ASIAN PAINTS (ASIANPAINT-IN)  
Chemicals / Chemicals / Commodity Chemicals  

Last Close 3,168.90 (INR)  
2023 November 17  
NSE Exchange  
Market Cap 2.9T  
52-Week Low 2,685.85  
Forward PE 60.2  
Dividend Yield 0.8%  
Annual Rev 350.8B  

AVERAGE SCORE  
NEUTRAL OUTLOOK: ASIANPAINT's current score is relatively in-line with the market.  

Average Score Trend (4-Week Moving Avg)  
Positive  
Neutral  
Negative  

HIGHLIGHTS  
- The score for Asian Paints last changed from 7 to 6 on 2023-11-05.  
- The recent change in the Average Score was primarily due to a decline in the Earnings and Price Momentum component scores.  

I/B/E/S MEAN  
Hold  
35 Analysts  
Mean recommendation from all analysts covering the company on a standardized 5-point scale.  

PRICE AND VOLUME CHARTS  
1-Year Return: 3.2%  
5-Year Return: 139.8%  

BUSINESS SUMMARY  
Asian Paints Limited is an India-based company, which is engaged in the business of manufacturing, selling and distribution of paints, coatings, products related to home decor, bath fittings and providing related services. The Company operates through the Paints and Home Decor segment. The Company manufactures paints, varnishes, enamels, and thinners. It also manufactures organic and inorganic chemical compounds; metal sanitary ware such as bath, sinks, washbasins and similar articles and cosmetics and toiletries. Its Home Decor business offers modular kitchens and wardrobes, bath fittings and sanitaryware, decorative lightings, unplasticized polyvinyl chloride (uPVC) windows and doors, wall coverings, furniture, furnishing, and rugs. It offers a range of services, such as interior design service, safe painting service, wood solutions, waterproofing solutions, color consultancy online and contractor finder services.
The **AVERAGE SCORE** combines the quantitative analysis of five widely-used investment decision making tools: Earnings, Fundamental, Relative Valuation, Risk, and Price Momentum. A simple average of the underlying component ratings is normally distributed to rank stocks on a 1-10 scale (10 being awarded to the most favorable). These factors may be evaluated differently using alternative methodologies and the importance of individual factors varies across industries, market capitalization and investment styles. Additional criteria should always be used to evaluate a stock.

### PEER ANALYSIS

Currency in INR

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Price (2023-11-17)</th>
<th>1-Mo Return</th>
<th>3-Mo Return</th>
<th>1-Yr Return</th>
<th>Market Cap</th>
<th>Trailing PE</th>
<th>Forward PE</th>
<th>Dividend Yield</th>
<th>Net Margin</th>
<th>LTG Forecast</th>
<th>I/B/E/S Forecast Mean</th>
<th># of Analysts</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIANPAINT</td>
<td>3,168.90</td>
<td>1.8%</td>
<td>-0.45%</td>
<td>3.2%</td>
<td>2.9T</td>
<td>59.3</td>
<td>60.2</td>
<td>0.83%</td>
<td>14.4%</td>
<td>15.3%</td>
<td>Hold</td>
<td>35</td>
</tr>
<tr>
<td>BERGEPAINT</td>
<td>587.80</td>
<td>2.4%</td>
<td>0.04%</td>
<td>15.7%</td>
<td>674.2B</td>
<td>65.3</td>
<td>53.3</td>
<td>0.45%</td>
<td>9.4%</td>
<td>--</td>
<td>Sell</td>
<td>20</td>
</tr>
<tr>
<td>SOLARINDS</td>
<td>7,390.50</td>
<td>42.5%</td>
<td>70.1%</td>
<td>85.0%</td>
<td>552.4B</td>
<td>81.8</td>
<td>62.8</td>
<td>0.11%</td>
<td>11.9%</td>
<td>--</td>
<td>Buy</td>
<td>7</td>
</tr>
<tr>
<td>SUPREMEIND</td>
<td>4,187.70</td>
<td>-9.5%</td>
<td>-3.8%</td>
<td>84.0%</td>
<td>539.6B</td>
<td>50.3</td>
<td>47.5</td>
<td>0.67%</td>
<td>10.7%</td>
<td>--</td>
<td>Hold</td>
<td>23</td>
</tr>
<tr>
<td>KANSAINER</td>
<td>325.40</td>
<td>0.99%</td>
<td>1.1%</td>
<td>10.1%</td>
<td>246.1B</td>
<td>23.0</td>
<td>39.2</td>
<td>0.55%</td>
<td>14.6%</td>
<td>--</td>
<td>Buy</td>
<td>18</td>
</tr>
<tr>
<td>AKZOINDIA</td>
<td>2,481.10</td>
<td>0.36%</td>
<td>-12.9%</td>
<td>6.3%</td>
<td>111.7B</td>
<td>33.6</td>
<td>24.7</td>
<td>2.6%</td>
<td>10.2%</td>
<td>--</td>
<td>Hold</td>
<td>2</td>
</tr>
<tr>
<td>INDIGOPNTS</td>
<td>1,539.65</td>
<td>4.7%</td>
<td>0.67%</td>
<td>14.5%</td>
<td>71.6B</td>
<td>51.2</td>
<td>46.4</td>
<td>0.23%</td>
<td>11.2%</td>
<td>--</td>
<td>Hold</td>
<td>7</td>
</tr>
<tr>
<td>SIRCA</td>
<td>380.80</td>
<td>-0.55%</td>
<td>-4.5%</td>
<td>20.5%</td>
<td>20.6B</td>
<td>46.2</td>
<td>32.1</td>
<td>0.39%</td>
<td>16.7%</td>
<td>--</td>
<td>Strong Buy</td>
<td>1</td>
</tr>
<tr>
<td>SHALPAINTS</td>
<td>178.65</td>
<td>-6.0%</td>
<td>14.9%</td>
<td>18.9%</td>
<td>14.5B</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>-10.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>KAMPAINTS</td>
<td>160.85</td>
<td>-6.4%</td>
<td>-6.4%</td>
<td>--</td>
<td>10.7B</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>-4.3%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>RETINA</td>
<td>54.47</td>
<td>-16.1%</td>
<td>1.8%</td>
<td>--</td>
<td>892M</td>
<td>195.8</td>
<td>--</td>
<td>--</td>
<td>2.7%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Average</td>
<td>1,859.62</td>
<td>1.3%</td>
<td>5.5%</td>
<td>28.7%</td>
<td>472.0B</td>
<td>67.4</td>
<td>45.8</td>
<td>0.73%</td>
<td>8.0%</td>
<td>15.3%</td>
<td>Hold</td>
<td>14.1</td>
</tr>
</tbody>
</table>

### PEER COMPANIES

- **AKZOINDIA**: Akzo Nobel India
- **BERGEPAINT**: Berger Paints India
- **INDIGOPNTS**: Indigo Paints
- **KAMPAINTS**: Kamdhenu Ventures
- **KANSAINER**: Kansai Nerolac Paints
- **RETINA**: Retina Paints
- **SHALPAINTS**: Shalimar Paints
- **SIRCA**: Sirca Paints India
- **SOLARINDS**: Solar Industries India
- **SUPREMEIND**: Supreme Industries

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EARNINGS

NEUTRAL OUTLOOK: Mixed earnings expectations and performance.

Earnings Score Averages

<table>
<thead>
<tr>
<th></th>
<th>Chemicals Group</th>
<th>Large Market Cap</th>
<th>Chemicals Sector</th>
<th>BSE Sensex Index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.4</td>
<td>6.0</td>
<td>4.4</td>
<td>6.6</td>
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</tbody>
</table>

Peers

<table>
<thead>
<tr>
<th>Peers</th>
<th>-6M</th>
<th>-3M</th>
<th>-1M</th>
<th>-1W</th>
<th>Current</th>
<th>1Y Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>KANSAINER</td>
<td>2</td>
<td>8</td>
<td>9</td>
<td>8</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>ASIANPAINT</td>
<td>7</td>
<td>7</td>
<td>9</td>
<td>8</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>BERGEPAINT</td>
<td>5</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>INDIGOPNTS</td>
<td>2</td>
<td>9</td>
<td>7</td>
<td>7</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>AKZOINDIA</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

Currency in INR

EARNINGS INDICATORS

Earnings Surprises (33.3% weight)

- Positive
  - ASIANPAINT
- Neutral
  - KANSAINER
- Negative
  - BERGEPAINT
  - INDIGOPNTS
  - AKZOINDIA
- No Rating

Estimate Revisions (33.3% weight)

- Positive
  - AKZOINDIA
  - BERGEPAINT
- Neutral
  - ASIANPAINT
  - INDIGOPNTS
  - KANSAINER
- Negative
  - BERGEPAINT
- No Rating

Recommendation Changes (33.3% weight)

- Positive
  - ASIANPAINT
- Neutral
  - KANSAINER
- Negative
  - BERGEPAINT
- No Rating

Last 4 Quarters

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td># Positive Surprises (&gt;2%)</td>
<td>2</td>
</tr>
<tr>
<td># Negative Surprises (&lt;-2%)</td>
<td>0</td>
</tr>
<tr>
<td># In-Line Surprises (within 2%)</td>
<td>2</td>
</tr>
<tr>
<td>Avg Surprise</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

Last 4 Weeks

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td># Up Revisions</td>
<td>2</td>
</tr>
<tr>
<td># Down Revisions</td>
<td>1</td>
</tr>
<tr>
<td>Avg Up Revisions</td>
<td>5.7%</td>
</tr>
<tr>
<td>Avg Down Revisions</td>
<td>-2.9%</td>
</tr>
</tbody>
</table>

Last 120 Days

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td># Broker Upgrades</td>
<td>2</td>
</tr>
<tr>
<td># Broker Downgrades</td>
<td>4</td>
</tr>
</tbody>
</table>

HIGHLIGHTS

- Asian Paints currently has an Earnings Rating of 7, with two of three components rated as bullish (7 or greater). The average Earnings Rating for its Commodity Chemicals industry is 5.7 and the S&P BSE SENSEX index average is 6.6.
- On 2023-10-26, the company announced quarterly earnings of 12.57 per share, relatively in-line with the consensus 12.76. Over the past 4 quarters, the company has reported 2 positive, 0 negative, and 2 in-line surprises. The average surprise for this time period has been 7.1%.
- ASIANPAINT’s current quarter consensus estimate has remained relatively unchanged over the past 90 days at 13.94. Estimates within its industry have moved an average of 0.0% during the same time period.

PRICE TARGET

The chart indicates where analysts predict the stock price will be within the next 12 months, as compared to the current price.

<table>
<thead>
<tr>
<th>12-Month Price Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean (INR)</td>
</tr>
<tr>
<td>High</td>
</tr>
<tr>
<td>Low</td>
</tr>
<tr>
<td>Target vs. Current</td>
</tr>
<tr>
<td># of Analysts</td>
</tr>
</tbody>
</table>
Earnings per share (EPS) is calculated by dividing a company’s earnings by the number of shares outstanding. Analysts tend to interpret a pattern of increasing earnings as a sign of strength and flat or falling earnings as a sign of weakness.

The charts provide a comparison between a company’s actual and estimated EPS, including the high and low forecasts.

Mean Estimate Trend

<table>
<thead>
<tr>
<th></th>
<th>Q23-12</th>
<th>Q24-03</th>
<th>Y24</th>
<th>Y25</th>
<th>Price Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>13.940</td>
<td>13.020</td>
<td>55.830</td>
<td>59.190</td>
<td>3,200.00</td>
</tr>
<tr>
<td>30 Days Ago</td>
<td>13.970</td>
<td>12.760</td>
<td>55.690</td>
<td>60.870</td>
<td>3,330.00</td>
</tr>
<tr>
<td>90 Days Ago</td>
<td>13.880</td>
<td>12.410</td>
<td>55.540</td>
<td>61.090</td>
<td>3,330.00</td>
</tr>
<tr>
<td>% Change (90 Days)</td>
<td>0.40%</td>
<td>4.9%</td>
<td>0.50%</td>
<td>-3.1%</td>
<td>-3.9%</td>
</tr>
</tbody>
</table>

Mean Estimate Trend (Annual)

<table>
<thead>
<tr>
<th></th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>55.830</td>
<td>59.190</td>
</tr>
<tr>
<td>High</td>
<td>59.000</td>
<td>64.600</td>
</tr>
<tr>
<td>Low</td>
<td>50.830</td>
<td>53.340</td>
</tr>
<tr>
<td># of Analysts</td>
<td>34</td>
<td>33</td>
</tr>
</tbody>
</table>

Earnings Surprises

Comparing a company’s actual earnings to the mean expectation of analysts results in a difference referred to as a ‘positive’ or ‘negative’ surprise. Research has shown that when a company reports a surprise, it is often followed by more of the same surprise type.

Surprise Summary (Last 12 Quarters)

<table>
<thead>
<tr>
<th>Surprise Type</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive Quarters (&gt; 2%)</td>
<td>6</td>
<td>50.0%</td>
</tr>
<tr>
<td>Negative Quarters (&lt; -2%)</td>
<td>4</td>
<td>33.3%</td>
</tr>
<tr>
<td>In-Line Quarters (within 2%)</td>
<td>2</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

ANALYST RECOMMENDATIONS

I/B/E/S Mean: Hold (35 Analysts)

<table>
<thead>
<tr>
<th>Recommendation</th>
<th># of Analysts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong Buy</td>
<td>2</td>
</tr>
<tr>
<td>Buy</td>
<td>8</td>
</tr>
<tr>
<td>Hold</td>
<td>11</td>
</tr>
<tr>
<td>Sell</td>
<td>10</td>
</tr>
<tr>
<td>Strong Sell</td>
<td>4</td>
</tr>
</tbody>
</table>

ANNUAL REVENUE

A pattern of increasing sales in conjunction with a rising EPS may influence a buy recommendation, while flat or falling sales and faltering earnings may explain a sell recommendation. A rising EPS with flat or falling sales may result from increased cost efficiency and margins, rather than market expansion. This chart shows the sales forecast trend of all analysts and the highest and lowest projections for the current and next fiscal year.
FUNDAMENTAL

NEUTRAL OUTLOOK: Fundamentals relatively in-line with the market.

Fundamental Score Averages
- Chemicals Group: 5.4
- Chemicals Sector: 5.4
- Large Market Cap: 6.6
- BSE Sensex Index: 7.1

Fundamental Score Trend

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4 2022</th>
<th>Q1 2023</th>
<th>Q2 2023</th>
<th>Q3 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peers</td>
<td>KANSAINER</td>
<td>1</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>AKZOINDIA</td>
<td>7</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>INDIGOPNTS</td>
<td>7</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>ASIANPAINT</td>
<td>4</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>BERGEPAIN</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

FUNDAMENTAL INDICATORS

Profitability (25% weight)
- Asian Paints
- AKZOIN
- INDIGO
- KANSAI
- BERGE

Debt (25% weight)
- Asian Paints
- AKZOIN
- INDIGO
- KANSAI
- BERGE

Earnings Quality (25% weight)
- Asian Paints
- AKZOIN
- INDIGO
- KANSAI
- BERGE

Dividend (25% weight)
- Asian Paints
- AKZOIN
- INDIGO
- KANSAI
- BERGE

Revenue Growth
- For year over year ending 2023-09
  - 4.8%

Gross Margin
- For latest 12 months ending 2023-09
  - 38.2%

Return On Equity
- For interim period ending 2023-09
  - 33.0%

Net Margin
- For latest 12 months ending 2023-09
  - 14.4%

Current Ratio
- For interim period ending 2023-09
  - 2.0

Debt-to-Capital
- For annual period ending 2023-03
  - 4.7%

Interest Funding
- For interim period ending 2023-03
  - 2.2%

Interest Coverage
- For interim period ending 2023-09
  - 33.4

Oper. Cash Yield
- For latest 12 months ending --
  - -17.1%

Accruals
- For latest 12 months ending 2023-03
  - 11.2%

Days Sales In Inv.
- For annual period ending 2023-03
  - 105.3

Days Sales In Rec.
- For annual period ending 2023-03
  - 52.0

Dividend Growth
- For year over year ending 2023-09
  - 32.7%

Dividend Payout
- For latest 12 months ending 2023-09
  - 50.0%

Dividend Coverage
- For annual period ending 2023-03
  - 2.6

Current Div. Yield
- For latest 12 months ending 2023-11
  - 0.8%

HIGHLIGHTS
- The Fundamental Rating for Asian Paints improved significantly over the last quarter from 4 to 7. The average Fundamental Rating for its Chemicals industry group is 5.4 and the S&P BSE SENSEX index average is 7.1.
- The company's gross margin has been higher than its industry group average for each of the past five years.
- The company's interest coverage has been higher than its industry group average for each of the past five years.
- The company's days sales in inventory has been higher than its industry group average for each of the past five years.
- Of the 336 firms within the Chemicals industry group, Asian Paints is among 192 companies that pay a dividend. The stock's dividend yield is currently 0.84%.
**RELATIVE VALUATION**

NEGATIVE OUTLOOK: Multiples significantly above the market or the stock’s historic norms.

<table>
<thead>
<tr>
<th>Relative Valuation Score Trend (4-Week Moving Avg)</th>
<th>2020-11</th>
<th>2021-11</th>
<th>2022-11</th>
<th>2023-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neutral</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Relative Valuation Score Averages**

<table>
<thead>
<tr>
<th></th>
<th>Chemicals Group: 5.8</th>
<th>Large Market Cap: 4.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemicals Sector:</td>
<td>5.8</td>
<td>BSE Sensex Index: 5.7</td>
</tr>
</tbody>
</table>

**Peers**

- **AKZOINDIA**
  - -6M: 3, -3M: 4, -1M: 6, -1W: 6, Current: 6, 1Y Trend: 6
- **KANSAINE**
  - -6M: 4, -3M: 5, -1M: 5, -1W: 5, Current: 5, 1Y Trend: 6
- **INDIGOPNTS**
  - -6M: 3, -3M: 3, -1M: 3, -1W: 3, Current: 3, 1Y Trend: 4
- **BERGEPAIN**
  - -6M: 2, -3M: 2, -1M: 3, -1W: 3, Current: 3, 1Y Trend: 3
- **ASIANPAINT**
  - -6M: 2, -3M: 2, -1M: 2, -1W: 3, Current: 2, 1Y Trend: 2

**RELATIVE VALUATION INDICATORS**

<table>
<thead>
<tr>
<th>Price to Sales</th>
<th>Trailing PE</th>
<th>Forward PE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(33.3% weight)</td>
<td>(33.3% weight)</td>
<td>(33.3% weight)</td>
</tr>
</tbody>
</table>

### Price to Sales

- **Positive**
  - AKZOINDIA
  - KANSAINE
  - BERGEPAIN
  - INDIGOPNTS
  - ASIANPAINT

### Trailing PE

- **Positive**
  - AKZOINDIA
  - KANSAINE
  - ASIANPAINT
  - INDIGOPNTS

### Forward PE

- **Positive**
  - AKZOINDIA
  - KANSAINE
  - ASIANPAINT
  - INDIGOPNTS

<table>
<thead>
<tr>
<th></th>
<th>Price to Sales</th>
<th>Trailing PE</th>
<th>Forward PE</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-Yr Average</td>
<td>8.5</td>
<td>59.3</td>
<td>60.2</td>
</tr>
<tr>
<td>Rel. to 5-Yr Avg.</td>
<td>11% Discount</td>
<td>24% Discount</td>
<td>6% Discount</td>
</tr>
<tr>
<td>BSE Sensex Index</td>
<td>3.4</td>
<td>23.2</td>
<td>21.8</td>
</tr>
<tr>
<td>Rel. to BSE Sensex</td>
<td>&gt;100% Premium</td>
<td>&gt;100% Premium</td>
<td>&gt;100% Premium</td>
</tr>
</tbody>
</table>

### HIGHLIGHTS

- **Asian Paints** currently has a Relative Valuation Rating of 2 which is significantly below the S&P BSE SENSEX index average rating of 5.7.
- Compared to the Chemicals industry group, **Asian Paints** is currently trading at a significant premium based on Price to Sales ratio, Trailing P/E, and Forward P/E.
- **Asian Paints’** Price to Sales ratio of 8.5 represents an 11% Discount to its 5-year average of 9.5.
- **Asian Paints’** Trailing P/E of 59.3 represents a 24% Discount to its 5-year average of 77.7. If the Trailing P/E returned to historical form, the stock would trade at 4,102.23.
- **Asian Paints’** Forward P/E of 60.2 represents a 6% Discount to its 5-year average of 64.2.
**PRICE TO SALES**
The most recent week's close price divided by the revenue per share.

Price to Sales: 8.5  
5-Year Average: 9.5  
BSE Sensex Index Average: 3.4  
Chemicals Group Average: 2.5

**TRAILING PE**
The most recent week's close price divided by the sum of the four most recently reported quarterly earnings.

Trailing PE: 59.3  
5-Year Average: 77.7  
BSE Sensex Index Average: 23.2  
Chemicals Group Average: 34.7

**FORWARD PE**
The most recent week's close price divided by the sum of the four upcoming quarterly consensus estimates.

Forward PE: 60.2  
5-Year Average: 64.2  
BSE Sensex Index Average: 21.8  
Chemicals Group Average: 48.0

**FORWARD PEG**
The Forward P/E divided by the five-year forecasted growth rate.

Forward PEG: 3.9  
5-Year Average: 3.5  
BSE Sensex Index Average: 1.4  
Chemicals Group Average: 1.8
ASIAN PAINTS (ASIANPAINT-IN)
Chemicals / Chemicals / Commodity Chemicals

RISK

POSITIVE OUTLOOK: Consistent return patterns (low volatility).

Risk Score Trend (4-Week Moving Avg)

Positive Neutral Negative
2020-11 2021-11 2022-11 2023-11

Risk Score Averages
Chemicals Group: 6.5
Chemicals Sector: 6.5
Large Market Cap: 9.0
BSE Sensex Index: 9.7

Peers

<table>
<thead>
<tr>
<th></th>
<th>-6M</th>
<th>-3M</th>
<th>-1M</th>
<th>-1W</th>
<th>Current</th>
<th>1Y Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>AKZOINDIA</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASIANPAINT</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KANSAINER</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BERGEPAINT</td>
<td>9</td>
<td>10</td>
<td>8</td>
<td>9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INDIGOPNTS</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>9</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

RISK INDICATORS

Magnitude of Returns (25% weight)
Volatility (25% weight)
Beta (1-year) (25% weight)
Correlation (25% weight)

HIGHLIGHTS

- Asian Paints currently has a Risk Rating of 10 while the S&P BSE SENSEX index has an average rating of 9.7.
- On days when the market is up, ASIANPAINT shares tend to lag the S&P BSE SENSEX index. However, on days when the market is down, the shares generally decrease less than the index.
- In both short-term and long-term periods, ASIANPAINT has shown high correlation (>= 0.4) with the S&P BSE SENSEX index. Thus, this stock would provide only low levels of diversification to a portfolio similar to the broader market.
- Over the last 90 days, ASIANPAINT shares have been less volatile than the overall market, as the stock's daily price has fluctuated less than 99% of S&P BSE SENSEX index firms.

RISK ANALYSIS

Last 90 Days

Peers

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIANPAINT</td>
<td>0.51</td>
<td>0.18</td>
<td>0.67</td>
<td>0.04</td>
<td>0.09</td>
<td>40%</td>
<td>42%</td>
</tr>
<tr>
<td>AKZOINDIA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BERGEPAINT</td>
<td></td>
<td></td>
<td>0.24</td>
<td>0.04</td>
<td>0.09</td>
<td>29%</td>
<td>29%</td>
</tr>
<tr>
<td>INDIGOPNTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>KANSAINER</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BSE Sensex</td>
<td>1.1%</td>
<td>0%</td>
<td>1.3%</td>
<td>1.1%</td>
<td></td>
<td>14.4%</td>
<td>23.1%</td>
</tr>
</tbody>
</table>

Monthly Returns (Last 60 Months)

Daily Returns (Last 90 Days)

Best 2.0%
Worst -4.0%

Monthly Returns (Last 60 Months)

Best 24.8%
Worst -11.7%

Intraday Swing (Last 90 Days)

Average 1.5%
Largest 4.2%

Standard Deviation

Last 90 Days 1.05
Last 60 Months 7.57
NEGATIVE OUTLOOK: Weak recent price performance or entering historically poor seasonal period.

Price Momentum Score Averages
- Chemicals Group: 3.4
- Chemicals Sector: 3.4
- Large Market Cap: 4.4
- BSE Sensex Index: 3.8

Price Momentum Score Trend (4-Week Moving Avg)

<table>
<thead>
<tr>
<th>Peers</th>
<th>-6M</th>
<th>-3M</th>
<th>-1M</th>
<th>-1W</th>
<th>Current</th>
<th>1Y Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>AKZOINDIA</td>
<td>7</td>
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<td>2</td>
<td>2</td>
</tr>
<tr>
<td>ASIANPAINT</td>
<td>5</td>
<td>9</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>BERGEPAIN</td>
<td>3</td>
<td>8</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>INDIGOPNTS</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>KANSAINER</td>
<td>2</td>
<td>7</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Price Momentum Indicators

Relative Strength (50% weight)

<table>
<thead>
<tr>
<th>Positive</th>
<th>Neutral</th>
<th>Negative</th>
<th>No Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AKZOINDIA...</td>
<td>BERGEPAIN...</td>
<td>KANSAINER...</td>
</tr>
<tr>
<td></td>
<td>BERGEPAIN...</td>
<td>KANSAINER...</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ASIANPAINT...</td>
<td>INDIGOPN...</td>
<td></td>
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<tr>
<td></td>
<td>INDIGOPN...</td>
<td>ASIANPAINT...</td>
<td></td>
</tr>
<tr>
<td></td>
<td>AKZOINDI...</td>
<td>ASIANPAINT...</td>
<td></td>
</tr>
</tbody>
</table>

Seasonality (50% weight)

Relative Strength Indicator (Scale from 1 to 100)

<table>
<thead>
<tr>
<th>ASIANPAINT</th>
<th>Industry Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last 10 Days</td>
<td>71</td>
</tr>
<tr>
<td>Last 50 Days</td>
<td>51</td>
</tr>
<tr>
<td>Last 200 Days</td>
<td>50</td>
</tr>
</tbody>
</table>

Average Monthly Return (Last 10 Years)

<table>
<thead>
<tr>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Avg</td>
<td>0.82%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Industry Avg</td>
<td>1.9%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Industry Rank</td>
<td>79 of 98</td>
<td>71 of 98</td>
</tr>
</tbody>
</table>

Price Performance

Daily close prices are used to calculate the performance of the stock as compared to a relevant index over five time periods.

<table>
<thead>
<tr>
<th>1-Week</th>
<th>1-Month</th>
<th>3-Month</th>
<th>YTD</th>
<th>1-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIANPAINT</td>
<td>3%</td>
<td>1.4%</td>
<td>-0.5%</td>
<td>2.6%</td>
</tr>
<tr>
<td>BSE Sensex</td>
<td></td>
<td>1.8%</td>
<td></td>
<td>8.1%</td>
</tr>
</tbody>
</table>
Mean Estimate Trend
The mean estimates show how the consensus has changed over the past 30 days and 90 days for the upcoming two quarters (when available) and two years. The percentage change is calculated for the company as a means for comparison by measuring the difference between the current consensus estimate and that of 90 days ago.

Analyst Recommendations
The I/B/E/S Mean is the average recommendation of all analysts covering the stock, as provided by I/B/E/S, the Institutional Brokers Estimate System, from LSEG. The recommendations are presented on a five-point standardized scale: strong buy, buy, hold, sell, and strong sell.

Earnings Surprises
- The surprise summary includes the total number of time periods (and percentage) in the last 12 quarters (quarterly) or last 4 years (annual) in which earnings surprises were positive, negative, or in-line. In order to be recognized as a positive or negative surprise, the percent must be greater than 2% above or 2% below the consensus, respectively.
- The surprise detail section includes a listing of the company's quarterly earnings reported for the most recent 6 periods (quarters or years). The consensus analyst estimate is provided to determine if the actual earnings report represented a positive surprise, negative surprise, or in-line result.

Fundamental
The Fundamental Rating is based on a combination of four fundamental component factors: profitability, debt, earnings quality, and dividend. Companies that do not pay a dividend are not penalized. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least two of the four fundamental factors present in order to receive a score.

Profitability
- Revenue Growth: (Net Sales - Previous Net Sales) / Previous Net Sales
- Gross Margin: Gross Profit / Net Sales
- Return on Equity: Net Income / Total Equity
- Net Margin: Net Profit / Net Sales

Debt
- Current Ratio: Current Assets / Current Liabilities
- Debt-to-Capital: Total Debt / Total Capital
- Interest Coverage: (Interest Expense on Debt + Preferred Cash Dividends) / Funds from Operations
- Interest Coverage: Earnings before Interest and Taxes / (Interest Expense on Debt + Preferred Cash Dividends)

Earnings Quality
- Operating Cash Yield: (Operating Cash Flow - Net Income) / Net Income
- Accruals: (Net Income - Operating Cash Flow - Investing Cash Flow) / Average Net Operating Assets
- Days Sales in Inventory: 365 / (Cost of Goods Sold / Inventory)
- Days Sales in Receivables: 365 / (Net Sales / Receivables)

Dividend
The company must have a current dividend yield.
- Dividend Growth Rate: (Dividends per Share - Previous Dividends per Share) / Previous Dividends per Share
- Dividend Funding: Dividends / Operating Cash Flow
- Dividend Coverage: (Pre-Tax Income + Interest Expense) / (Interest Expense + Dividends)
- Dividend Yield: Annual Dividends per Share / Current Market Price per Share

Earnings Per Share
The quarterly and annual earnings per share are presented when available, along with the mean, high and low. Quarterly data is displayed for the past 4 quarters (actual) and the next 2 quarters (estimated). Annual data is displayed for the past 2 years (actual) and the next 2 years (estimated).

Price Target
The price target is based on the predictions of analysts covering the stock and shows the high, low, and mean price expected within the next 12 months.

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Price Target
The price target is based on the predictions of analysts covering the stock and shows the high, low, and mean price expected within the next 12 months.
Trailing P/E: Close Price / Most Recent 4 Quarters or 1 Year of Earnings
Forward P/E: Close Price / Upcoming 4 Quarters or 1 Year of Earnings

Valuation Averages
Negative values are excluded when calculating the averages. A maximum value of 100 is placed on Trailing P/E and Forward P/E, a maximum value of 5 is placed on Forward PEG, and a maximum value of 20 is placed on Price to Sales when calculating the averages. Higher values are rounded down to the maximum for the averages.

Valuation Multiples
The valuation multiples provide the Trailing P/E, Forward P/E, Forward PEG, and Price to Sales for the company and the relevant index average. In addition, a comparison of the current company's values to its 5-year average and an industry average are presented. A discount occurs when the company's ratio is valued more favorably (lower) than that to which it is compared.

Risk
The Risk Rating displays stocks on a scale of 1 to 10 with 10 being awarded to the least risky stocks. It is derived by looking at a series of long-term (5-year) and short-term (90-day) stock performance measures including volatility, magnitude of returns, beta, and correlation. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market. A stock needs to have at least two of the four risk factors in order to receive a score.

- Magnitude of Returns - The best / worst daily returns in the past 90 days and the best / worst monthly returns in the past 60 months.
- Volatility - The standard deviation of the stock price over the last 90 days and last 60 months, along with the average and largest intra-day stock swing.
- Beta - Measures the tendency of a security's returns to respond to swings in the market, based on the beta of the company versus the relevant index.
- Correlation - Determines how closely the returns of the stock and the relevant index move together, measured over the last 90 days and last 60 months.

Risk Analysis
Price analysis for the company and the relevant index is provided over two time periods. Daily analysis is provided for the last 90 days, whereas monthly statistics are used for the last 60 months.

Price Momentum
The Price Momentum Rating is based on a combination of two technical performance factors: relative strength and seasonality. The factors are equally weighted. Equal deciles are then used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have data for the relative strength factor in order to receive a score.

- Relative Strength - The relative strength of the company for the last 10 days, 50 days, and 200 days on a scale of 1 to 100.
- Seasonality - The average monthly return (price performance) for the current month and next 2 months for the company and industry, over the past 10 years. A lower industry rank indicates a higher return.

Price Performance
Daily close prices are used to calculate the price performance of the stock. The performance of the relevant index is also displayed as a means of comparison.

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