



August 17, 2023

BSE Limited  
Corporate Relationship Department,  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort, Mumbai - 400 001  
BSE Scrip Code: 509874

National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G- Block  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400051  
NSE Symbol : SHALPAINTS

**Sub: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Earnings Presentation**

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Q1FY24 earnings presentation of Shalimar Paints Limited (“the Company”). The same is also being uploaded on the website of the Company [www.shalimarpaints.com](http://www.shalimarpaints.com).

You are requested to kindly take the above information on record.

Thanking you,

Yours faithfully,

For **Shalimar Paints Limited**

SHIKHA  
RASTOGI

Digitally signed by  
SHIKHA RASTOGI  
Date: 2023.08.17  
13:20:09 +05'30'

**Shikha Rastogi**  
**Company Secretary**

Encl.: as above



**Shalimar Paints Ltd.**

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Email Id: askus@shalimarpaints.com Website: www.shalimarpaints.com CIN: L24222HR1902PLC065611



**SHALIMAR  
PAINTS**

## **Shalimar Paints Limited**

**Earnings Presentation**

**August 2023**



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- **Company Overview**
- **New Initiatives**
- **Performance Snapshot**



# Company Overview



Q1 FY24

**11,310**

Volume (KL)  
22% YoY

**₹ 127.2**

Revenue (Rs cr)  
14% YoY

**31.7 %**

Gross Margin (%)  
+460 (bps)

**₹ -3.02**

EBITDA (Rs cr)

Q1 FY23

**9,270**

Volume (KL)

**₹ 111.5**

Revenue (Rs cr)

**27.1 %**

Gross Margin (%)

**₹ -1.90**

EBITDA (Rs cr)

FY2023

**41,506**

Volume (KL)  
12% YoY

**₹ 492.8**

Revenue (Rs cr)  
36 % YoY

**27.0 %**

Gross Margin (%)  
Improvement of 2 % YoY

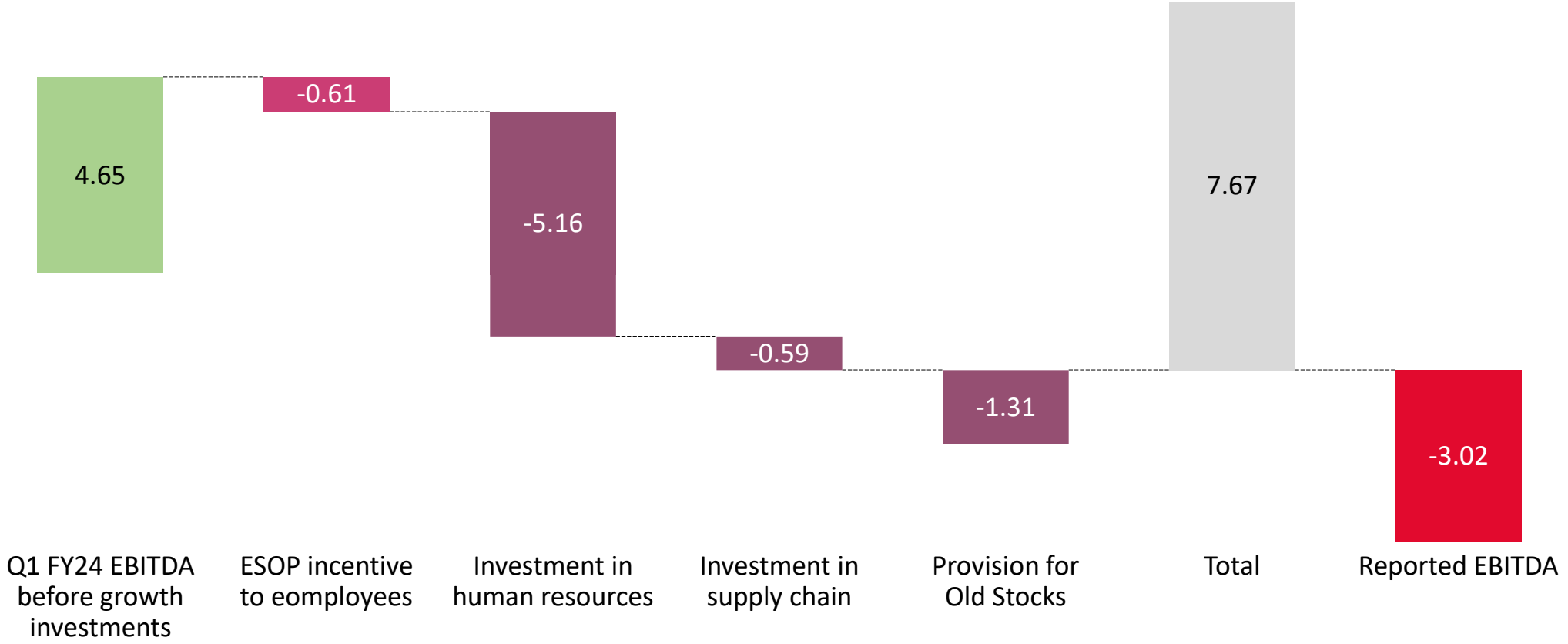
**₹ -7.54**

EBITDA (Rs cr)

# EBITDA walk through ( EBITDA before growth investment & reported EBITDA)



Rs.Cr



## Decorative Paints

**Q1 FY24****8,099**

Volume (KL)

21% YoY

Q1 FY23

**6,675**

Volume (KL)

FY2023

**28,966**

Volume (KL)

6% YoY

**₹ 76**

Net Revenue (Rs cr)

7% YoY

**₹ 71**

Net Revenue (Rs cr)

**₹ 285**

Net Revenue (Rs cr)

33% YoY

## Industrial Paints

**Q1 FY24****3,211**

Volume (KL)

24% YoY

Q1 FY23

**2,595**

Volume (KL)

FY2023

**12,540**

Volume (KL)

27% YoY

**₹ 50**

Net Revenue (Rs cr)

28% YoY

**₹ 39**

Net Revenue (Rs cr)

**₹ 191**

Net Revenue (Rs cr)

36% YoY



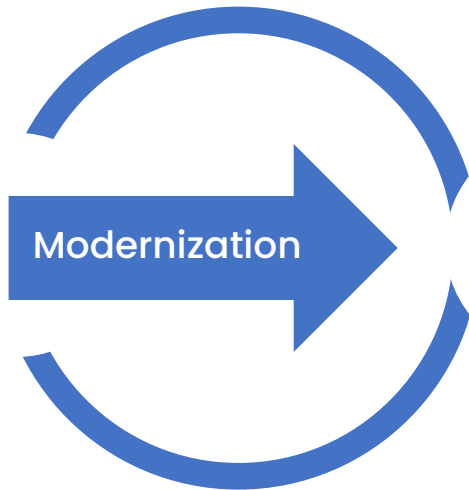
**SHALIMAR**  
PAINTS

**New Initiatives**

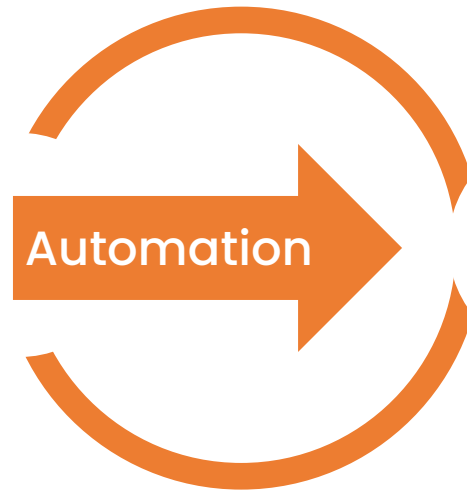


## Planned Capital Expenditure amounting to ~ Rs. 190 Crore

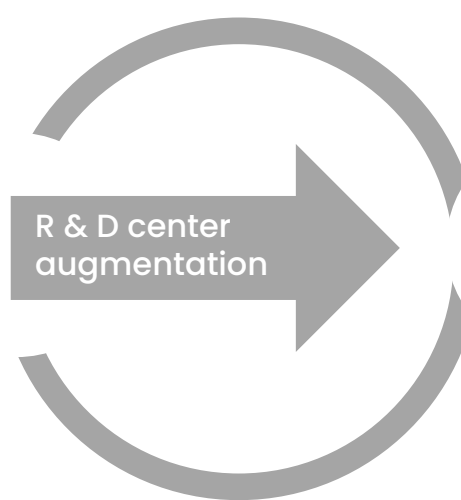
"Going Ahead: Aiming to increase capacities, modernization, automation & productivity improvement."



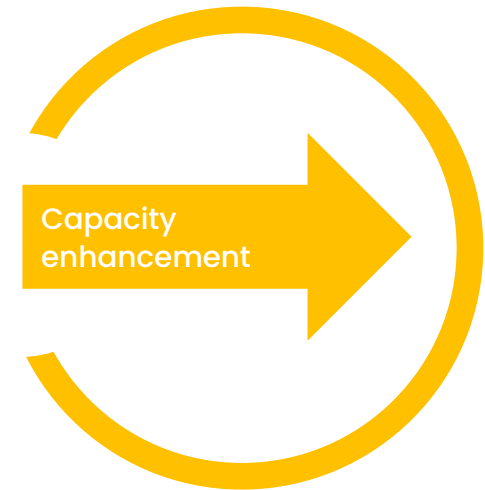
"Modernization: Revamping the system to harness automation's power, driving efficiency and excellence."



"Bringing in the New: Using automation to update and improve the way things are done."



"Expansion & modernization of R&D Centre at Nashik."



"Expanding capacity ( 78 ml ltr to 185 ml ltr p.a) to accomplish more, with a focus on achieving greater efficiency and effectiveness."

# New Products Launched

Single Pack Epoxy



SUPPORTED BY  
POSM & CRM

GP THINNER



# Marketing Communication

PRODUCT POSTER

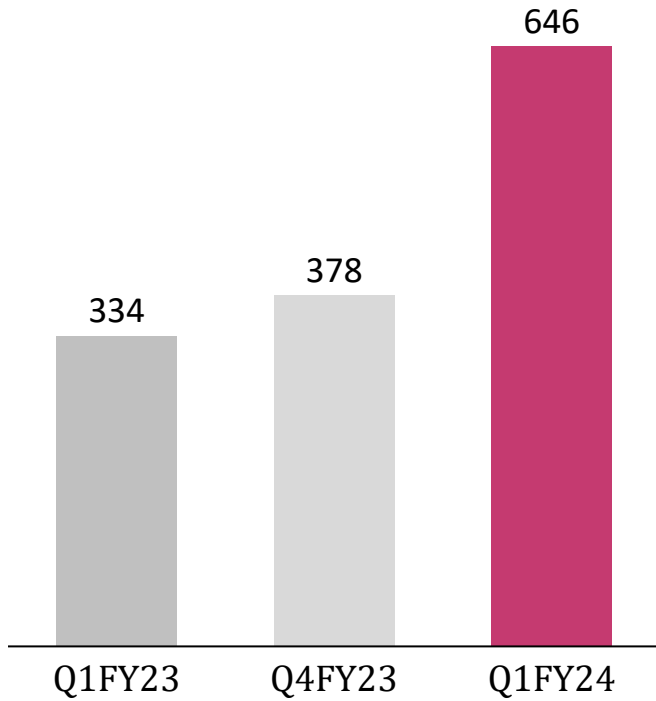
GPT – DEALER SCHEME COMMUNICATION

# Q1 FY24 : New Dealer performance

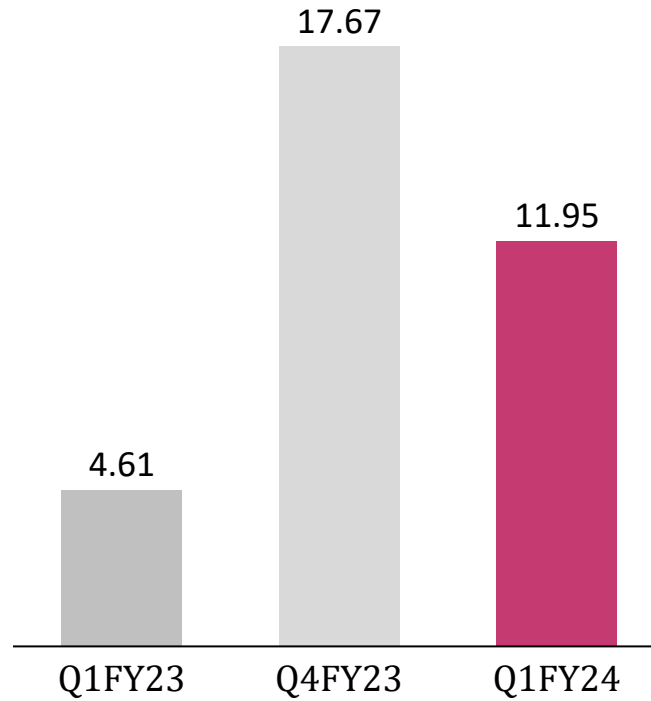
**646**  
NEW DEALERS

**11.95 Crs**  
SALE

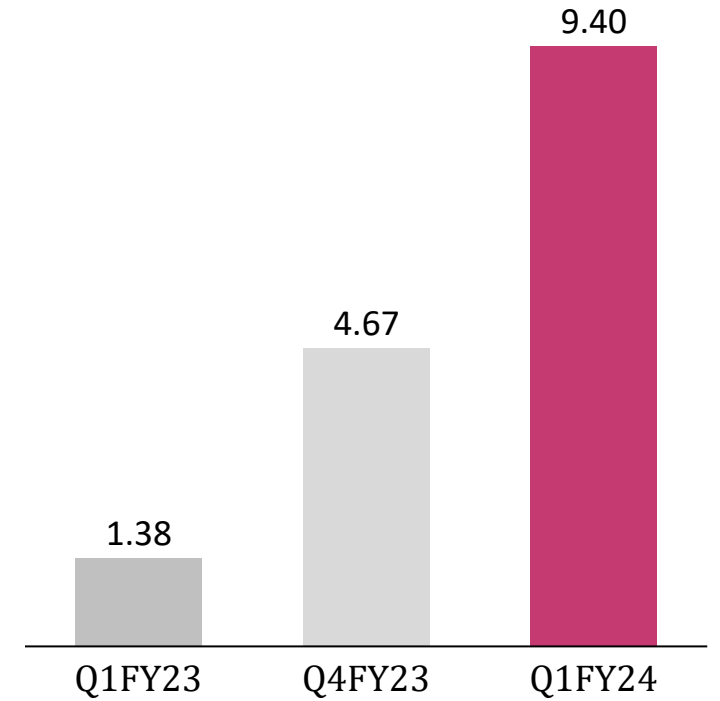
**9.4%**  
CONTRIBUTION TO NET SALE



New Dealer Additions



Sales (in Crores) from new dealers



Yield per dealer (in lacs)



## LAKSHYA CLUB

2439 Dealer Enrolled

300 Cr Annual Business Commitment  
67.3 crores done in Q1  
78% BUSINESS Contribution in Q1



# Lakshya

## 2023-24

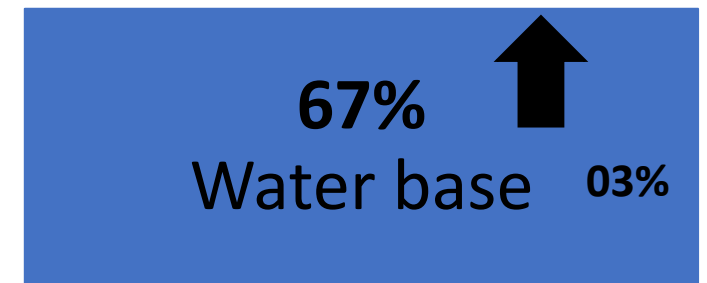
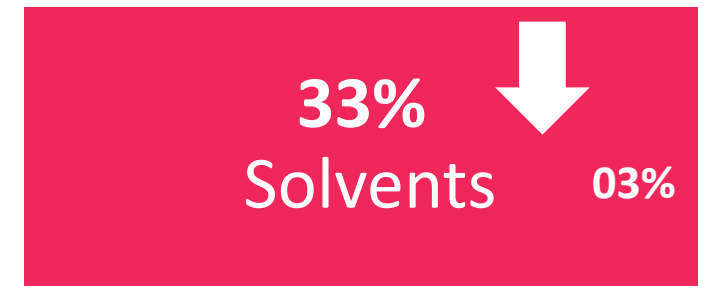
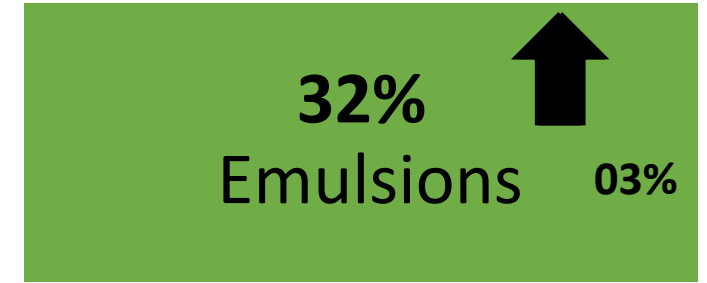
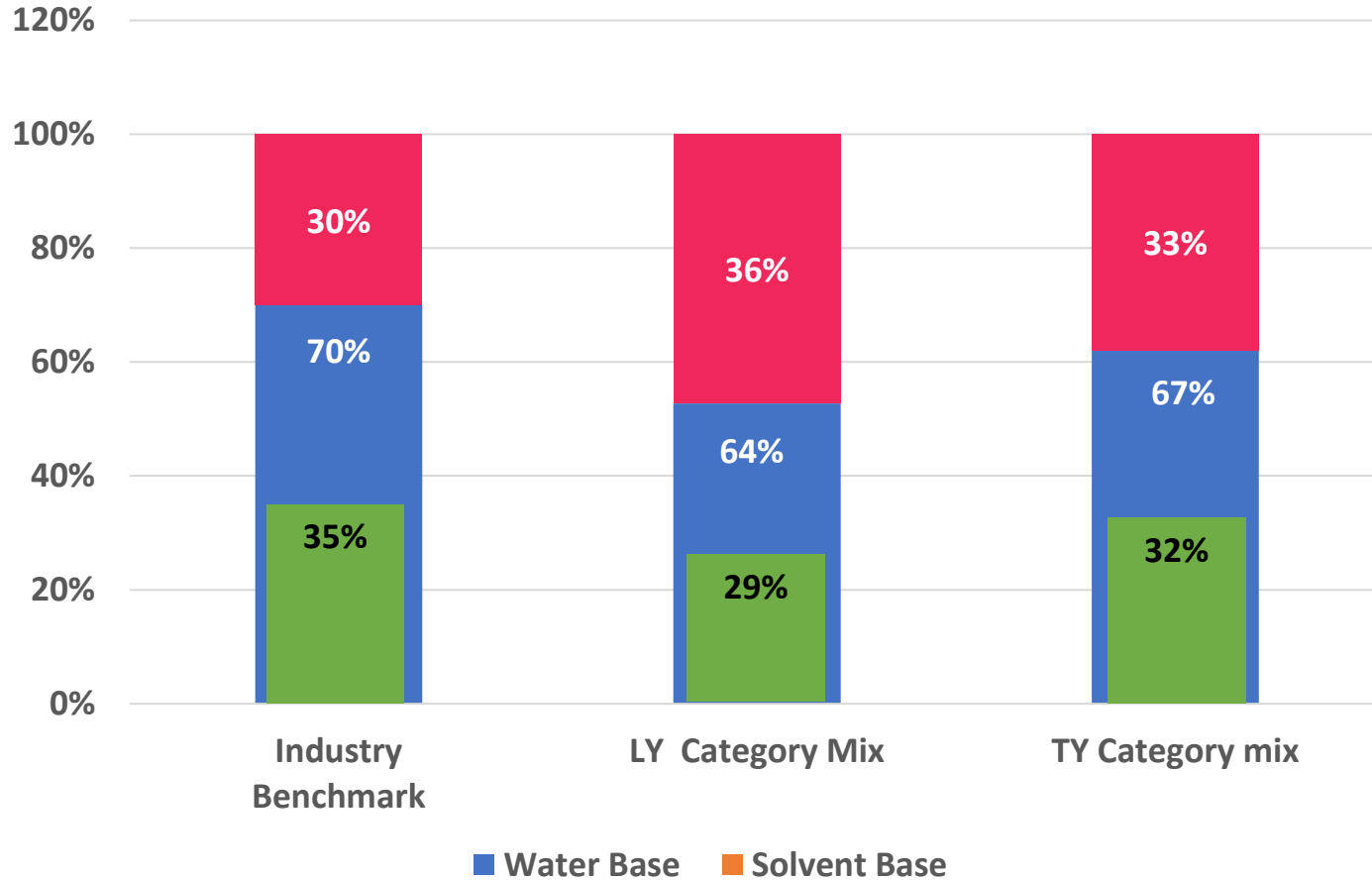
1<sup>st</sup> APRIL 2023 - 31<sup>st</sup> MARCH 2024





# Category Saliency

## Category Mix



**PAINTER**

**CONSUMER**



**ACTIVATE**



**OWN**

**DEALER**



**CONVERT**



# THE EXECUTION



# ON GROUND

## DIGITAL



PAINT VISUALIZER APP

## TRADE

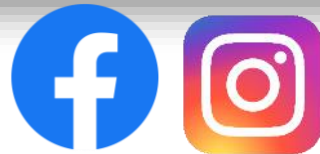


**aapka PAINTER** .com

ESTIMATED PAINTING COST  
FOR YOUR CURRENT SELECTION IS

**₹ 124695**

THIS ESTIMATE INCLUDES



## TRANSFORMATION

## ACTIVATION

## VISIBILITY



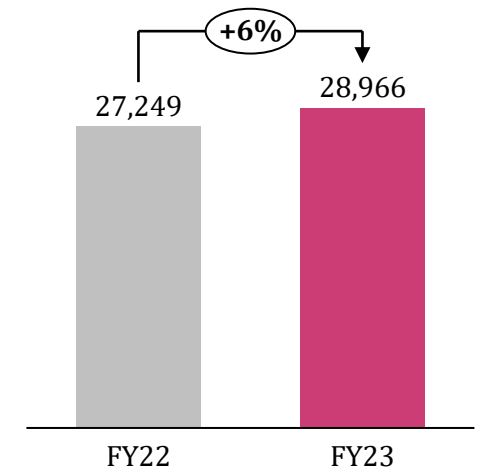
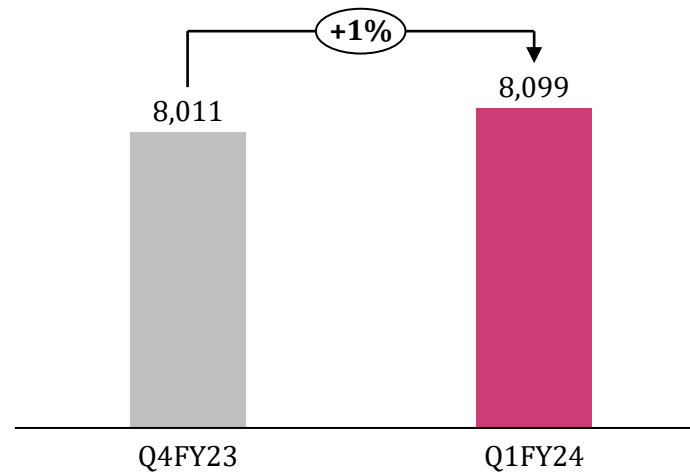
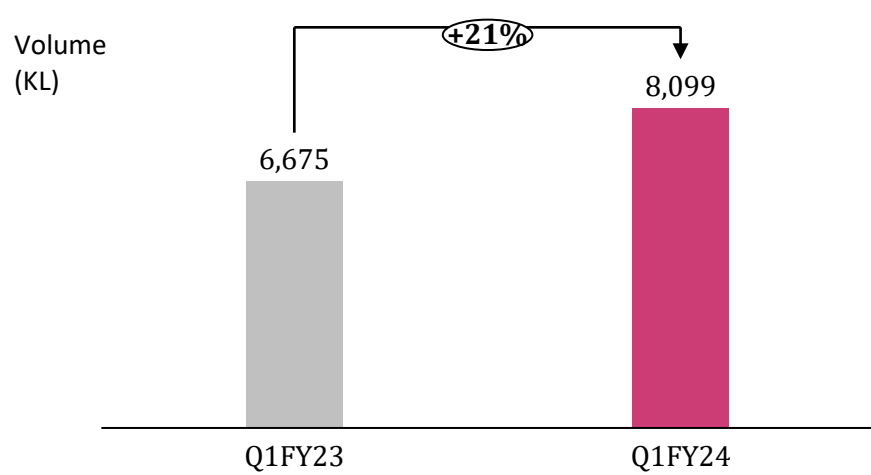
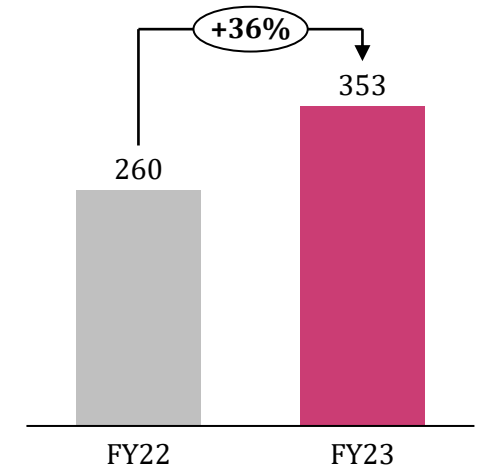
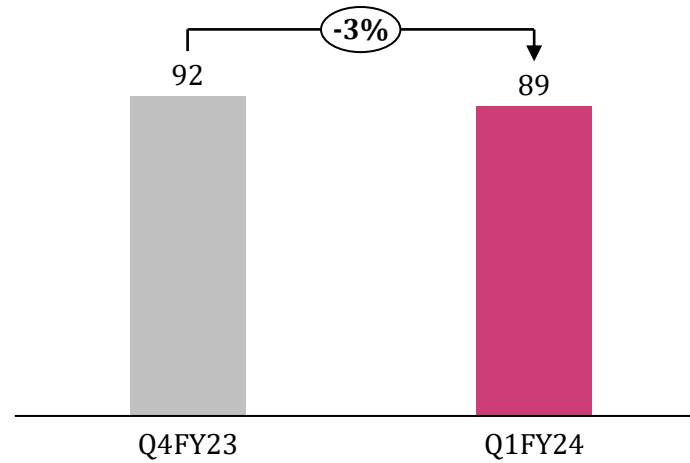
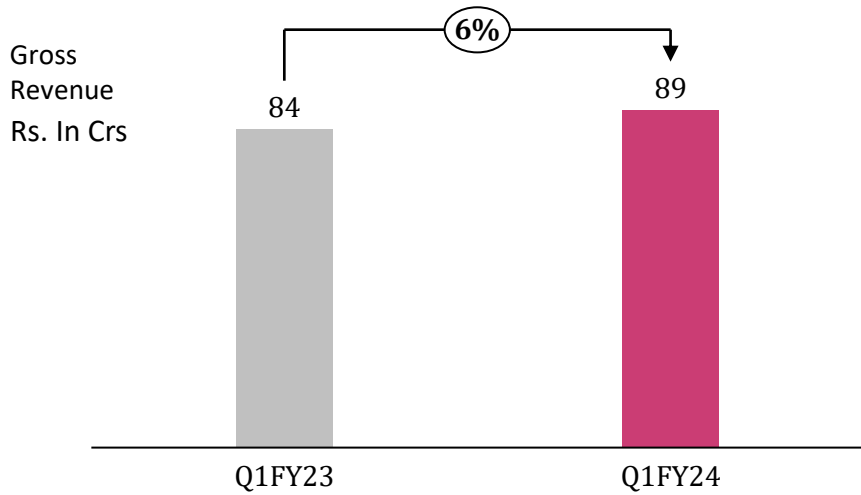
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Performance Snapshot



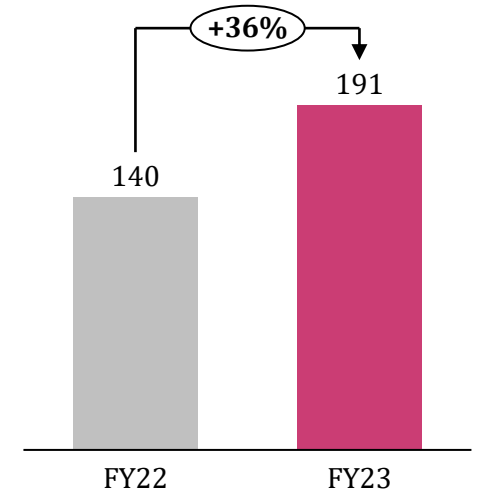
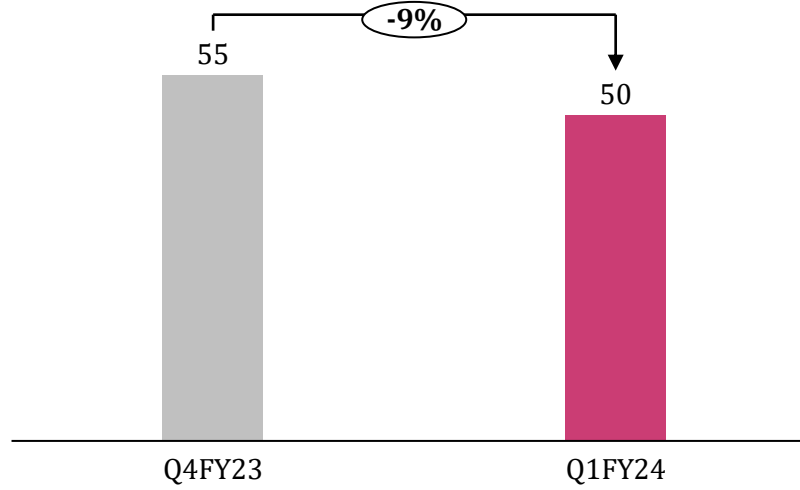
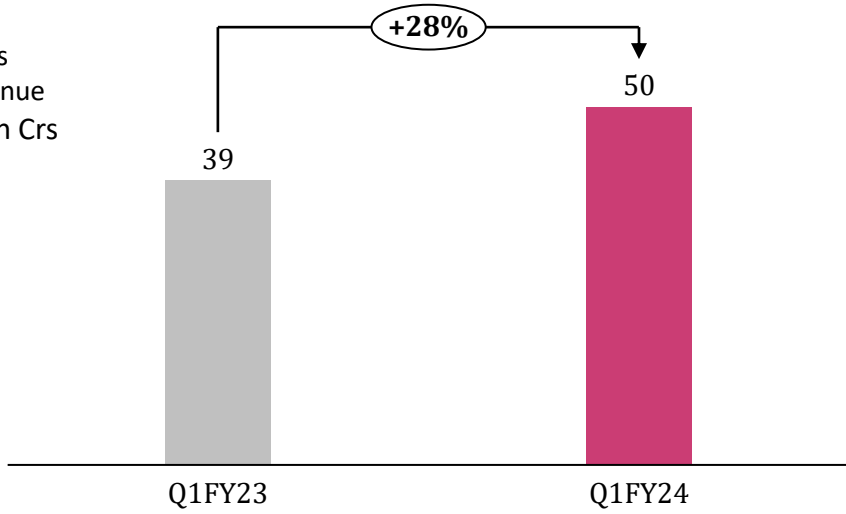
# Decorative Paints Performance

## Decorative Paint performance

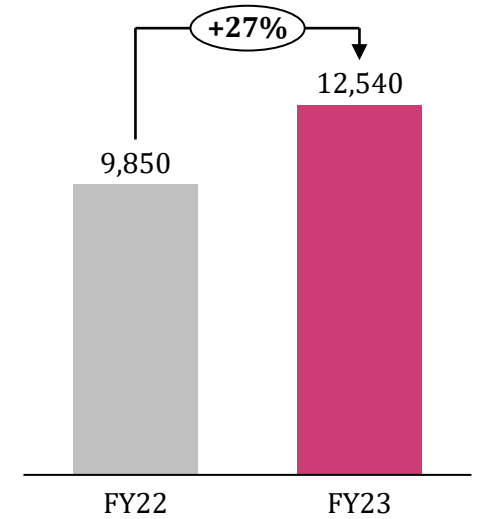
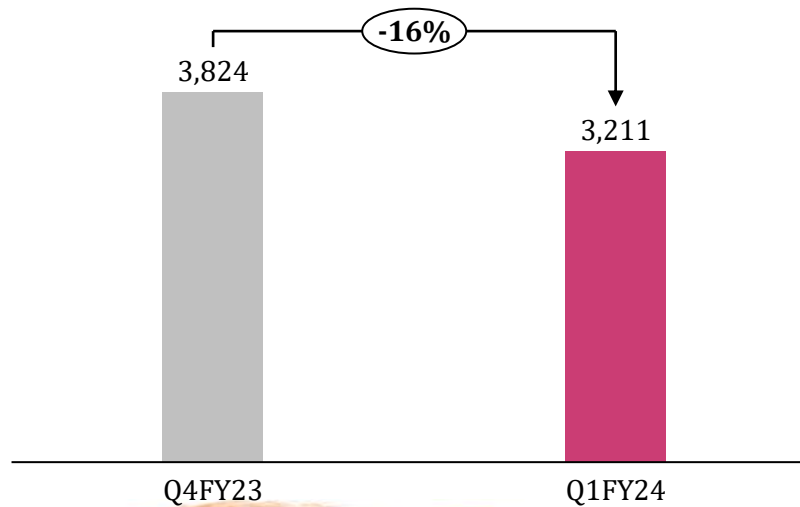
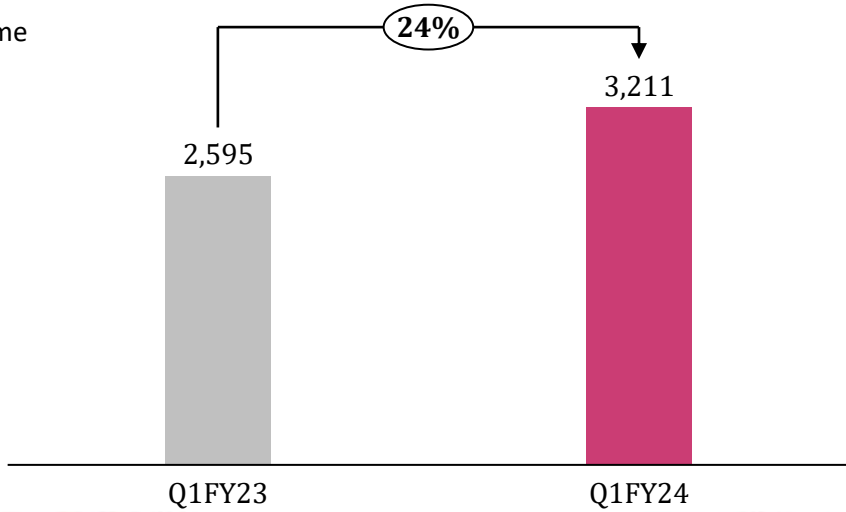


## Industrial Paints performance

Gross Revenue  
Rs. In Crs



Volume  
(KL)



- **Current market scenario – New players and large organizations are entering the segment which will make the market more crowded and change market market dynamics.**
- **Our Strategy**
  1. **Gain Market Share - To gain market share by investing more. The focus areas of investments will be**
    - **Manpower, Manufacturing units, R & D, Marketing & Supply Chain**
  2. **Modernization & Automation of all the plants in next 2-3 years with a capex of INR 190 to 200 cr to**
    - **Enable quality, serviceability & capacity**
  3. **New R & D Centre at Nashik - To help break new customers**
  4. **Increasing distribution – To open 17 new warehouses across regions & far off locations**
  5. **Marketing - Increased spends in marketing**



**Focus on areas having significant presence**



**Focus on smaller Tier 3 & 4 towns and rural area**



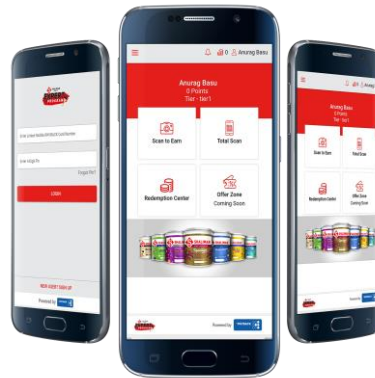
**Focus on deploying Premium emulsion machines in the market**



**Service improvement - specially supply**



**Focus on research & development of newer products**



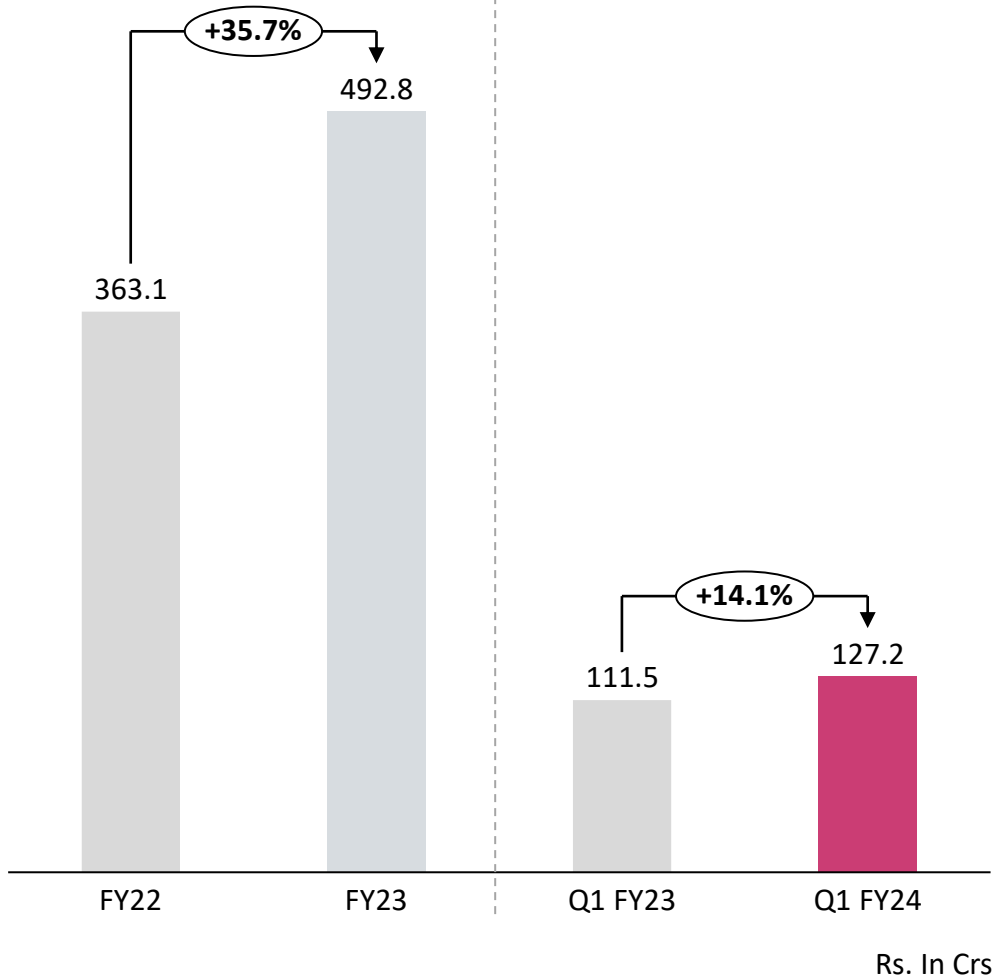
## Expert Program

### Progress so far

- ✓ **Margin improvement:**
  - Optimization of water & solvent-based paints
  - Margin improvement plan is in place
  - No extra material addition
- ✓ **New Product Development:**
  - Newer products developed & formulations released to plants
- ✓ **Vendor Development:**
  - Newer Raw material evaluated and approved
- ✓ **Quality Upgradation:**
  - Quality of the formulations were improved
- ✓ **Moving towards manufacturing excellence:**
  - Planning for additional capex for modernization, automation and capacity enhancement.
  - Expansion & modernization of R&D Centre at Nashik
  - Opening of new warehouses across all regions to improve serviceability and speed in deliveries.



## REVENUE

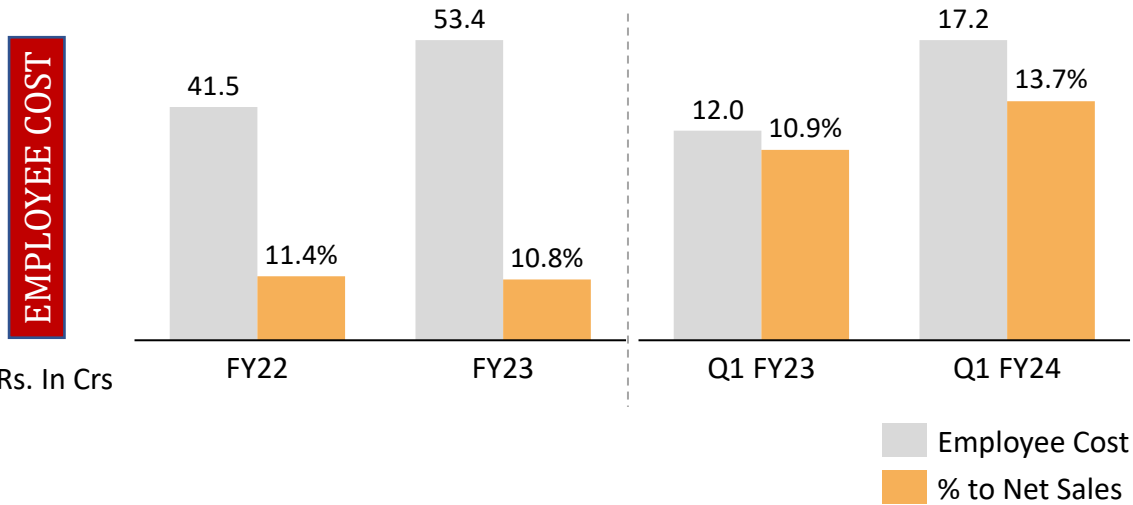
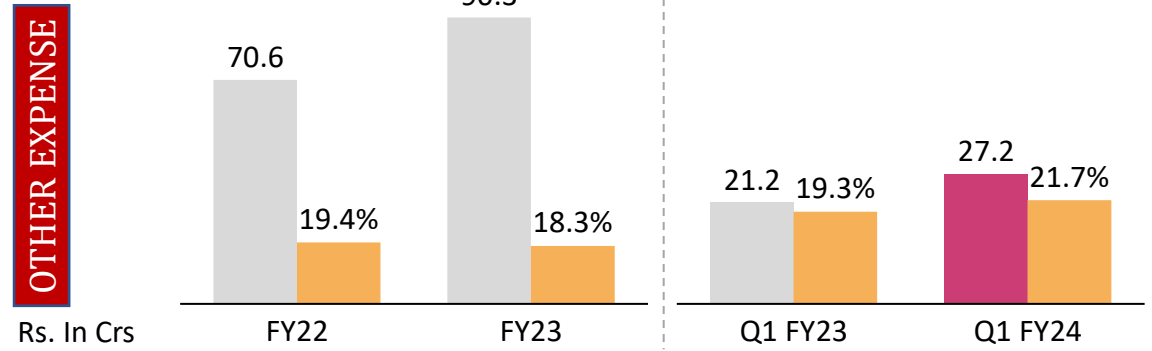


## Improvement in Net Revenue

- ✓ Net Revenue growth of 14% v/s last year largely contributed by 28% growth in Industrial Segment and 7% in Decorative Segment
- ✓ Increase in the dealer network and number of depots across the country
- ✓ Increase in the number of tinting machines
- ✓ Focus on social media
- ✓ Focus on water-based products and increase of products in the water based umbrella since last year
- ✓ Launch of new products in waterproofing range and protective coating in the last year
- ✓ Digital activations for consumers, dealers & Shalimar expert painters

# Cost Trend

Other Expense Cost'  
% to Net Sales



# Consolidated Profit & Loss Statement Q1 FY24



Particulars (Rs. Crs)	Q1FY24	Q1FY23	Q4FY23
<b>Revenue from Operations</b>	125.6	109.9	135.8
Other Income	1.6	1.5	3.5
<b>Total Revenue</b>	<b>127.2</b>	<b>111.4</b>	<b>139.3</b>
Cost of Materials Consumed	87.2	84.3	96.2
Purchase of Traded Goods	7.9	6.9	5.3
Changes in Inventories of Finished Goods and Work in Progress	-9.3	-11.1	-3.3
<b>Gross Profit</b>	<b>41.4</b>	<b>31.3</b>	<b>41.1</b>
<b>Gross Profit Margin (%)</b>	<b>32.5%</b>	<b>28.1%</b>	<b>29.5%</b>
Employee Benefits Expense	17.2	12.0	15.1
Other Expenses	27.2	21.2	28.6
<b>EBITDA</b>	<b>-3.0</b>	<b>-1.9</b>	<b>-2.6</b>
Depreciation and Amortisation Expense	3.3	3.4	3.2
<b>EBIT</b>	<b>-6.3</b>	<b>-5.3</b>	<b>-5.8</b>
Finance Costs	4.0	4.4	3.8
Exceptional Items	0.0	0.0	0.0
<b>PBT</b>	<b>-10.3</b>	<b>-9.6</b>	<b>-9.62</b>
Total Tax Expense			
<b>Profit for the year</b>	<b>-10.3</b>	<b>-9.6</b>	<b>-9.6</b>
EPS	-1.4	-1.3	-1.3

- **Revenue:**

- Company has reported revenue growth of 14% from previous year which is Q1FY23.
- During this quarter company has grown by 7% in Decorative segment and 28% in Industrial Segment from last year same quarter i.e., Q1 FY23.
- Company has onboarded 646 new dealers which has also contributed in the positive growth in the revenue.
- Company has also experienced a healthy change in mix of water based products and in specific emulsions portfolio since last year.

- **Raw material cost:**

- In the current quarter, the prices of key raw material has reduced which has mainly resulted in the gross margins improvement by 4.6% from Q1FY23 and 4% from Q4FY23.
- Company is continuously working on improving its product mix within the segments, which will eventually help to further reduce the raw material costs of the company.
- New formulations by R&D has helped the reduction in cost for 3 major categories of water-based paints

- **Other Expenditure:**

- Other expenses during the quarter has mainly increased due to increase in the plant cost and SCM cost on account of increase in production and opening of new depots.

- **Finance Cost :**

- During the quarter, finance cost is in line with the last year same quarter.

# Thank You

## Company :



**Shalimar Paints Limited**

CIN: L24222HR1902PLC065611

Mr. Davinder Dogra – Chief Financial Officer

[davinder.dogra@shalimarpaints.com](mailto:davinder.dogra@shalimarpaints.com)

[www.shalimarpaints.com](http://www.shalimarpaints.com)

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