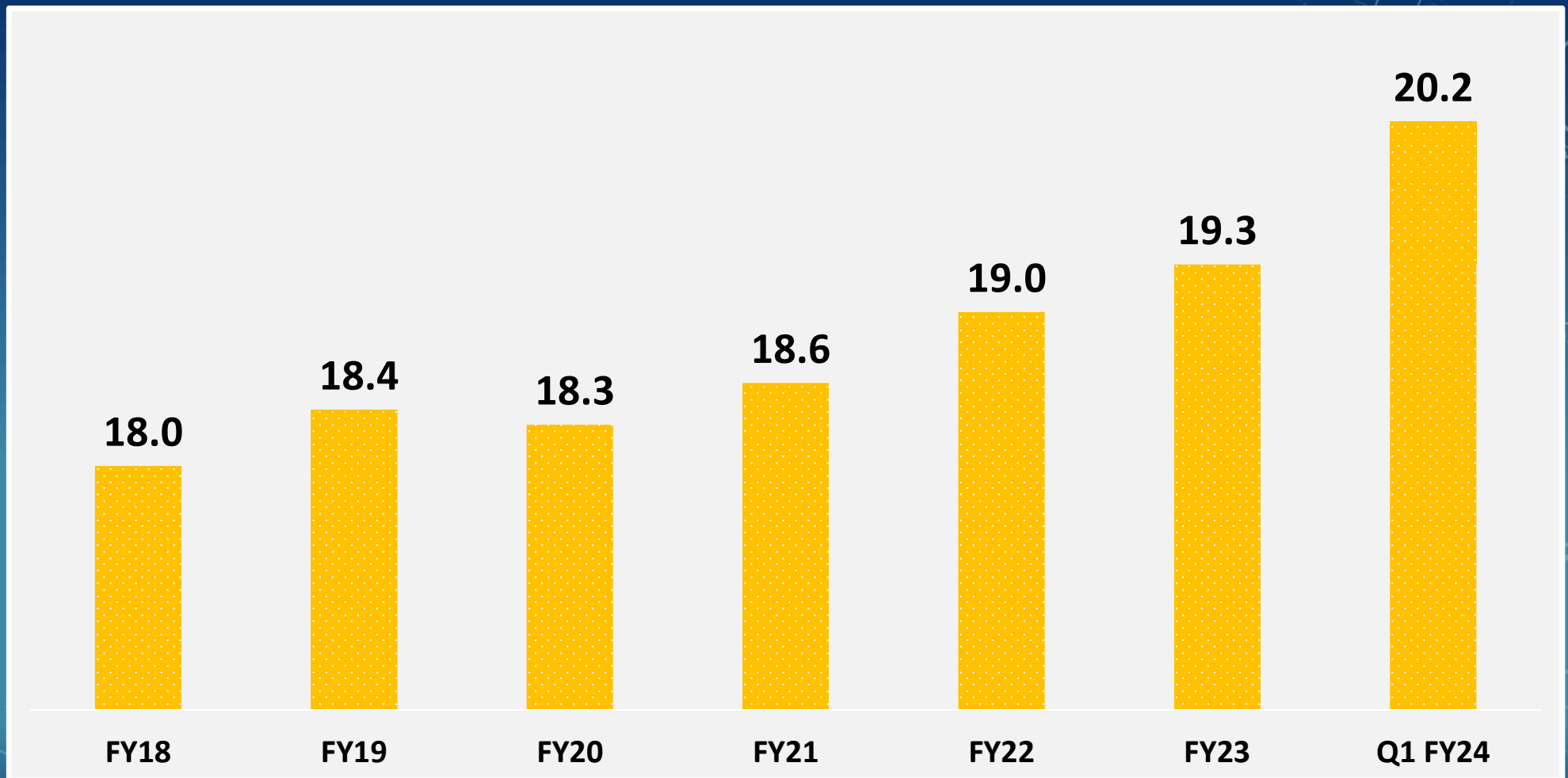
Strong performance for the quarter



Highest gain in market share in the industry

Highest Profitability growth in Q1FY24

Market Share



Market Share percentage calculated on 5 listed paint companies
Market share calculated for Berger Paints' India operation

Decorative Business on sustained growth path



Healthy double-digit volume and value growth continued in spite of
of very high base and an inflationary environment

Business also showed good growth sequentially



Water proofing business continued to show strong growth



Both urban and rural markets showed improvements in the quarter

Added 1500+ retail touchpoints in Q1FY24
Installed 1300+ Colorbank machines



New Products



**DON'T LET THE SUMMER HEAT & DUST
LOSE THE KOOLNESS OF YOUR HOUSE!**



**DUST GONE
KOOLING ON**



New Products



New Products



Moisture Cured PU (SB)
ELASTOSEAL NON-UV



Spray-applied Polyurea
(MP500/MP250)



Brush-able Polyurea
ULTRASEAL BA

Berger Roof Coating

New Products



Epoxy Tile Grout
3P & 2P



Industrial Business : Q1FY24

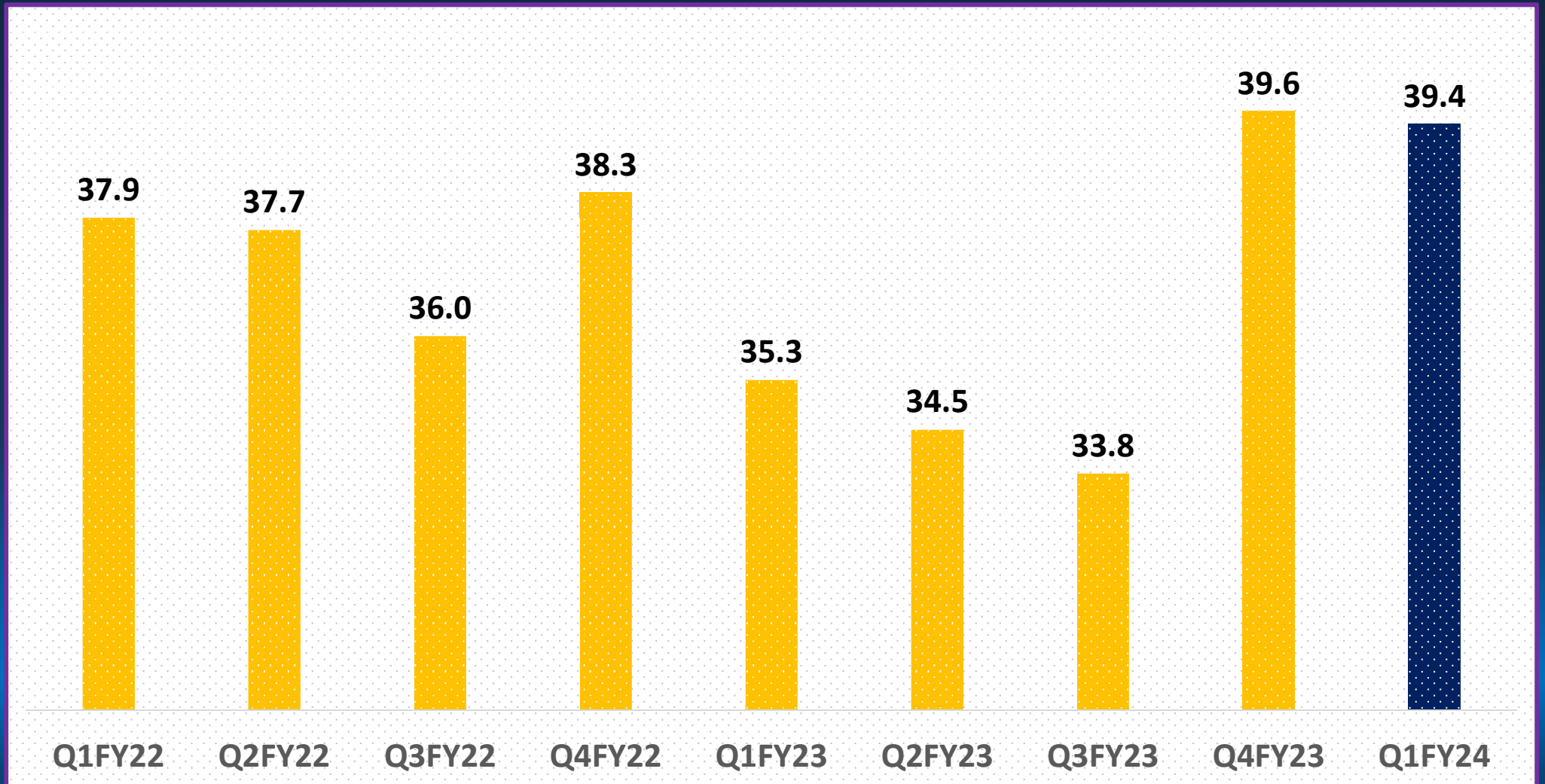
Protective coatings and General Industrial business continued its steady growth for the quarter aided marginally by the impact of improved price realization

Automotive business had a modest growth on account of subdued growth in the two-wheeler industry

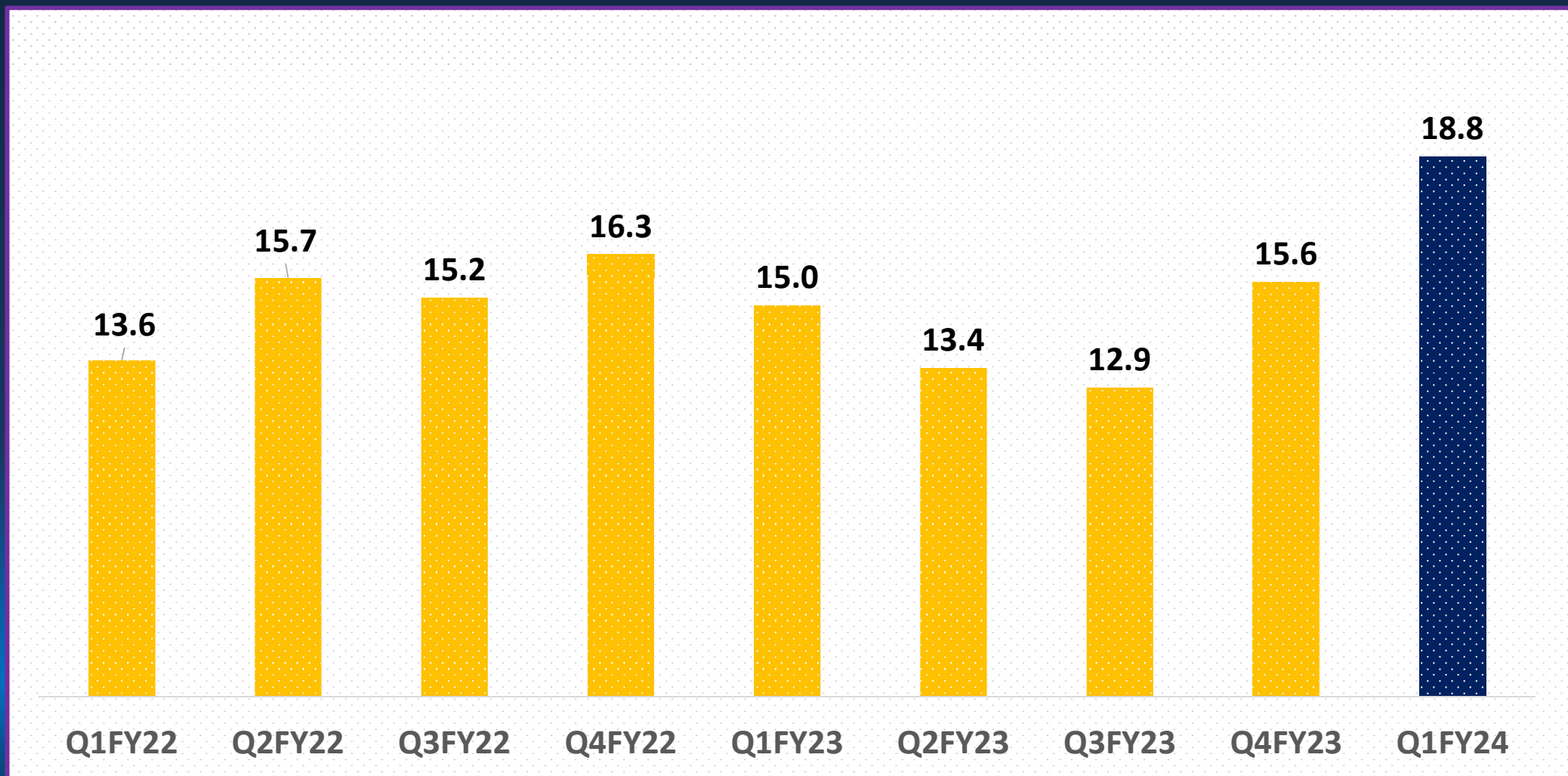
Powder Coatings business line showed a degrowth for the quarter due to high base effect and downturn in fan industry. However we expect the business to turnaround in Q2FY24



Gross Margin (%) - Standalone



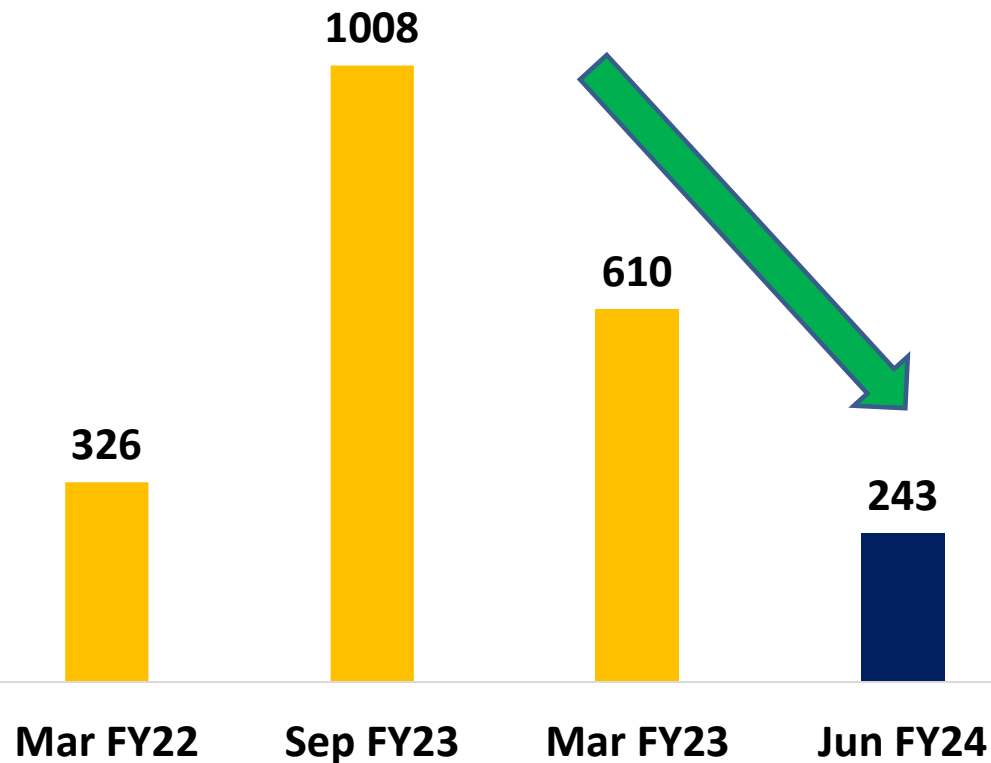
Improving Profitability : PBDIT (%) - Standalone



Improving financial health : Debt Position



Net debt (Rs Crs)



Net debt showed further reduction in the first quarter of FY24

- No major capacity expansion planned for the year
- Improvement in Net working Capital
- We maintain our stance to get net cash positive by end of FY24

Financial Results- Consolidated Q1FY24



Rs Crores

	Q1FY24	% to Total Income	Q1FY23	% to Total Income	Growth %
Total income from operations	3,029.51		2,759.70		9.8
Material Cost	1,823.09	60.2	1,773.14	64.3	
Employee Cost	166.90	5.5	146.03	5.3	
Other expenses	482.77	15.9	435.69	15.8	
PBDIT (Excluding Other Income)	556.75	18.4	404.84	14.7	37.5
Depreciation	78.21	2.6	62.80	2.3	
Profit from operation before interest	478.54	15.8	342.04	12.4	
Other Income	13.58	0.4	13.04	0.5	
PBIT	492.12	16.2	355.08	12.9	38.6
Finance Cost	19.71	0.7	16.26	0.6	
PBT before share of joint ventures	472.41	15.6	338.82	12.3	39.4
Share of Profit / (loss) of associates and joint ventures	3.77	0.1	3.47	0.1	
PBT	476.18	15.7	342.29	12.4	39.1
Taxes	121.27	4.0	88.58	3.2	
PAT	354.91	11.7	253.71	9.2	39.9
Other comprehensive income, net of income tax	(4.33)		9.35		
Total comprehensive income for the period	350.58		263.06		

Performance - Consolidated: Q1 FY24

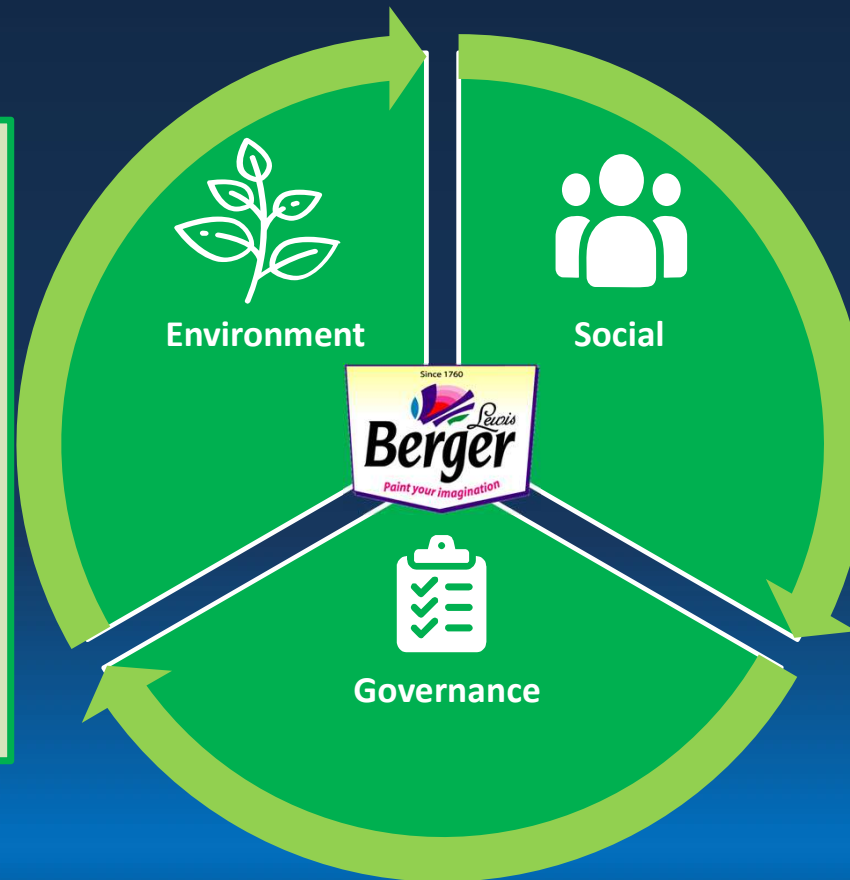


- **Company's overseas subsidiary, Bolix S.A, Poland had a strong quarter of both topline and profitability growth driven by good performance in the U.K. business**
- **Company's overseas subsidiary, BJN Nepal had another quarter of degrowth in topline and profitability on account of slow down in construction sector and steep inflation**
- **Company's subsidiary, STP Ltd showed marginal top line growth due to a high base. However had a strong double digit profitability growth aided by improvement in gross margin due to softening of raw material prices. We expect double digit value growth in Q2 FY24**
- **SBL Specialty Coatings Ltd had a marginal degrowth in the topline due to a high base and adverse impact from the Fan segment, however profitability recorded robust growth on the back of softening RM prices. We expect double digit value growth in Q2 FY24**
- **Company's Joint venture Berger Nippon Paint Automotive Coatings Pvt. Ltd. had a very robust quarter of topline and profitability growth aided by uptick in Passenger car and SUV sector**
- **Company's Joint venture Berger Becker Coatings had a degrowth in both topline and profitability in the quarter on account of capacity constraint due to fire in one of its manufacturing facilities in Q4 FY23**

Road to sustainability : ESG Initiative

❑ **Project Jal** : 2.88 lakh Itrs of water saved on a daily basis which can quench thirst of 96000 humans daily

❑ **8430.85 MT of CO2 emission reduced** through Bio-briquette, Roof top Solar Power plant and PNG operation in FY23



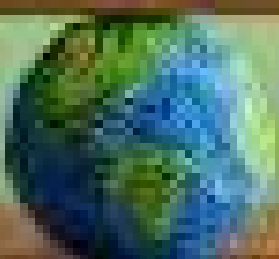
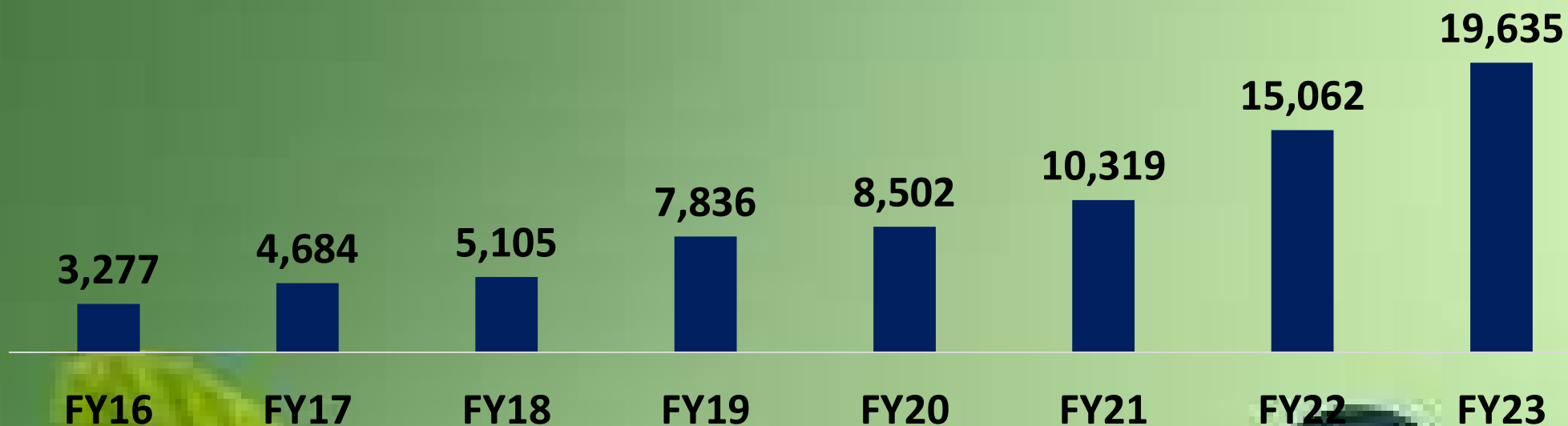
Power Consumption:

Solar Power generation in FY23:
66,41,152 KWH

35% increase in solar power generation in FY23 against FY22

Reduction of SPC in FY23 against FY22: **4.34%**

Carbon Footprint Reduction (In MT)



Confident outlook for the business



- **Company expects to end the year with double digit revenue growth as the demand outlook remains good in view of positive monsoon progress, infrastructure spends and extended festive season**
- **Profitability expected to sustain on moderation of raw material prices in the coming quarters**

Disclaimer



This presentation has been prepared by Berger Paints India Limited for information purposes only.

The forward looking statements, if any, involve risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the statements.