



2nd November, 2023

STOCK. EXG/ AG/ 2023-24

The Corporate Relationship
Department
BSE Limited,
1st Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

The Listing Department
National Stock Exchange of
India Limited
Exchange Plaza, 5th Floor,
Plot No.-C/1, 'G' Block,
Bandra- Kurla Complex,
Bandra (E)
Mumbai – 400051

Listing Department
The Calcutta Stock
Exchange Ltd.
7 Lyons Range,
Kolkata-700001

Scrip Code : 509480

Scrip Code: BERGEPAIN T Scrip Code : 12529

Sub : Investor Presentation on Financial Results

With reference to our letter no. STOCK. EXG/ AG/ 2023-24 dated 19th October, 2023 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed a copy of the investor presentation on financial results of the Company for quarter and six months ended on 30th September 2023 to be made during the day.

The aforesaid presentation will also be uploaded on the website of the Company i.e <https://www.bergerpaints.com/investors/bpil-earnings.html> .

Yours faithfully,

For BERGER PAINTS INDIA LIMITED


ARUNITO GANGULY
VICE PRESIDENT &
COMPANY SECRETARY

Encl.: a/a

BERGER PAINTS INDIA LIMITED

Berger House, 129, Park Street, Kolkata - 700 017, Phone : 2229 9724-28, 2229 6005-06, Fax : 91-33-2249 9009/9729, www.bergerpaints.com
CIN - L51434WB1923PLC004793, E-mail : consumerfeedback@bergerindia.com



Berger Paints India Limited
Earnings Update Call, Q2 FY24
November 2, 2023

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GlamArt



BERGER
Solitaire
Textures to build
your dreams





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badhaye ghar ka show
 Interior Emulsion with Soft Sheen

XP ADVANCED
 Since 1760
Berger
 Paint your imagination
BISON GLOW
 ACRYLIC INTERIOR EMULSION
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 XTRA COVERAGE
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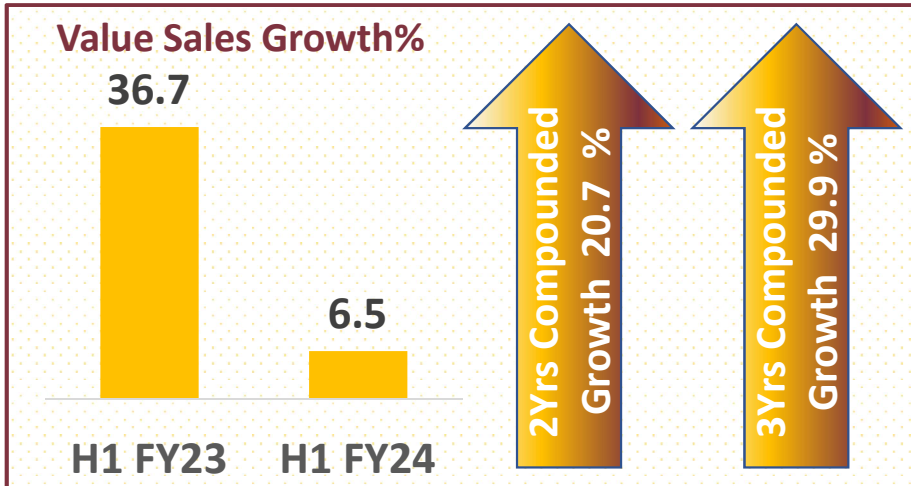
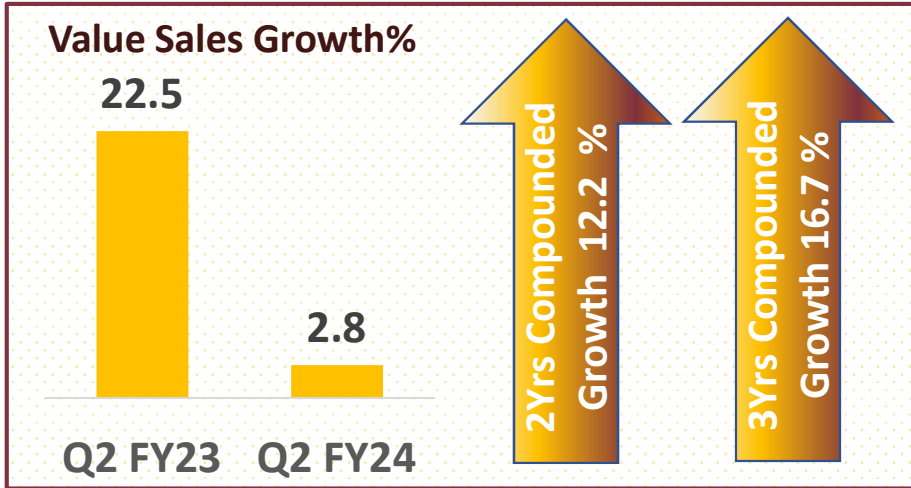
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Since 1760
Berger
 Paint your imagination
WEATHERCOAT
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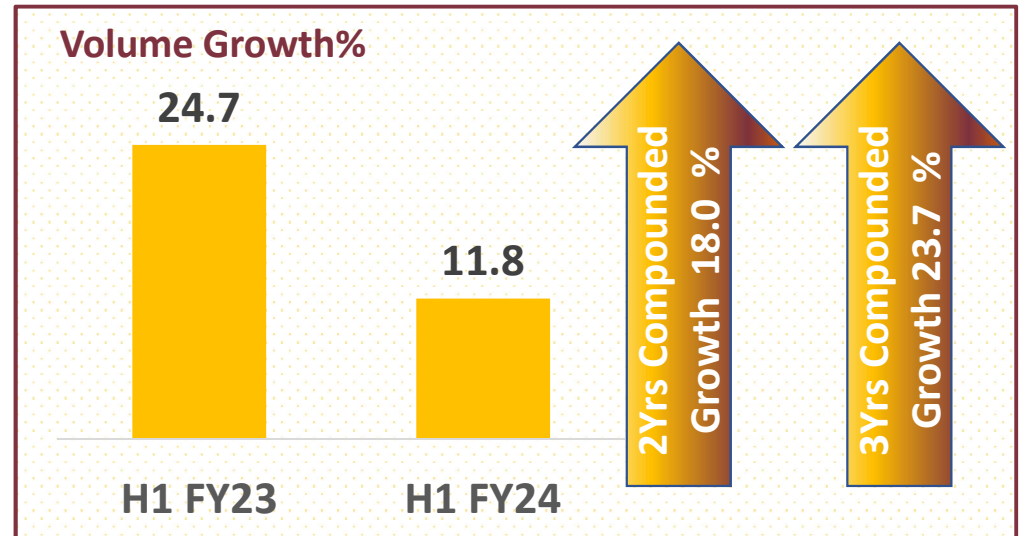
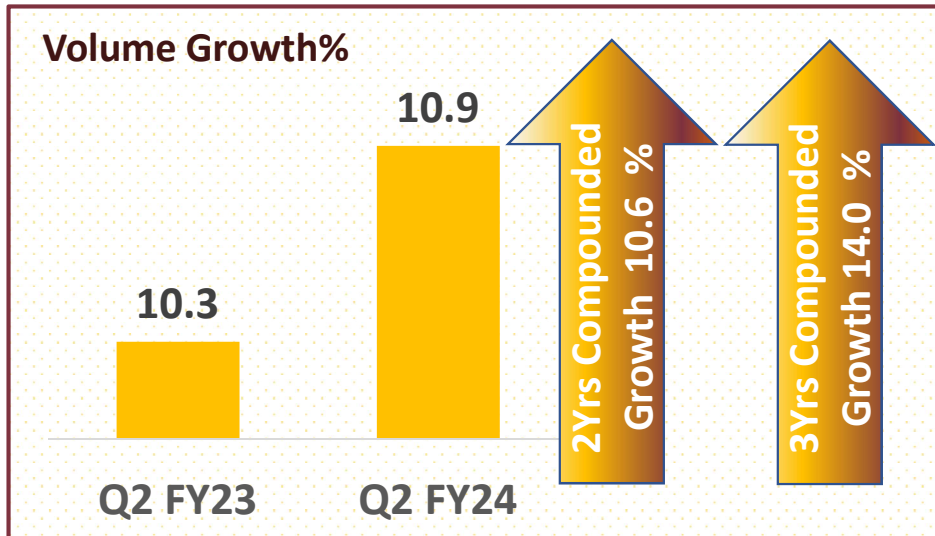
Q2 FY24 Performance

Business Highlights Q2 FY24 - Standalone



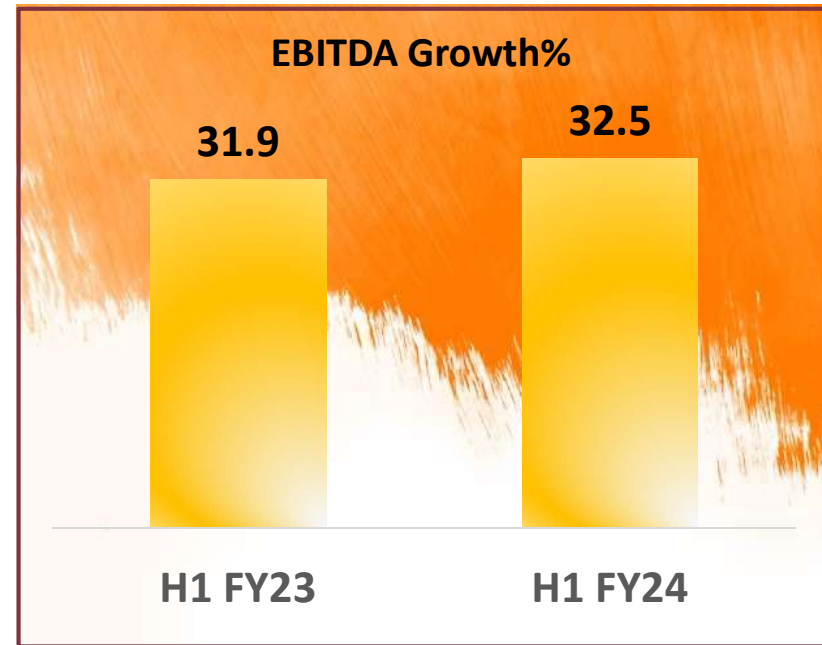
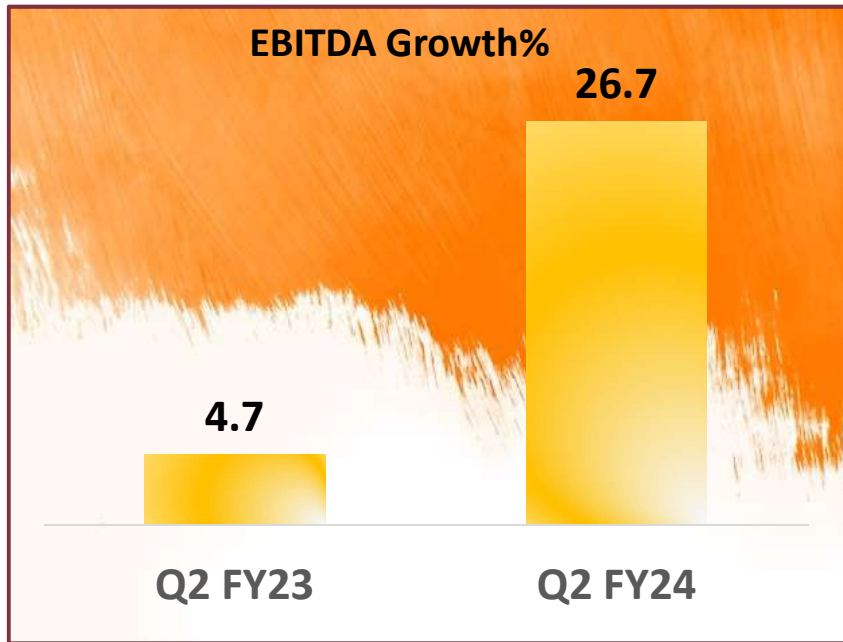
- Moderate top line growth was registered for the quarter
- However, strong growth was recorded over 2/3 years on a compounded basis
- Operating profit showed strong growth at 26.7% for the quarter
- India operation recorded improved growth with market share above 20% at end H1FY24 as compared to 19.3% as at end FY23

Business Highlights Q2 FY24 - Standalone



- Maintained double digit volume growth for the quarter
- However, value growth was lower mainly because:
 - The extended monsoon resulted in low offtake of exterior and interior premium emulsions
 - Economy segment products showed greater traction

Business Highlights Q2 FY24 - Standalone



- Strong profitability growth recorded on the back of elevated Gross Margin of 40%
- Operating margin expansion of 310 bps
- Margin expansion somewhat moderated on a conscious call to increase advertisement spends specially in the digital segment

Financial Results – Standalone Q2 FY24



Rs Crores

	Q2 FY24	% to Total Income	Q2 FY23	% to Total Income	Growth %
Total income from operations	2439.8		2373.8		2.8
Material Cost	1462.8	60.0	1554.6	65.5	
Employee Cost	145.3	6.0	120.5	5.1	
Other expenses	428.6	17.6	380.4	16.0	
PBDIT (Excluding Other Income)	403.1	16.5	318.3	13.4	26.7
Depreciation	74.7	3.1	55.0	2.3	
Profit from operation before interest	328.4	13.5	263.3	11.1	
Other Income	15.9	0.7	14.2	0.6	
PBIT	344.3	14.1	277.5	11.7	
Finance Cost	17.2	0.7	20.8	0.9	
PBT	327.1	13.4	256.7	10.8	27.4
Taxes	83.2	3.4	66.0	2.8	
PAT	243.9	10.0	190.7	8.0	27.9
Other comprehensive income, net of income tax	(0.2)	(0.0)	(2.9)	(0.1)	
Total comprehensive income for the period	243.7		187.8		

Financial Results – Standalone H1 FY24



Rs Crores

	H1 FY24	% to Total Income	H1 FY23	% to Total Income	Growth %
Total income from operations	5179.6		4862.4		6.5
Material Cost	3124.1	60.3	3164.9	65.1	
Employee Cost	271.5	5.2	231.2	4.8	
Other expenses	867.0	16.7	774.3	15.9	
PBDIT (Excluding Other Income)	917.0	17.7	692.0	14.2	32.5
Depreciation	144.6	2.8	110.6	2.3	
Profit from operation before interest	772.4	14.9	581.4	12.0	
Other Income	27.6	0.5	24.8	0.5	
PBIT	800.0	15.4	606.3	12.5	
Finance Cost	33.9	0.7	34.8	0.7	
PBT	766.1	14.8	571.5	11.8	34.0
Taxes	195.9	3.8	146.4	3.0	
PAT	570.2	11.0	425.1	8.7	34.1
Other comprehensive income, net of income tax	(0.4)	(0.0)	(0.1)	(0.0)	
Total comprehensive income for the period	569.8		425.0		



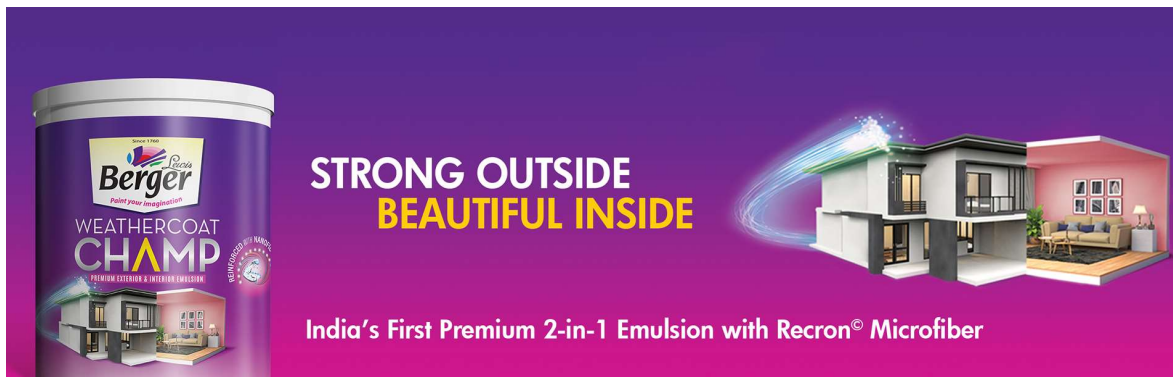
Decorative Business Q2 FY24

Decorative business growth even though muted, was better than Industry average

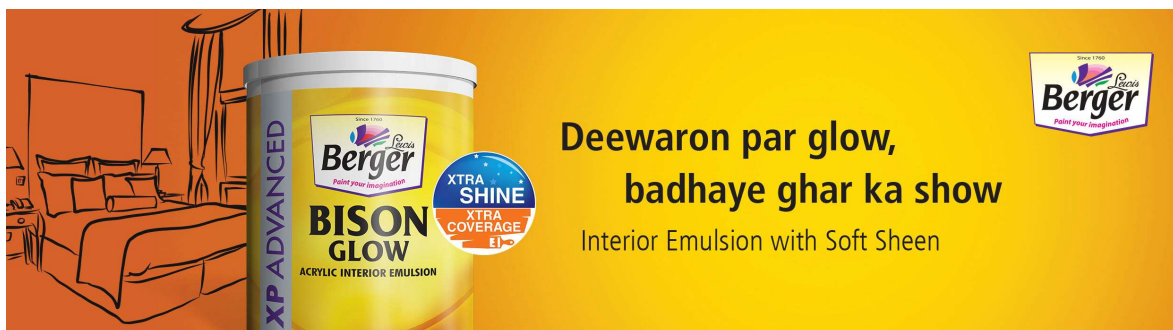
Lower growth was on account of

- Extended and sporadic monsoon
- Extended festive season leading to some postponement in demand
- Some impact of a high base effect

Decorative business growth improved as the quarter progressed



Construction chemical & waterproofing business had another quarter of stellar performance



Aggressive Network expansion-
Added 2000+ retail touchpoints in Q2FY24
Installed 1700+ Colorbank machines

Recent Initiatives



Company recently introduced an AI driven application, “Berger MY COLOUR” App.

- Tailored to assist in discovering the ideal color palette for homes and projects on real time visualization
- Offers more than 2500 shades to choose from
- Recommends colour combinations

Company working with Salesforce for increased efficiency in lead generation and better Customer Management



- Express Painting service has seen encouraging growth
- Extending its services in upcountry markets
- Expected to deliver positive results in immediate future

Top Performing Innovative Products



Glamor that lasts



Top Performing Innovative Products



**DUSTT GONE
KOOLING ON**

Dust Guard + **HEAT REFLECTIVE NANO TECH**

**WEATHERCOAT
ANTI DUSTT *Kool***
DUSTPROOF & WEATHERPROOF EXTERIOR EMULSION

**GHAR SHAANDAAR
IZZAT BARKARAAR**

**Weathercoat
LONG LIFE FLEXO**

Top Performing Innovative Products



DAMPSTOP Duo
PRIMER WITH
INBUILT
WATERPROOFING



Kick-off to the festive season

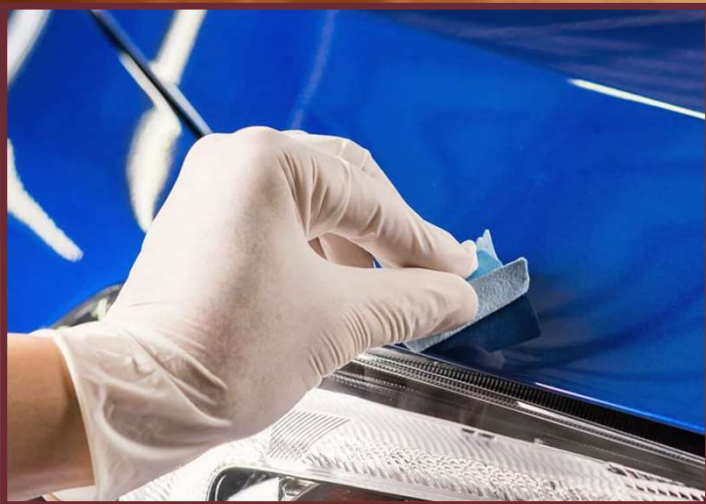


Utshob er egaro bochhor

Berger Priyo Pujo : A spirited celebration of creativity and tradition during Durga Pujo with its 11th edition



Industrial Business : Q2FY24



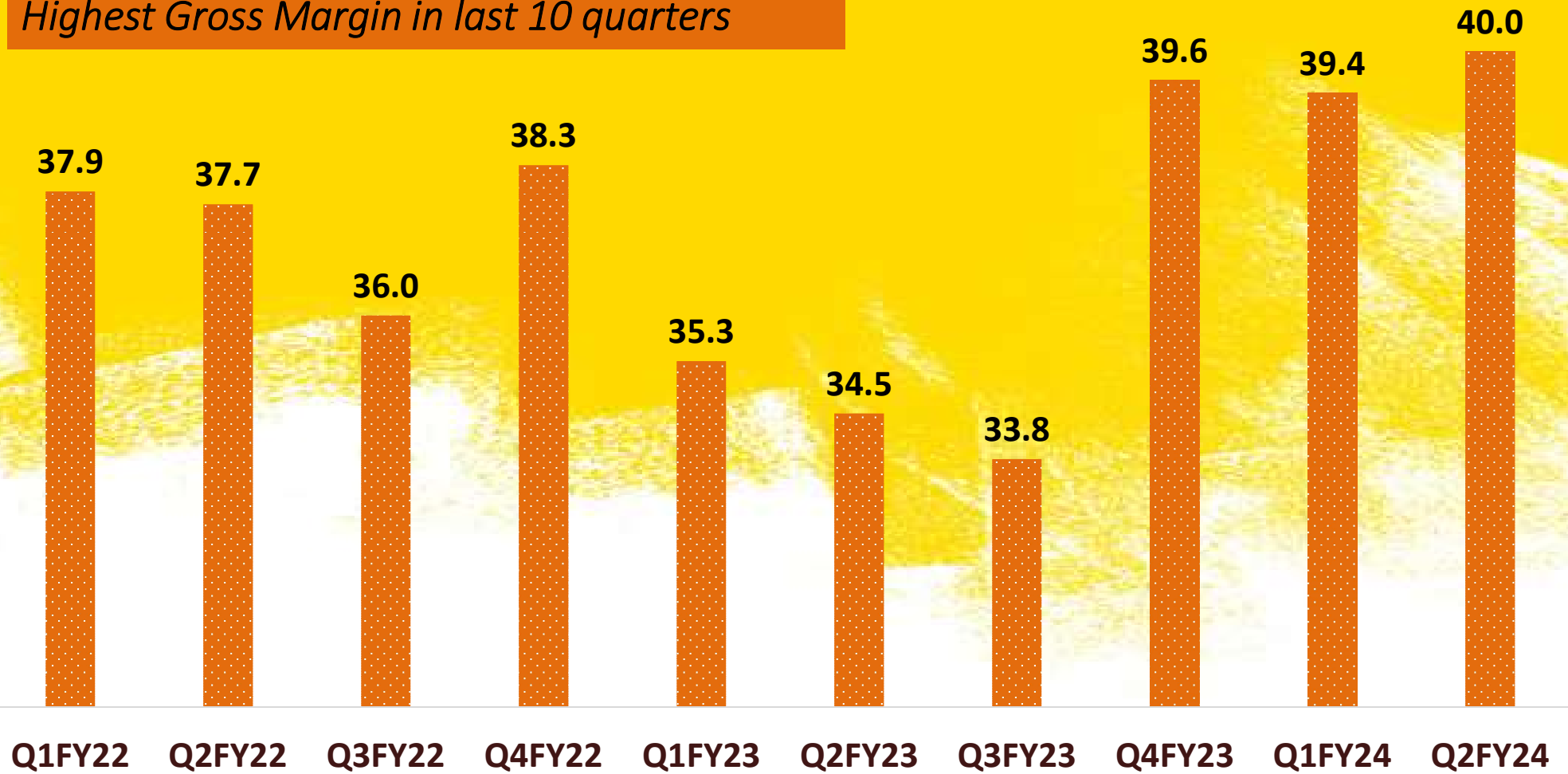
Protective Coatings maintained its steady consistent growth in the quarter

Automotive and General Industrial business had double digit growth in quarter even against a high base in the corresponding quarter, on the back of growth in commercial vehicles and two-wheeler industry

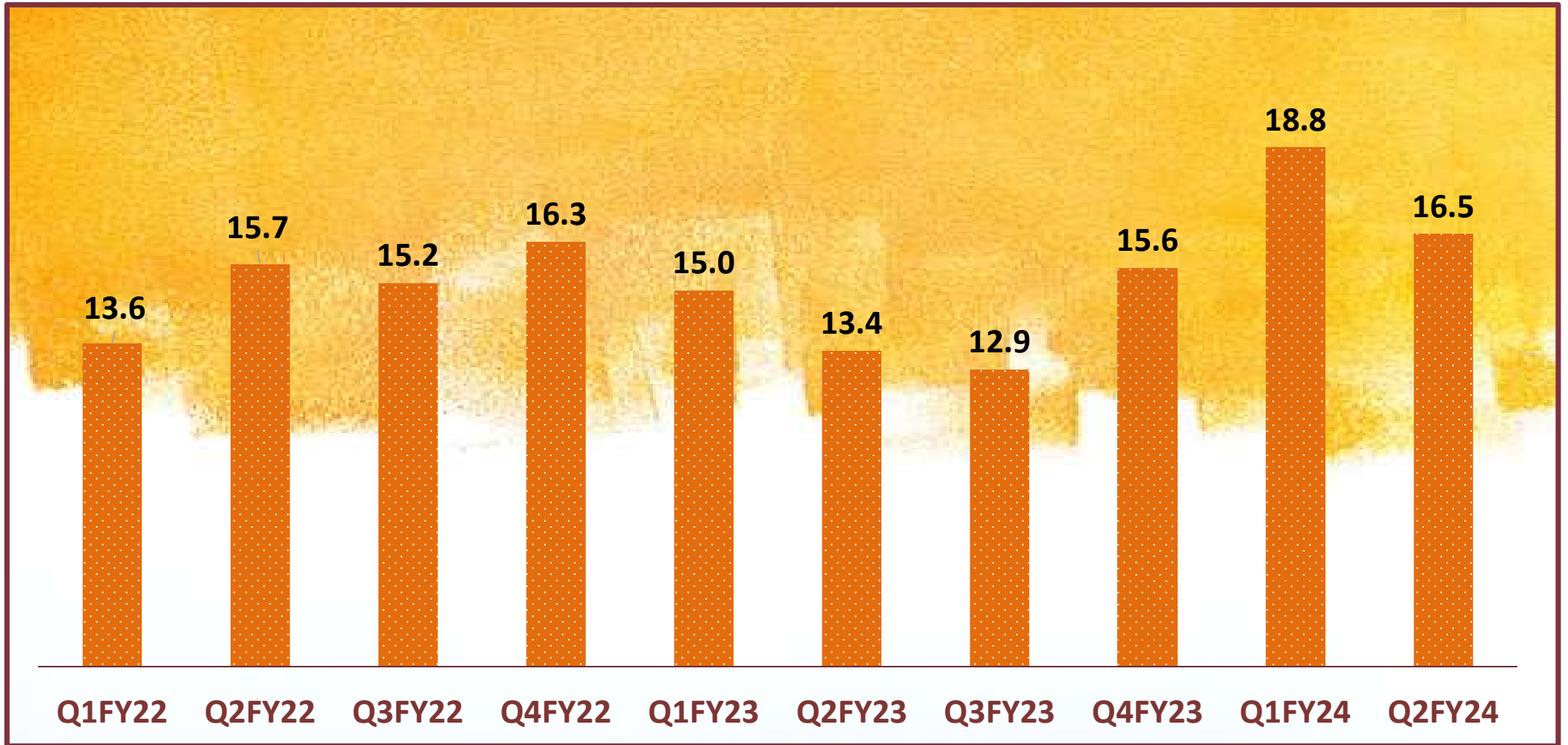
Powder Coatings business line showed a turnaround with robust double digit topline growth aided by some uptick in the fan industry and new customer acquisition

Gross Margin (%) - Standalone

Highest Gross Margin in last 10 quarters

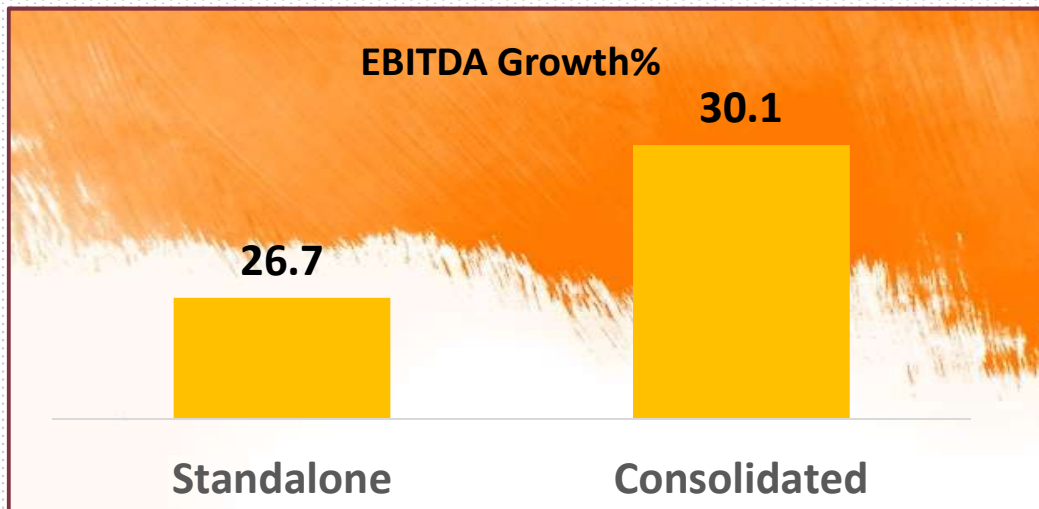
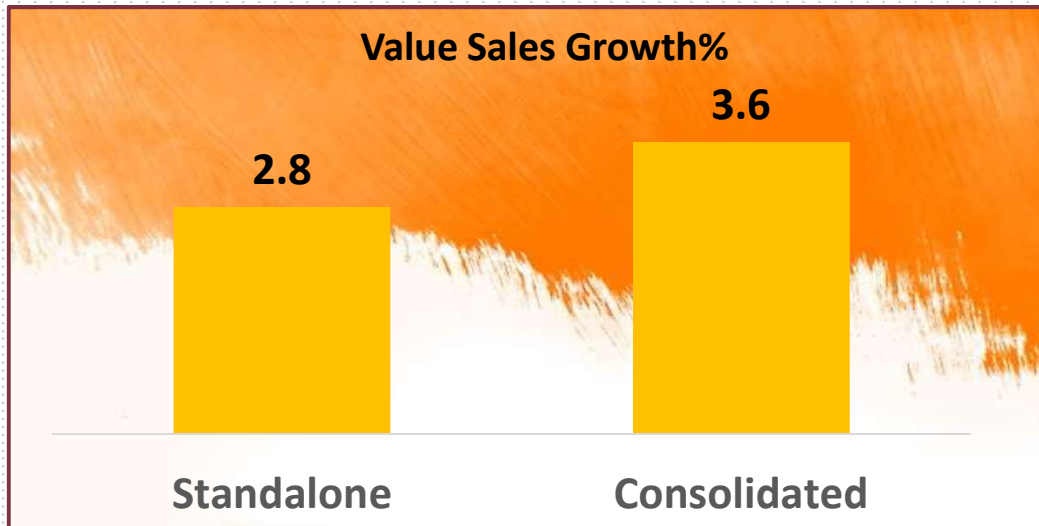


PBDIT (%) - Standalone



Operating Profit Margin expected to be maintained at the current level for FY24

Performance - Consolidated: Q2 FY24



Consolidated performance outperformed Standalone on the back of strong double digit topline growth and even stronger profitability growth for all subsidiaries except BJN Nepal

Financial Results- Consolidated Q2FY24



Rs Crores

	Q2FY24	% to Total Income	Q2FY23	% to Total Income	Growth %
Total income from operations	2767.3		2670.9		3.6
Material Cost	1629.4	58.9	1728.1	64.7	
Employee Cost	190.2	6.9	160.4	6.0	
Other expenses	474.0	17.1	418.5	15.7	
PBDIT (Excluding Other Income)	473.7	17.1	364.0	13.6	30.1
Depreciation	82.9	3.0	62.5	2.3	
Profit from operation before interest	390.8	14.1	301.5	11.3	
Other Income	15.3	0.6	12.6	0.5	
PBIT	406.1	14.7	314.1	11.8	
Finance Cost	21.1	0.8	24.1	0.9	
PBT before share of joint ventures	385.0	13.9	289.9	10.9	32.8
Share of Profit / (loss) of associates and joint ventures	3.8	0.1	3.1	0.1	
PBT	388.8	14.1	293.0	11.0	32.7
Taxes	96.7	3.5	73.5	2.8	
PAT	292.1	10.6	219.5	8.2	33.1
Other comprehensive income, net of income tax	14.5		(9.6)		
Total comprehensive income for the period	306.6		209.9		

Financial Results- Consolidated H1FY24



Rs Crores

	H1FY24	% to Total Income	H1FY23	% to Total Income	Growth %
Total income from operations	5796.8		5430.6		6.7
Material Cost	3452.5	59.6	3501.2	64.5	
Employee Cost	357.1	6.2	306.4	5.6	
Other expenses	956.8	16.5	854.2	15.7	
PBDIT (Excluding Other Income)	1030.4	17.8	768.8	14.2	34.0
Depreciation	161.1	2.8	125.3	2.3	
Profit from operation before interest	869.3	15.0	643.5	11.8	
Other Income	28.9	0.5	25.6	0.5	
PBIT	898.2	15.5	669.1	12.3	
Finance Cost	40.8	0.7	40.4	0.7	
PBT before share of joint ventures	857.4	14.8	628.8	11.6	36.4
Share of Profit / (loss) of associates and joint ventures	7.6	0.1	6.5	0.1	
PBT	865.0	14.9	635.3	11.7	36.2
Taxes	218.0	3.8	162.1	3.0	
PAT	647.0	11.2	473.2	8.7	36.7
Other comprehensive income, net of income tax	10.1		(0.3)		
Total comprehensive income for the period	657.2		473.0		

Performance - Consolidated: Q2 FY24



- Company's overseas subsidiary, Bolix S.A, Poland had another quarter of strong topline and profitability growth driven by good performance in the U.K. business. Company expected to show good growth in Q3FY24
- Company's overseas subsidiary, BJN Nepal had another quarter of degrowth in topline as the slowdown in construction sector continued in an inflationary environment. However, it recorded modest profitability growth aided by gross margin expansion on the back of improved RM prices. Growth likely to remain marginally negative in Q3FY24
- Company's subsidiary, STP Ltd showed healthy double digit topline growth. It also recorded very strong profitability growth and operating margin expansion aided by improvement in gross margin on softening of raw material prices and substantial improvement in product mix. We expect double digit value growth to continue in Q3 FY24
- SBL Specialty Coatings Ltd had a strong double digit topline growth and a robust profitability growth aided by higher product price realization and softening RM prices. We expect double digit value growth to continue in Q3FY24
- The joint venture Berger Becker Coatings experienced a decline in both its revenue and profitability, primarily attributable to capacity limitations resulting from a fire incident at one of its manufacturing facilities in the fourth quarter of FY23
- Company's Joint venture Berger Nippon Paint Automotive Coatings Pvt. Ltd. had another quarter of robust topline and profitability growth aided by uptick in Passenger car and SUV sector. Expect strong growth to continue in Q3FY24

Capacity Expansion



- Work at new plant in Panagarh, West Bengal for industrial paints and construction chemical should begin soon with capacity of 3500 KL/MT per month. Expected completion by end 2025
- Further greenfield facility to come up near Bhubaneswar in the state of Odisha for manufacturing of both decorative and industrial paints. Expected completion by end 2027
- Some brownfield expansion in existing facilities in Vallabh Vidya Nagar, Hindupur and Rishra to be completed in FY25

Business Outlook : Q3FY24



- Company expects improvement in decorative demand in Q3 on the back of extended festive season and improvement in rural demand aided by a normal monsoon
- Automotive business expected to continue with double digit growth in Q3FY24 on the back of sustained demand
- Protective Coating business to do well on account of high government spending on infrastructure
- General Industrial and Powder Coatings business to show strong double-digit growth in Q3FY24
- We maintain double-digit growth outlook for Q3FY24
- Profitability expected to sustain in Q3FY24 on moderation of raw material prices. However, impact of geo-political situation on commodity prices can be a concern

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.