



**100 YEARS OF
TRUST**

**Berger Paints India Limited
Earnings Update Call, Q3 FY25
February 11, 2025**





**100 YEARS OF
TRUST**

A NEW HOME FOR INNOVATION





**100 YEARS OF
TRUST**

MARKING A MILESTONE

**New Corporate Office inaugurated on
February 10, 2025
by**

Dr Smt Shashi Panja, Cabinet
Minister, West Bengal

**Department of Industries, Commerce &
Enterprise &**

**Department of Women and Child Development
and Social Welfare**



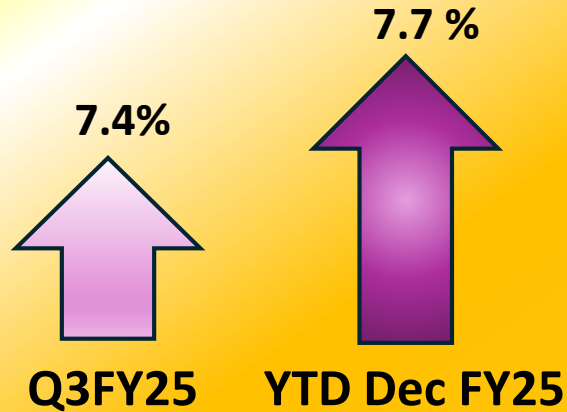
Q3FY25 : Snapshot

- High single digit volume growth in Decorative segment. Sequential uptick both in volume and value growth
- Protective business had a strong performance in the quarter
- Continued to gain market share in Q3. Current market share in excess of 20%
- Operating margin remained in the guided range and improved sequentially
- Company improved its Net Cash position at the end of the quarter

Standalone : Q3 FY25 Topline Performance

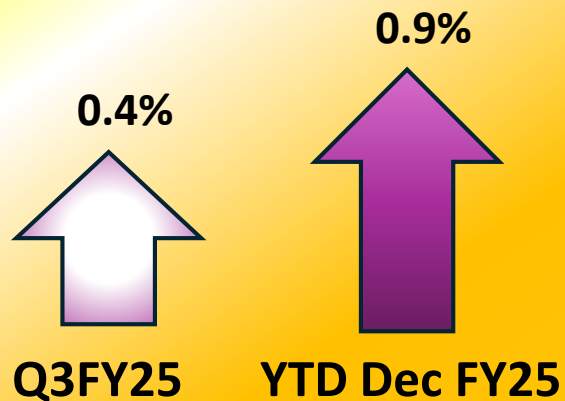
Growth %

Volume



- The company recorded high single digit volume growth impacted by inflation & muted consumer sentiment in discretionary spends
- Volume value gap mainly on account of
 - product price decrease undertaken in earlier quarters
 - Stronger sale of high volume and low value products like Texture paints, Tile Adhesive & Admixture and muted sales of high value products like Enamel

Value



- Exterior premium segment did well
- Waterproofing and Construction Chemical segment had a strong double digit growth
- Protective & Infrastructure business continued its good performance in the quarter.

Standalone : Sustained growth trend

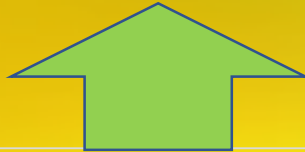
YTD Dec FY25 : Volume Sales CAGR%

9.3



2 yrs

11.8



3 yrs

15.6



4 yrs

YTD Dec FY25 : Value Sales CAGR%

3.6



2 yrs

10.4



3 yrs

16.7

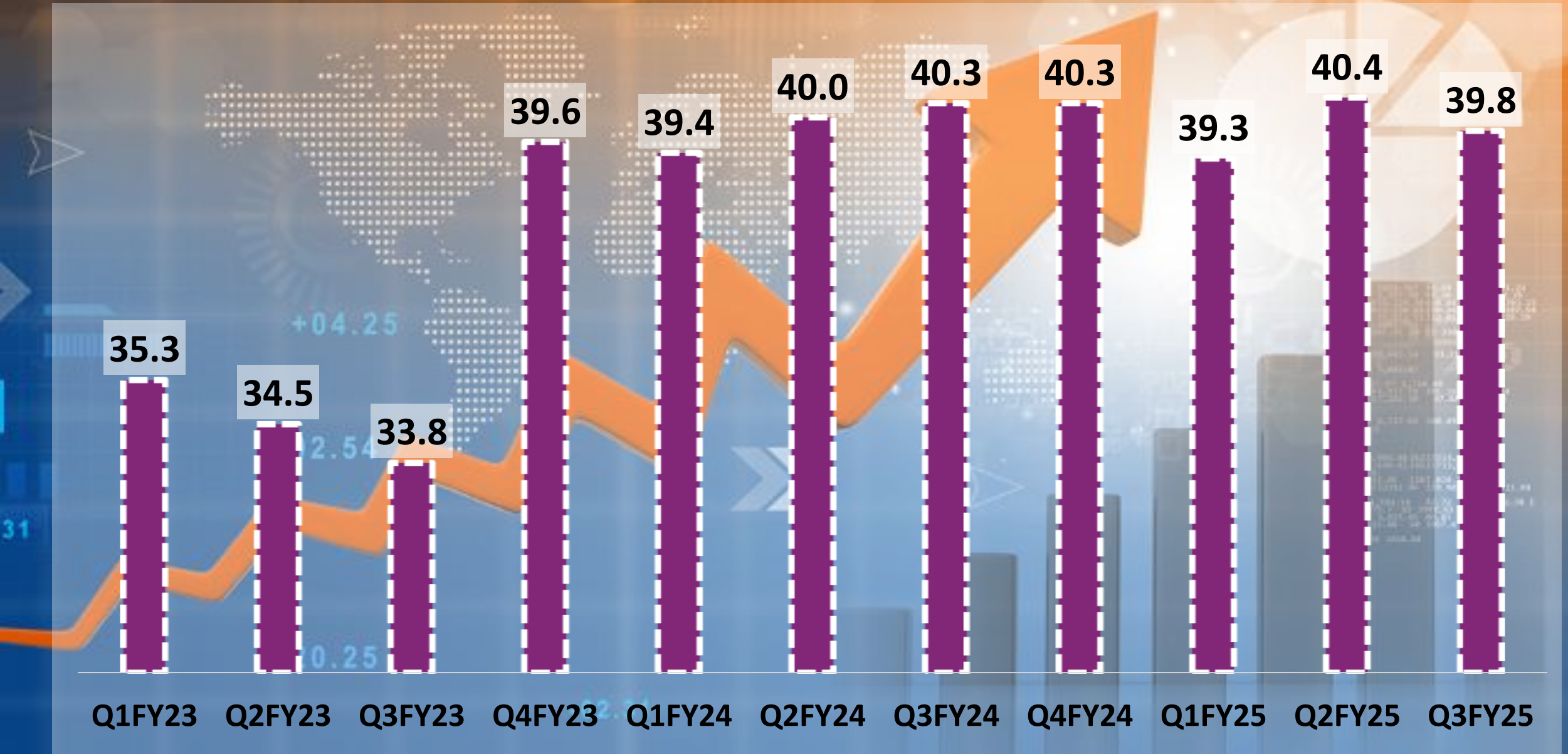


4 yrs

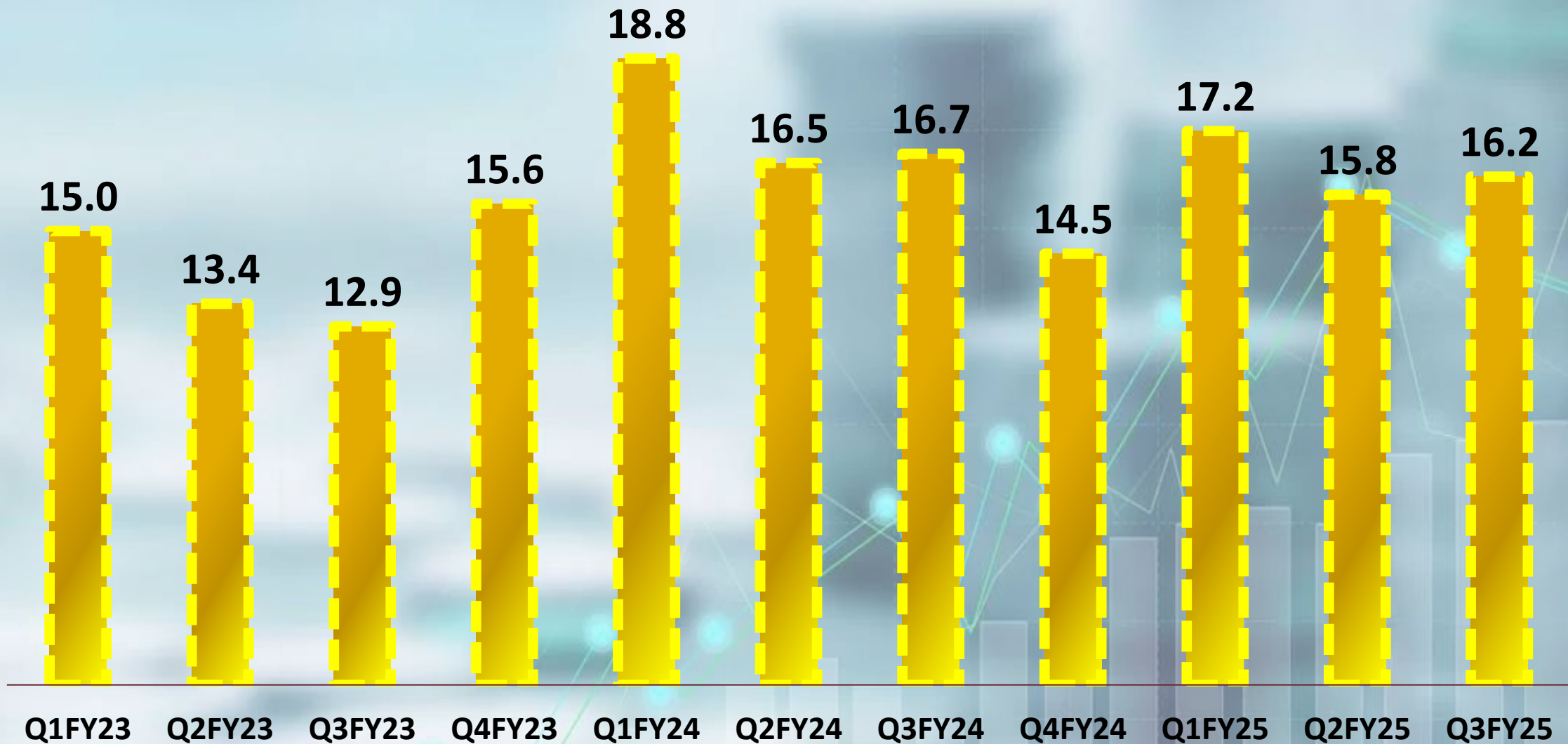
**Maintained strong
compounded growth
consistently over the
past 3/4 years**



Sustained Healthy Gross Margin %



Standalone : Operating Margin % Movement



Operating Margin % improved sequentially

Standalone Q3 FY25 : Operating Profit

Growth %

(2.8)%



Q3FY25

(4.6)%



YTD Dec FY25

Gross Margin contracted marginally over corresponding period last year on account of

- Product price reduction undertaken in last financial year
- Currency depreciation in the current quarter
- Some inventory impact of monomer price increase .
However, prices have now started coming down

Operating margin was lower on a YoY basis, however improved sequentially on the back of some operating leverage

Operating margin however remained on the higher end of the band of 15% to 17% as guided earlier

Profit growth at Net level saw an uptick aided by dividend received from BJN Nepal

Financial Results – Standalone Q3 FY25

₹ Crores

	Q3 FY25	%	Q3 FY24	%	Growth %
Total income from operations	2584.76		2,574.20		0.4
Material Cost	1,555.26	60.2	1535.55	59.7	
Employee Cost	146.40	5.7	136.72	5.3	
Other expenses	465.61	18.0	472.35	18.3	
PBDIT (Excluding Other Income)	417.49	16.2	429.58	16.7	(2.8)
Depreciation	79.78	3.1	74.49	2.9	
Profit from operation before interest	337.71	13.1	355.09	13.8	(4.9)
Other Income	69.04	2.7	16.40	0.6	
PBIT	406.75	15.7	371.49	14.4	9.5
Finance Cost	12.24	0.5	16.10	0.6	
PBT	394.51	15.3	355.39	13.8	11.0
Taxes	88.43	3.4	92.14	3.6	
PAT	306.08	11.8	263.25	10.2	16.3
Other comprehensive income, net of income tax	1.50	0.1	0.39	0.0	
Total comprehensive income for the period	307.58	11.9	263.64	10.2	



Financial Results – Standalone YTD Dec FY25

₹ Crores

	YTD Dec FY25	%	YTD Dec FY24	%	Growth %
Total income from operations	7821.77		7753.79		0.9
Material Cost	4708.63	60.2	4659.65	60.1	
Employee Cost	457.74	5.9	408.26	5.3	
Other expenses	1370.77	17.5	1339.35	17.3	
PBDIT (Excluding Other Income)	1284.63	16.4	1346.53	17.4	(4.6)
Depreciation	237.91	3.0	219.08	2.8	
Profit from operation before interest	1046.72	13.4	1127.45	14.5	(7.2)
Other Income	102.76	1.3	44.00	0.6	
PBIT	1149.48	14.7	1171.45	15.1	(1.9)
Finance Cost	36.63	0.5	50.00	0.6	
PBT	1112.85	14.2	1121.45	14.5	(0.8)
Taxes	272.27	3.5	287.99	3.7	
PAT	840.58	10.7	833.46	10.7	0.9
Other comprehensive income, net of income tax	0.61	0.00	(0.04)	(0.00)	
Total comprehensive income for the period	841.19	10.8	833.42	10.7	

Decorative Business : Q3FY25

- Decorative business recorded high single digit volume growth
- Exterior Premium segment did well in the quarter
- CC, Waterproofing & Wood coatings products had a robust performance
- Aggressive Network expansion continued
 - Added 2000+ retail touchpoints
 - Installed around 1800 Colorbank tinting machines.
 - Our urban initiative is progressing well.



Scaling High : Growth Products





Complete Waterproofing Solutions

**BERGER
(HOME)
SHIELD**





Experience Business Outlet



*Berger
Exclusive
Stores -
Ultimate paint
destination*



Awards & Accolades



ASSOCHAM Business Excellence Awards 2024



ICC Environment Excellence Award 2024



Industrial Business : Q3FY25

Protective Coating business continued its leadership position with strong performance in the quarter aided by infrastructure push from the government

Automotive, General Industrial & Powder Coatings business line had a muted growth

Net Cash

Improved Net cash position in the quarter

**Mar'24 :
Rs 341 crs**

**Jun'24 :
Rs 692 crs**

**Sep'24 :
Rs 242 crs**

**Dec'24 :
Rs 377 crs**





Financial Results- Consolidated Q3FY25

₹ Crores

	Q3FY25	%	Q3FY24	%	Growth %
Total income from operations	2975.06		2881.83		3.2
Material Cost	1736.87	58.4	1698.09	58.9	
Employee Cost	199.83	6.7	181.50	6.3	
Other expenses	566.63	19.0	522.20	18.1	
PBDIT (Excluding Other Income)	471.73	15.9	480.04	16.7	(1.7)
Depreciation	88.81	3.0	82.91	2.9	
Profit from operation before interest	382.92	12.9	397.13	13.8	(3.6)
Other Income	20.24	0.7	18.94	0.7	
PBIT	403.16	13.6	416.07	14.4	(3.1)
Finance Cost	15.99	0.5	19.62	0.7	
PBT before share of joint ventures	387.17	13.0	396.45	13.8	(2.3)
Share of Profit / (loss) of associates and joint ventures	7.24	0.2	1.40	0.0	
PBT	394.41	13.3	397.85	13.8	(0.9)
Taxes	98.44	3.3	97.69	3.4	
PAT	295.97	9.9	300.16	10.4	(1.4)
Other comprehensive income, net of income tax	11.80	0.4	13.30	0.5	
Total comprehensive income for the period	307.77	10.3	313.46	10.9	



Financial Results- Consolidated YTD Dec FY25

₹ Crores

	YTD Dec FY25	%	YTD Dec FY24	%	Growth %
Total income from operations	8840.68		8678.64		1.9
Material Cost	5212.86	59.0	5150.59	59.3	
Employee Cost	613.18	6.9	538.64	6.2	
Other expenses	1586.32	17.9	1478.97	17.0	
PBDIT (Excluding Other Income)	1428.32	16.2	1510.44	17.4	(5.4)
Depreciation	265.00	3.0	243.99	2.8	
Profit from operation before interest	1163.32	13.2	1266.45	14.6	(8.1)
Other Income	77.67	0.9	47.80	0.6	
PBIT	1240.99	14.0	1314.25	15.1	(5.6)
Finance Cost	48.17	0.5	60.41	0.7	
PBT before share of joint ventures	1192.82	13.5	1253.84	14.4	(4.9)
Share of Profit / (loss) of associates and joint ventures	25.72	0.3	9.00	0.2	
PBT	1218.54	13.8	1262.84	14.6	(3.5)
Taxes	298.64	3.4	315.64	3.6	
PAT	919.90	10.4	947.20	10.9	(2.9)
Other comprehensive income, net of income tax	5.69	0.1	23.42	0.3	
Total comprehensive income for the period	925.59	10.5	970.62	11.2	(4.6)

Performance - Consolidated: Q3FY25



- Company's overseas subsidiary, Bolix S.A, Poland had a steady topline growth in the quarter. However, profitability was muted on account of some one-off project expenses.
- Company's overseas subsidiary, BJN Nepal had a robust turnaround performance on topline aided by a low base and improvement in business conditions. Profitability growth was strong aided by the scale effect.
- Company's subsidiary, STP Ltd had a quarter of steady topline growth. However, profitability suffered on account of deterioration in product mix owing to low traction in Admixture.
- SBL Specialty Coatings Ltd also had a modest growth in topline and a flat growth at operating profit level.
- The Joint venture Berger Becker Coatings had another quarter of healthy growth both on topline and profitability.
- Company's Joint venture Berger Nippon Paint Automotive Coatings Pvt. Ltd. had a strong topline growth and profitability showed significant improvement aided by gross margin expansion

Business Outlook

- We remain optimistic on decorative business improving its growth sequentially on the back of :
 - Likely improvement in consumer sentiment fuelled by favourable budget announcements and adequate monsoon
 - Volume - value gap expected to bridge due to weaning of price decrease impact in the coming quarter
- Protective business prospects seen better on the back of government spending on infrastructure
- Automotive and other industrial businesses likely to perform better in the coming quarters
- Geopolitics and currency depreciation appear as likely risks

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.