



10th November, 2022

STOCK. EXG/ AG/ 2022-23

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

Scrip Code : 12529

Dear Sirs,

Sub: Q2 FY 2022-23 Financial Results Conference Call - Presentation

With reference to our letter no. STOCK. EXG/ AG/ 2022-23 dated 7th November, 2022 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed a copy of presentation on Q2 FY 2022-23 Financial Results of the Company 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

Digitally signed by ARUNITO GANGULY
DN: cn=ARUNITO GANGULY, o=BERGER PAINTS INDIA LIMITED, ou=BERGER PAINTS INDIA LIMITED, email=arunito.ganguly@bergerpaints.com, c=IN
Date: 2022.11.10 16:27:18 +05'30'

**ARUNITO GANGULY
VICE PRESIDENT &
COMPANY SECRETARY**

Encl.: a/a



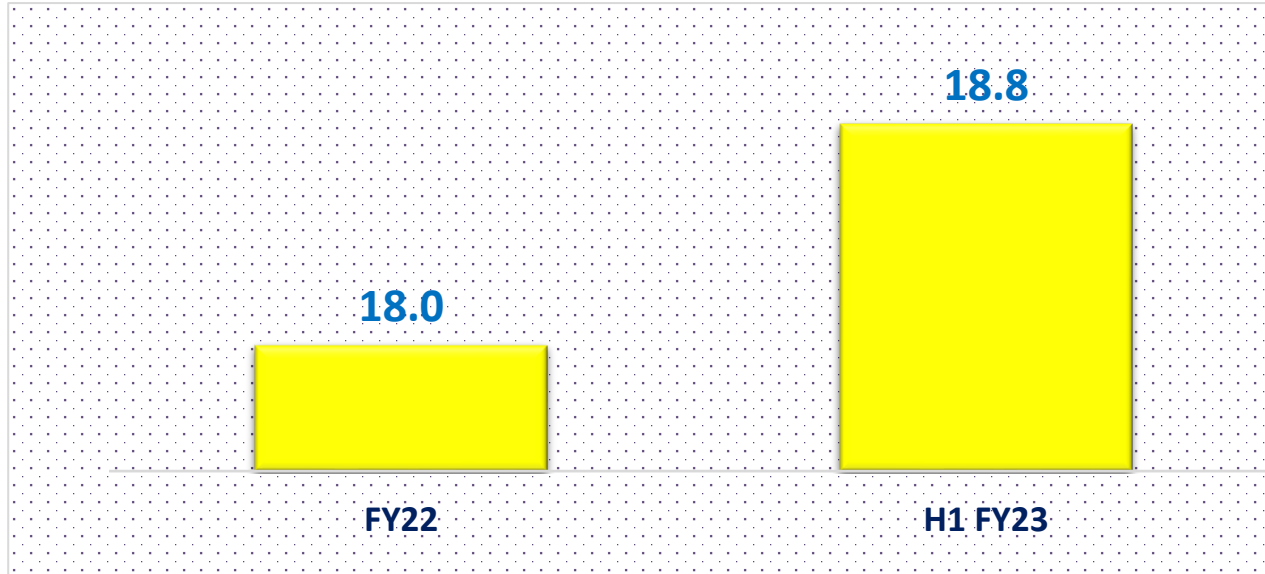
Berger Paints India Limited
Earnings Update Call, Q2 FY23
November 10th, 2022



Q2 FY23 Performance

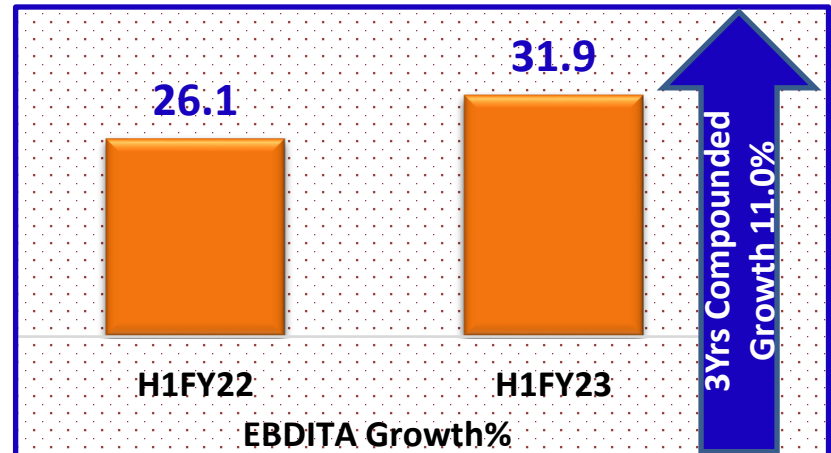
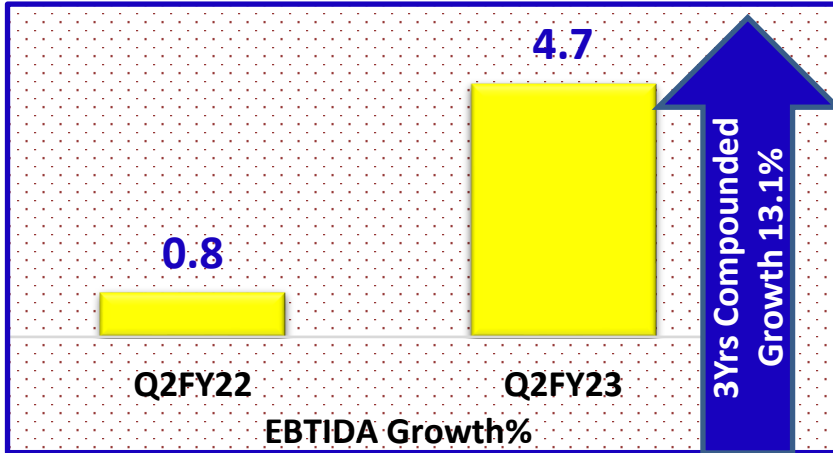
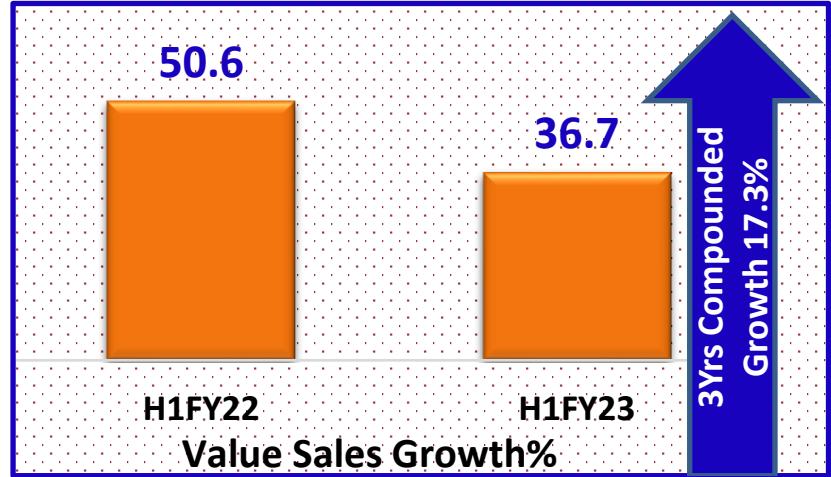
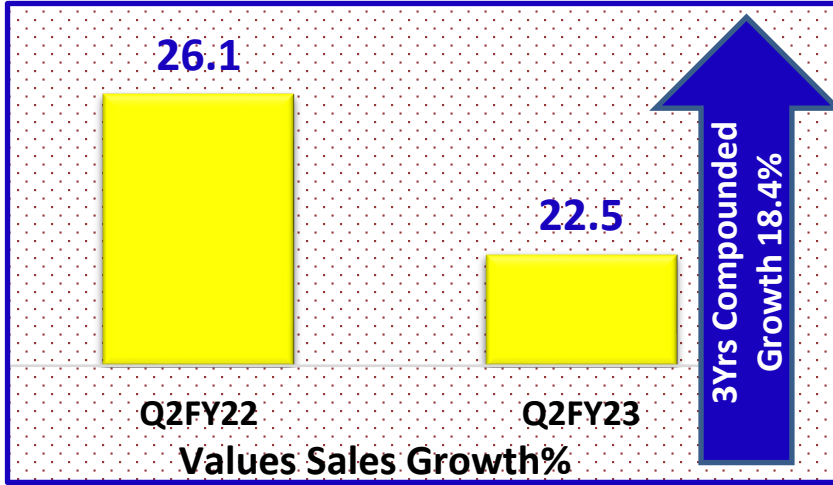
Decorative Business

- Decorative business continued its robust performance in volume and value growth for the quarter in spite of late monsoon and price inflation.
- Gained significant market share in the Financial Year.



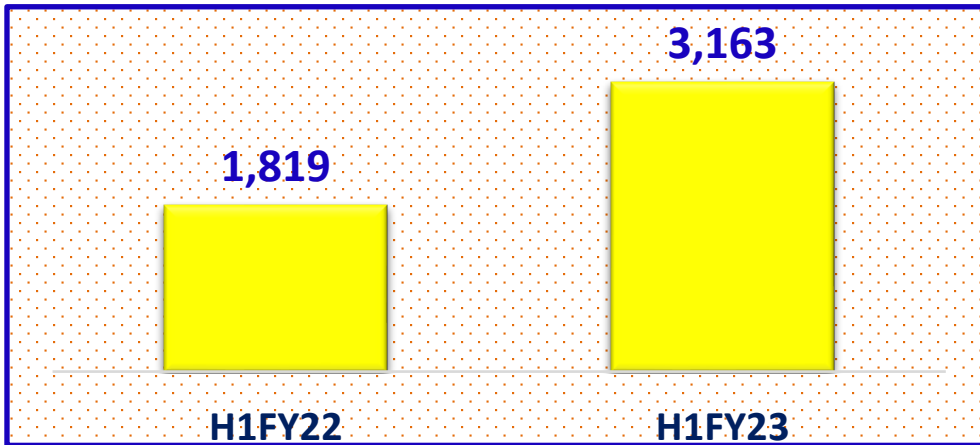
***Market share is based on performance of 5 leading players in the industry**

Decorative Business



Decorative Business

- **Strong network expansion for the business.**
 - 6233 Sales points added in H1FY23.
- **Strong addition in Colorbank Machine installation**



- **T1, T2 and T3 cities - all showed high double-digit growth over corresponding quarter last year. Rural markets grew at a slower pace specially in North & Central regions**
- **Construction chemicals segment registered strong growth in the quarter.**

New Product launches



**Silk Glamor
in Matt
Finish**



**The easiest way of
waterproofing. Simple
brush application**



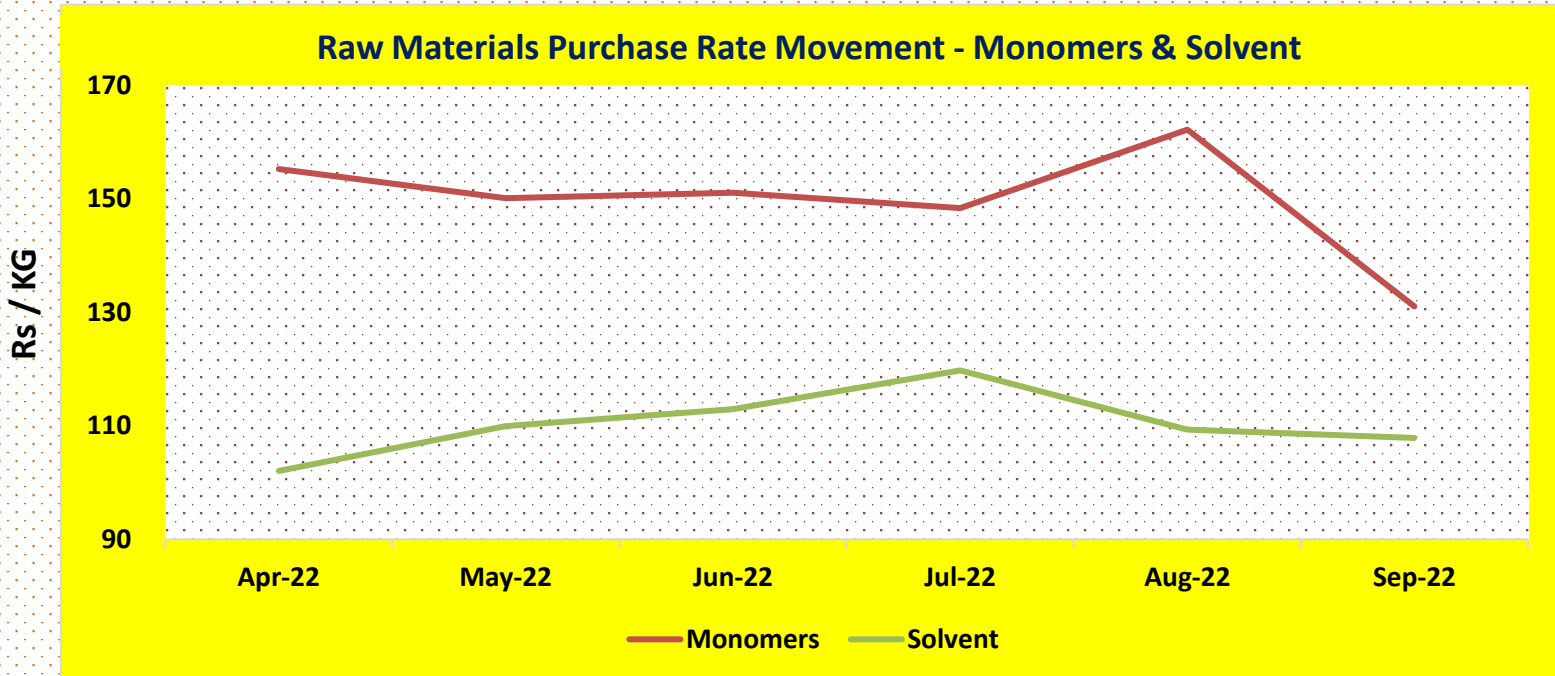
**Primer with in-build
waterproofing
properties.**

Industrial Business

- **GI and Auto business showed good growth in the quarter.**
- **Protective and infrastructure business registered another quarter of strong growth aided by government spending on infrastructure.**
- **Significant price increases were achieved in all industrial business lines.**
- **Powder Coatings business line had high negative growth impacted by the slowdown in the business of fan manufacturers on account of certain regulatory changes. However, the business line has a very small contribution on the company's topline**

Profitability

- Raw material as percentage of sale went up mainly on account of material price increases partly offset by increase in product prices.
- No significant product price increase taken in Q2 on account of lower trajectory of some raw materials which impacted profitability.



Profitability

- **Softening of Monomer and solvent prices are likely to lead to profitability improvement in Q3 and Q4. Titanium Dioxide prices also seen softening towards the end of the quarter**
- **Profitability for the quarter was also impacted on account of inclusion of one time subsidy income of 18.7 Crores in corresponding quarter last year**
- **Mix improvement likely in Q3 & Q4 on the back of increased sales of exterior wall coatings and waterproofing items which has high gross margins**

Capacity Expansion



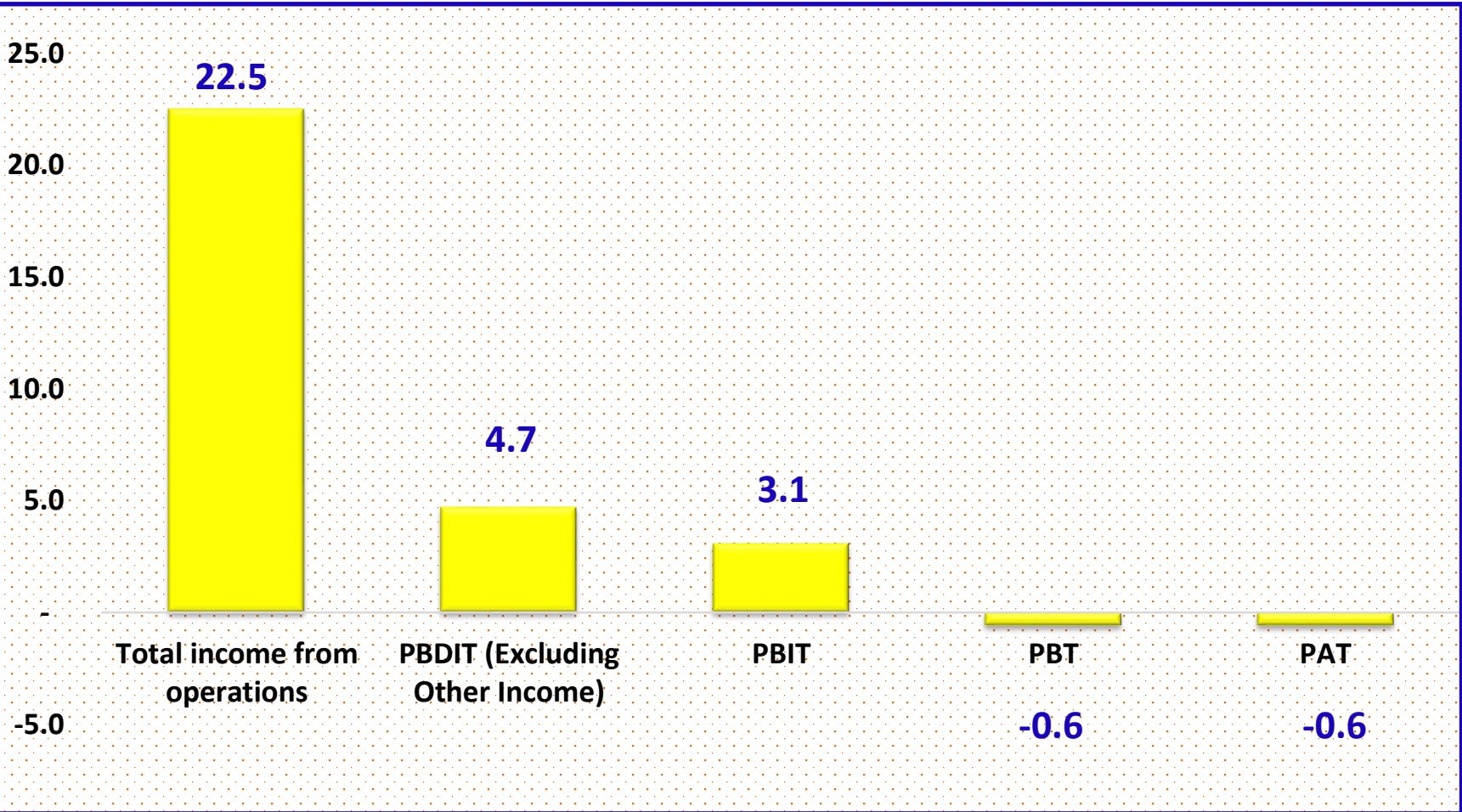
**New manufacturing facility at Sandila in Uttar Pradesh to commence commercial production shortly for water base, solvent base, putty, stainer, colorant and resin
Estimated outlay 1000+ Crores
Potential increase in capacity by 33%**

- **Company has also acquired 30 acres of land in Panagarh, West Bengal for manufacture of Construction Chemicals, Resin and Industrial products
Estimated outlay about 175 Crores.**
- **Further brownfield expansions in Hindupur (for solvent and Resin) and Rishra (emulsion and water base expansion).**

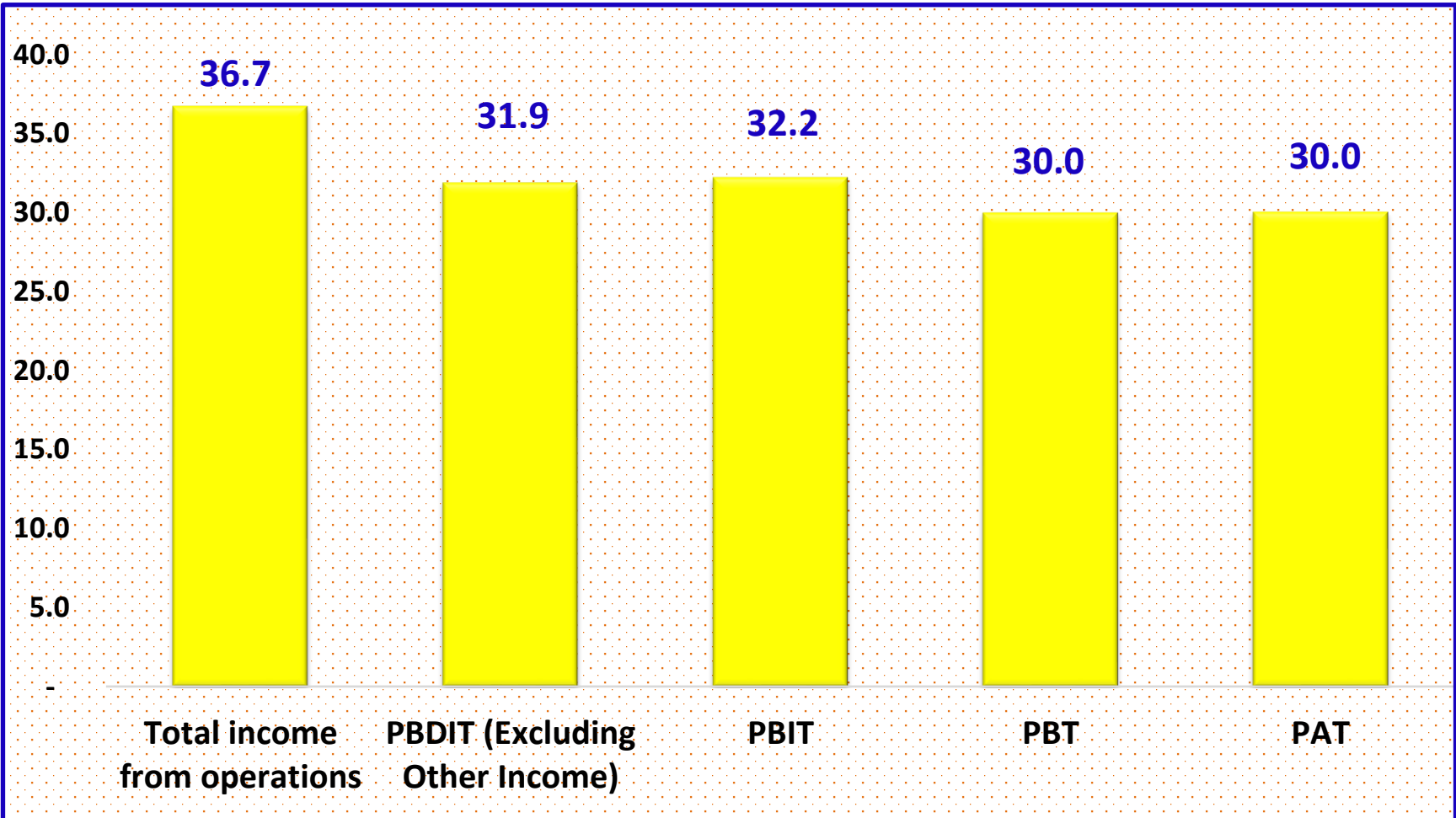


Financial Performance

GROWTH (%) - Standalone Q2 FY23



GROWTH (%) - Standalone H1 FY23



Financial Results – Standalone Q2 FY23

Rs Crores

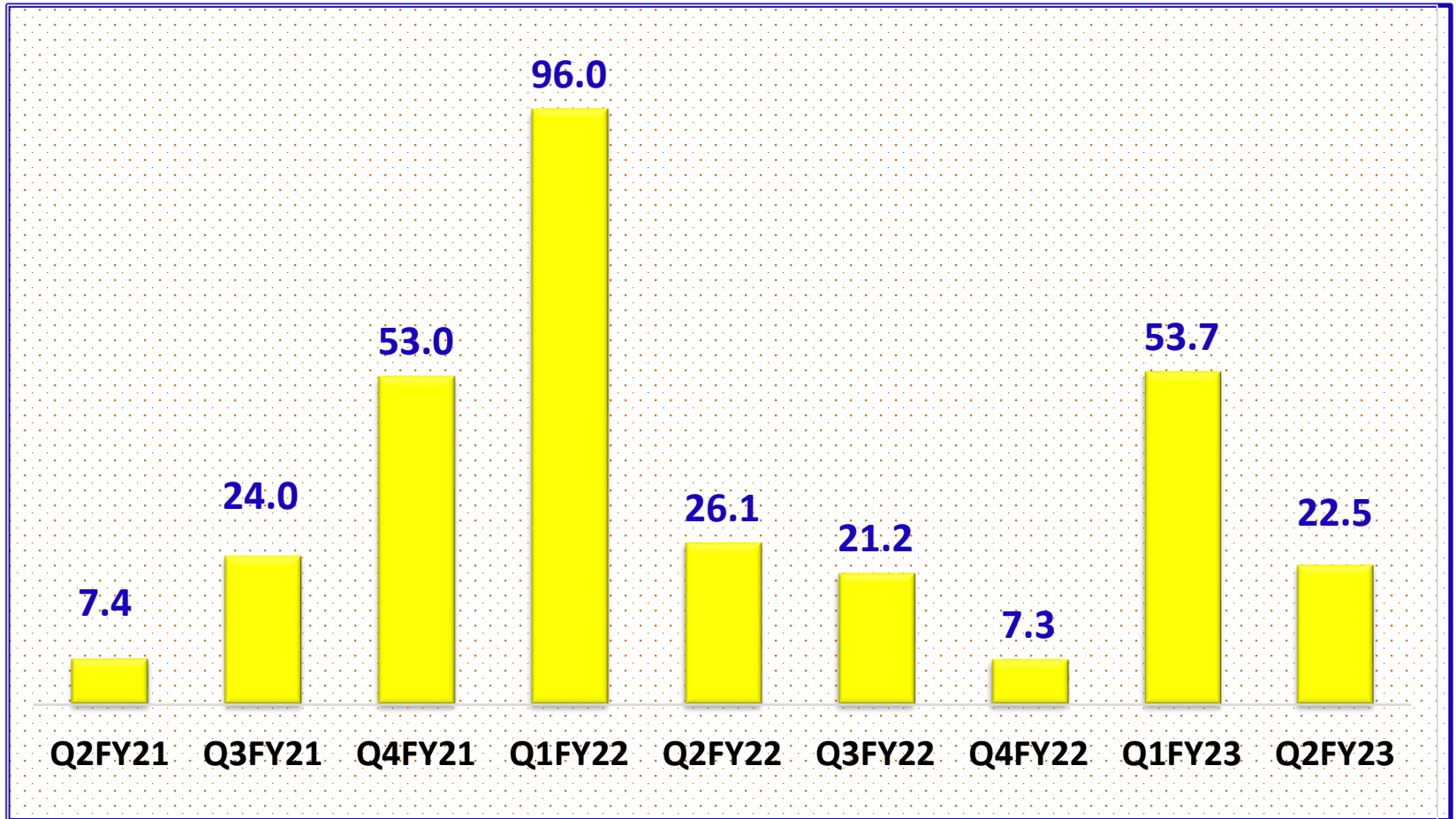
	Q2 FY 23	% to Total Income	Q2 FY 22	% to Total Income	Growth %
Total income from operations	2,373.75		1,937.65		22.5
Material Cost	1,554.59	65.49	1,206.47	62.26	
Employee Cost	120.45	5.07	105.39	5.44	
Other expenses	380.42	16.03	321.84	16.61	
PBDIT (Excluding Other Income)	318.29	13.41	303.95	15.69	4.7
Depreciation	55.00	2.32	48.92	2.52	
Profit from operation before interest	263.29	11.09	255.03	13.16	
Other Income	14.22	0.60	14.16	0.73	
PBIT	277.51	11.69	269.19	13.89	3.1
Finance Cost	20.80	0.88	10.96	0.57	
PBT	256.71	10.81	258.23	13.33	-0.6
Taxes	66.03	2.78	66.44	3.43	
PAT	190.68	8.03	191.79	9.90	-0.6
Other comprehensive income, net of income tax	-2.86	-0.12	-0.82	-0.04	
Total comprehensive income for the period	187.82		190.97		

Financial Results – Standalone H1 FY23

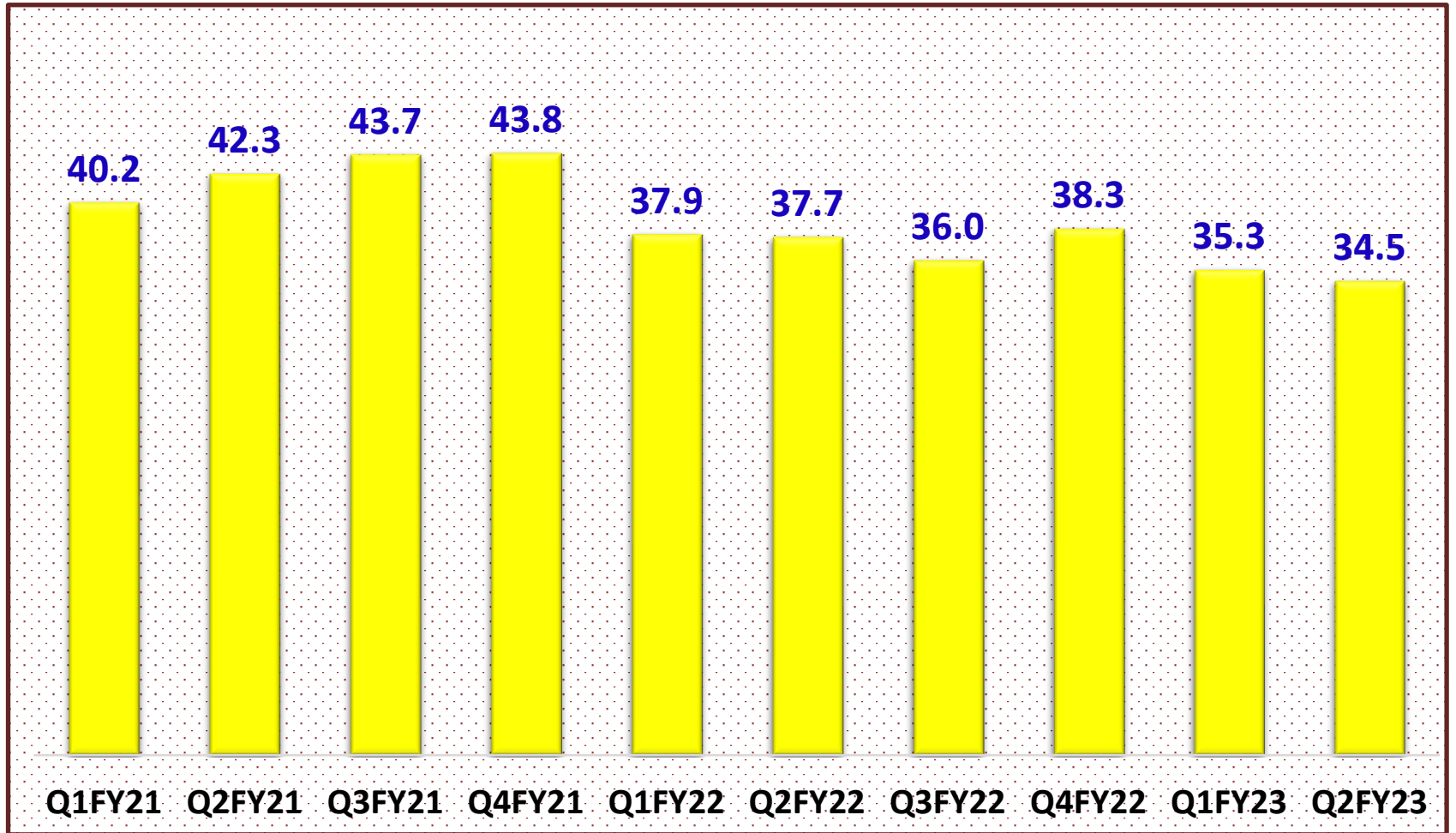
Rs Crores

	H1 FY 23	% to Total Income	H1 FY 22	% to Total Income	Growth %
Total income from operations	4,862.42		3,556.86		36.7
Material Cost	3,164.91	65.09	2,212.14	62.19	
Employee Cost	231.24	4.76	203.92	5.73	
Other expenses	774.26	15.92	616.06	17.32	
PBDIT (Excluding Other Income)	692.01	14.23	524.74	14.75	31.9
Depreciation	110.57	2.27	96.38	2.71	
Profit from operation before interest	581.44	11.96	428.36	12.04	
Other Income	24.84	0.51	30.17	0.85	
PBIT	606.28	12.47	458.53	12.89	32.2
Finance Cost	34.79	0.72	18.87	0.53	
PBT	571.49	11.75	439.66	12.36	30.0
Taxes	146.41	3.01	112.78	3.17	
PAT	425.08	8.74	326.88	9.19	30.0
Other comprehensive income, net of income tax	-0.06	-0.00	-0.81	-0.02	
Total comprehensive income for the period	425.02		326.07		

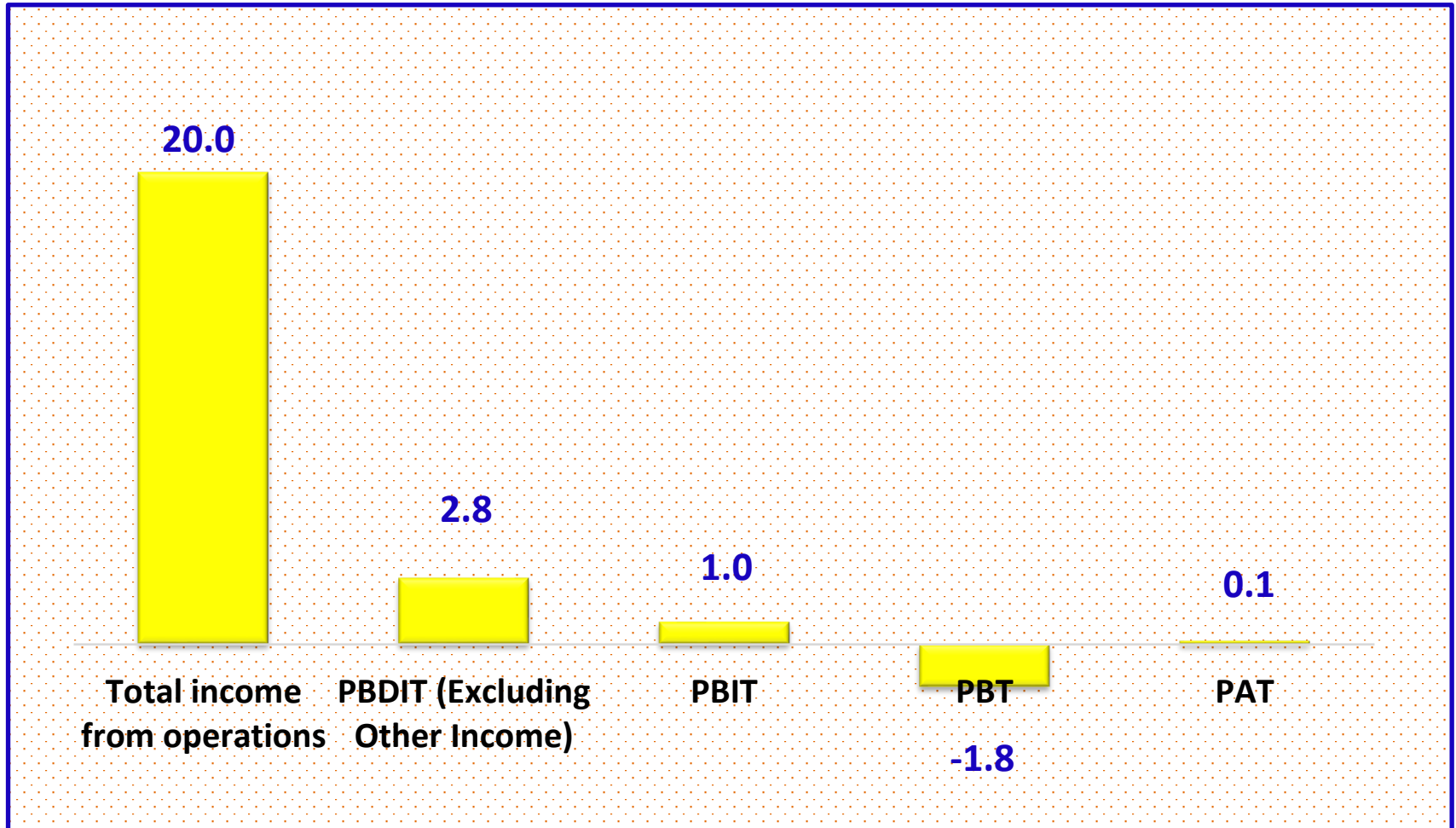
Income from operations Growth % - Standalone



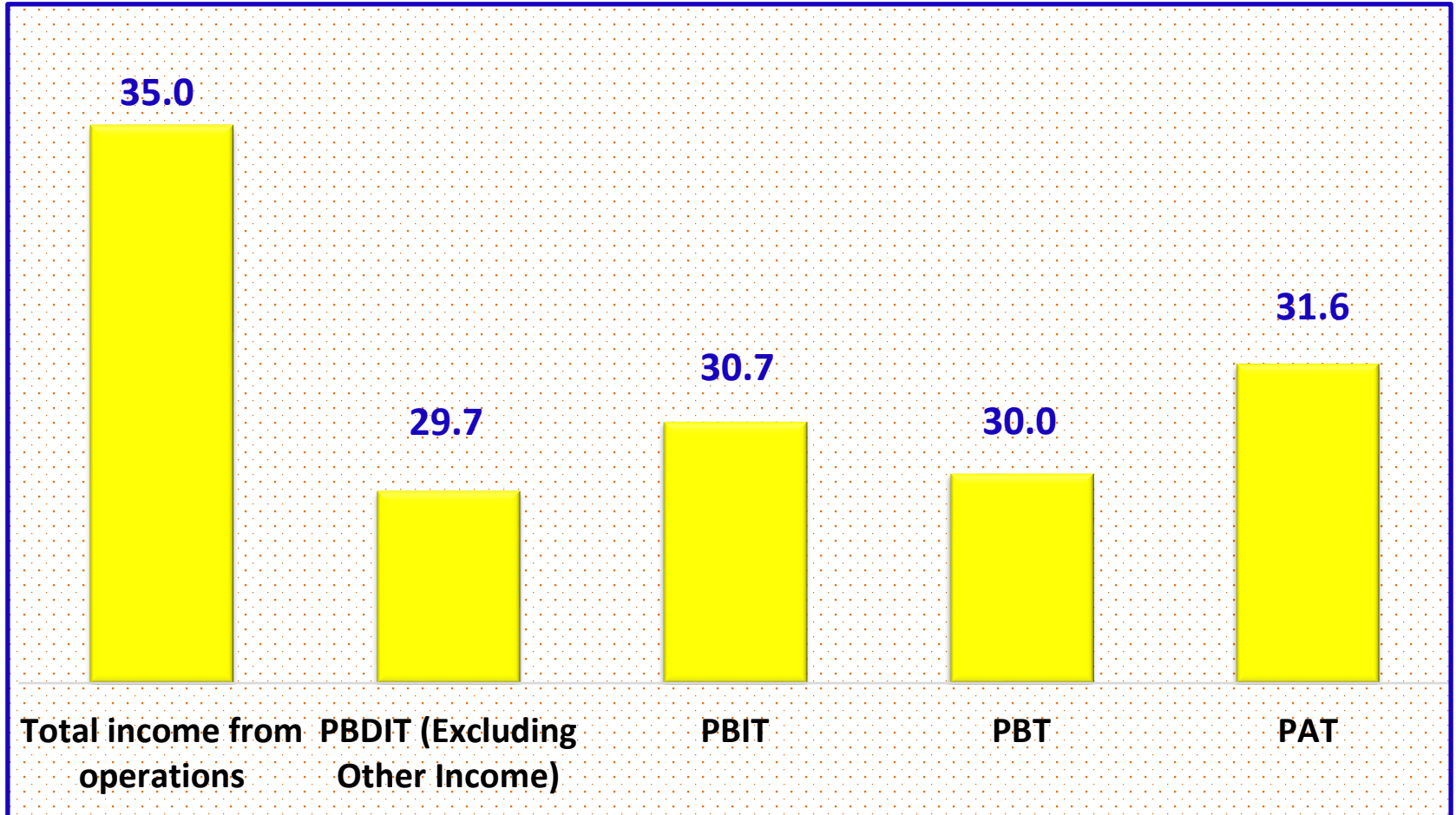
Gross Margin Trend (%) - Standalone



Consolidated Q2 FY23- Growth (%)



Consolidated H1 FY23- Growth (%)



Financial Results- Consolidated: Q2 FY23

Rs Crores

	Q2 FY 23	% to Total Income	Q2 FY 22	% to Total Income	Growth %
Total income from operations	2,670.92		2,225.01		20.0
Material Cost	1,728.07	64.70	1,372.74	61.70	
Employee Cost	160.37	6.00	141.93	6.38	
Other expenses	418.53	15.67	356.35	16.02	
PBDIT (Excluding Other Income)	363.95	13.63	353.99	15.91	2.8
Depreciation	62.47	2.34	55.89	2.51	
Profit from operation before interest	301.48	11.29	298.10	13.40	
Other Income	12.58	0.47	12.99	0.58	
PBIT	314.06	11.76	311.09	13.98	1.0
Finance Cost	24.12	0.90	12.68	0.57	
PBT before share of joint ventures	289.94	10.86	298.41	13.41	-2.8
Share of Profit / (loss) of associates and JVs	3.06	0.11	-0.02	-0.00	
PBT	293.00	10.97	298.39	13.41	-1.8
Taxes	73.49	2.75	79.18	3.56	
PAT	219.51	8.22	219.21	9.85	0.1
Other comprehensive income, net of income tax	-9.62		4.88		
Total comprehensive income for the period	209.89		224.09		

Financial Results- Consolidated: H1 FY23

	Rs Crores				
	H1 FY 23	% to Total Income	H1 FY 22	% to Total Income	Growth %
Total income from operations	5,430.62		4,023.50		35.0
Material Cost	3,501.21	64.47	2,477.41	61.57	
Employee Cost	306.40	5.64	272.96	6.78	
Other expenses	854.22	15.73	680.61	16.92	
PBDIT (Excluding Other Income)	768.79	14.16	592.52	14.73	29.7
Depreciation	125.27	2.31	110.71	2.75	
Profit from operation before interest	643.52	11.85	481.81	11.97	
Other Income	25.62	0.47	30.02	0.75	
PBIT	669.14	12.32	511.83	12.72	30.7
Finance Cost	40.38	0.74	22.26	0.55	
PBT before share of joint ventures	628.76	11.58	489.57	12.17	28.4
Share of Profit / (loss) of associates and JVs	6.53	0.12	-0.86	-0.02	
PBT	635.29	11.70	488.71	12.15	30.0
Taxes	162.07	2.98	129.02	3.21	
PAT	473.22	8.71	359.69	8.94	31.6
Other comprehensive income, net of income tax	-0.27		-5.58		
Total comprehensive income for the period	472.95		354.11		

Financial Results- Consolidated: Q2 FY23

- **BJN Nepal had a good quarter of performance both on the topline and profitability**
- **Company's Polish subsidiary Bolix S.A had degrowth both in topline and profitability impacted by Ukraine war and high inflation negatively impacting the consolidated numbers**
- **STP Ltd showed strong double digit growth on sales and profits during the year aided by improvement in gross margin**
- **SBL Speciality Coatings Ltd had a flat topline growth and muted profit growth effected by the downturn in fan industry**
- **Company's Joint venture's Berger Nippon Paint Automotive Coatings Pvt. Ltd. and Berger Becker Coatings Pvt Ltd both registered strong performance on topline and profitability aided by product price increases**

Outlook

- Demand in urban markets looks encouraging. Hoping for an uptick in rural demand on the back of good monsoon
- Mix improvement likely in the coming quarters supported by increased sale of exterior coatings
- Industrial sales outlook remain strong on the back of growth in auto sector and government spending in infrastructure.
- Key raw material prices like Monomers and Solvents softened towards the end of Q2 and likely to remain so in Q3 and Q4
- However, exchange depreciation on account of strong USD may 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.