



May 30, 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, 5th 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 Q4 & FY23 earnings presentation of Shalimar Paints Limited (“the Company”). The same is also being uploaded on the website of the Company www.shalimarpaints.com.

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

Thanking you,

Yours faithfully,

For **Shalimar Paints Limited**

SHIKHA Digitally signed by
SHIKHA RASTOGI
RASTOGI Date: 2023.05.30
13:25:36 +05'30'

Shikha Rastogi
Company Secretary

Encl.: as above



Shalimar Paints Ltd.

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**SHALIMAR
PAINTS**

Shalimar Paints Limited

Earnings Presentation

May 2023



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



Company Overview



Q4FY23

11,835

Volume (KL)

13% YoY

₹ 139.3

Revenue (Rs cr)

29% YoY

28.0 %

Gross Margin (%)

Improvement of 2 % Q-o-Q

₹ -2.60

EBITDA (Rs cr)

FY2023

41,506

Volume (KL)

12% YoY

₹ 492.8

Revenue (Rs cr)

36 % YoY

27.0 %

Gross Margin (%)

Improvement of 2 % Y-o-Y

₹ -7.54

EBITDA (Rs cr)

Decorative Paints

- An extensive range of decorative and protective paint products for interior and exterior segments
- Our portfolio spans across product categories and price points catering to a wide variety of consumers
- Eco friendly emulsion products certified by Griha Council
- Low VOC products that is certified by National Test House (NTH)



Industrial Paints

- Pioneers in Industrial coatings - Introduced notable firsts in high performance coatings such as high-build zinc coatings, radiation resistant coatings for nuclear power plants, polyurethane paint for fighter aircraft and railway coaches
- One of the largest Indian players in high-performance Protective Coatings
- Significant presence in General Industrial (Product Finish) and Packaging coatings



Decorative Paints

Q4FY23	FY2023
8,011 Volume (KL) 7.0 % YoY	28,966 Volume (KL) 6.0 % YoY
₹ 80 Net Revenue (Rs cr) 38.0 % YoY	₹ 285 Net Revenue (Rs cr) 33.0 % YoY

Industrial Paints

Q4FY23	FY2023
3,824 Volume (KL) 27.0 % YoY	12,540 Volume (KL) 27.0 % YoY
₹ 55 Net Revenue (Rs cr) 22.0 % YoY	₹ 191 Net Revenue (Rs cr) 36.0 % YoY



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New Initiatives

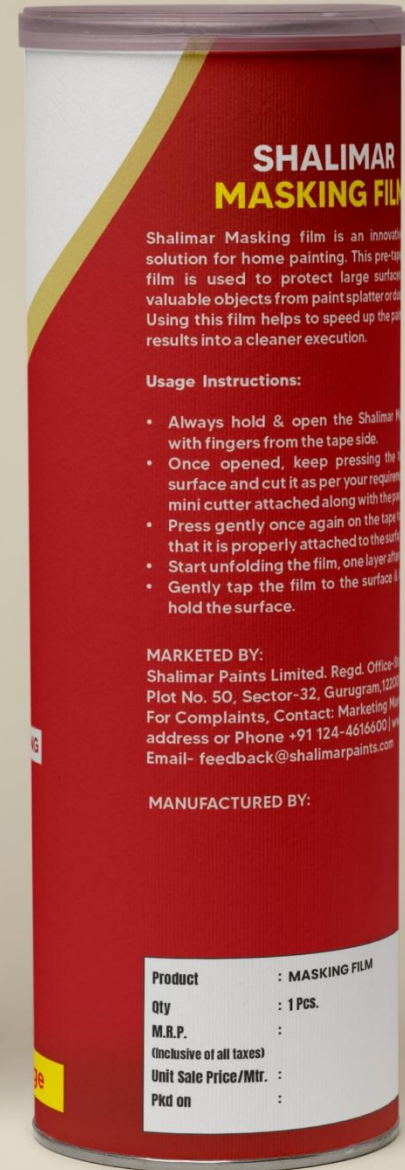
PROMO PRODUCT LAUNCH: MASKING FILM

OBJECTIVE: MARKET TESTING

PROMO SCHEME LAUNCHED:

Buy 20L of Stay Clean between 18th and 25th April
Get 1 Shalimar Masking Film

STAY CLEAN - DEEWAREIN DIKHE CLEAN , RAHE CLEAN OFFER	
Qualification - 20 L of stay clean between 18th to 25th of April and Qualify for Masking film sellout	
Sell out details - Shalimar masking film on every 20 L of stay clean for billing between 18th - 30th of April	
Masking film details- 2400 MM * 15 M worth MRP 550 Rs	
Shalimar Masking film is an innovative masking solution for home painting. This pre-taped masking film is used to protect large furniture, appliances and your valuable objects from paint splatter and dust particles.	
Scheme is on DPL billing only.	
	



Packaging Upgrades in Q4

Premium Water based Emulsions – New packaging going in production from May

SHAKTI

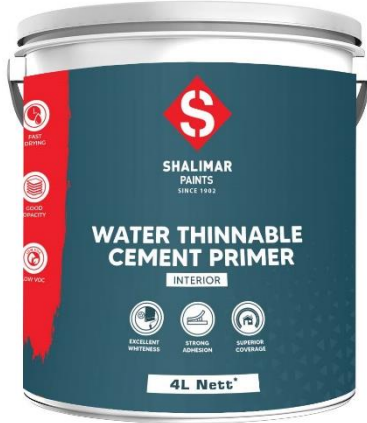
WTCP

WALL
PUTTY

Weather
PRO+

Signature

Xtra Tough

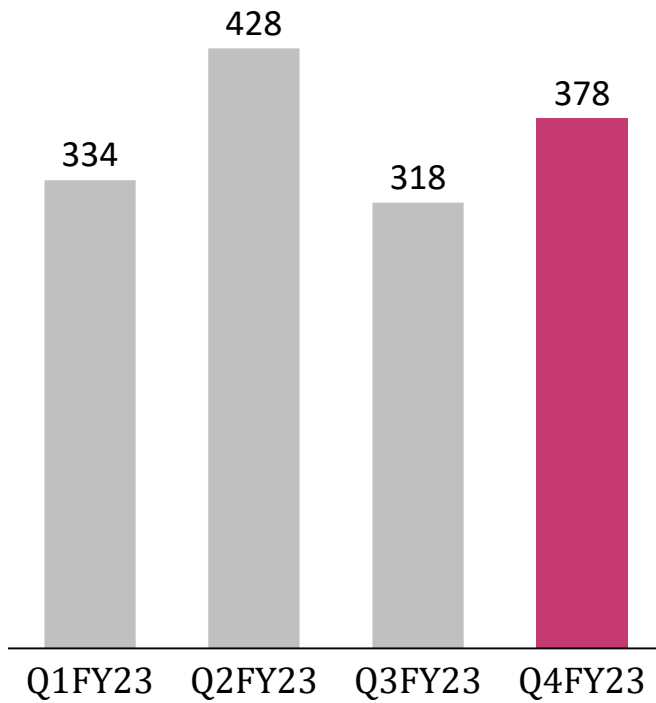


FY23 : New Dealer performance

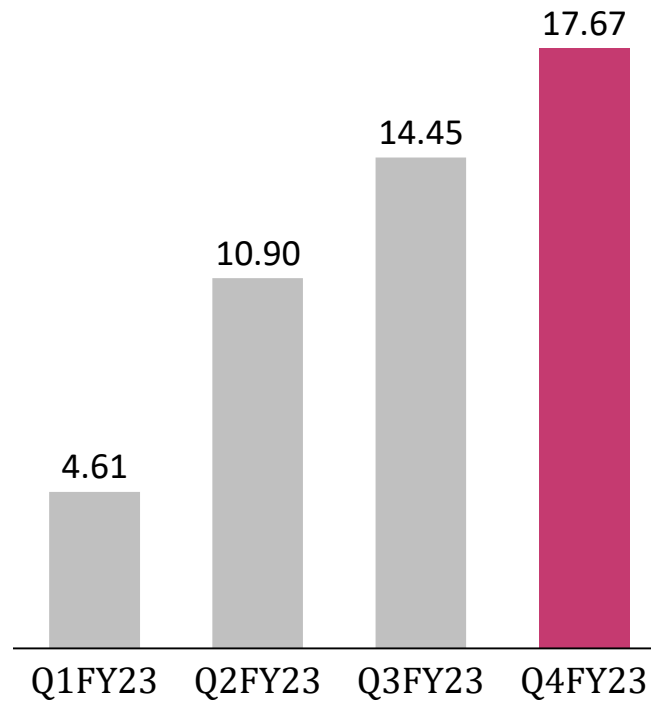
1458
NEW DEALERS

47.63 Crs
SALE

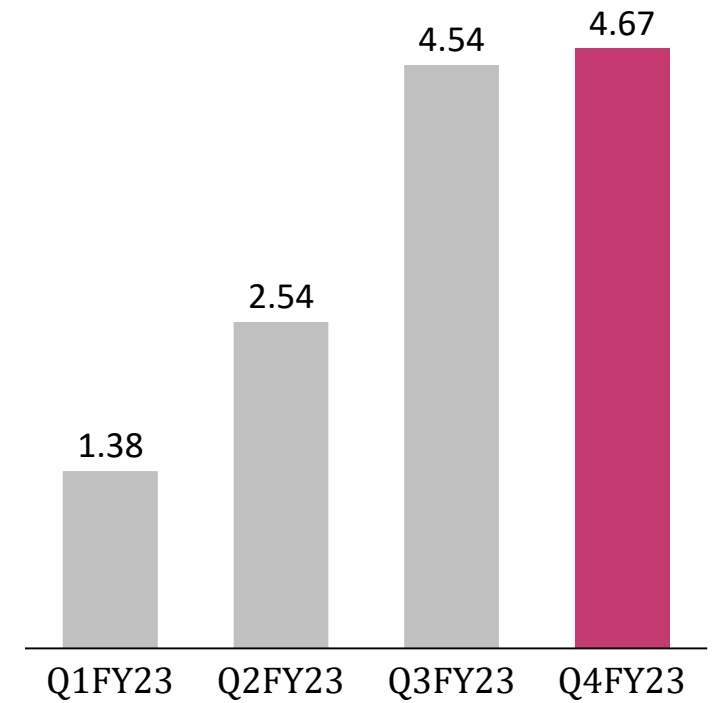
13%
CONTRIBUTION TO NET SALE



New Dealer Additions



Sales (in Crores) from new dealers



Yield per dealer (in lacs)

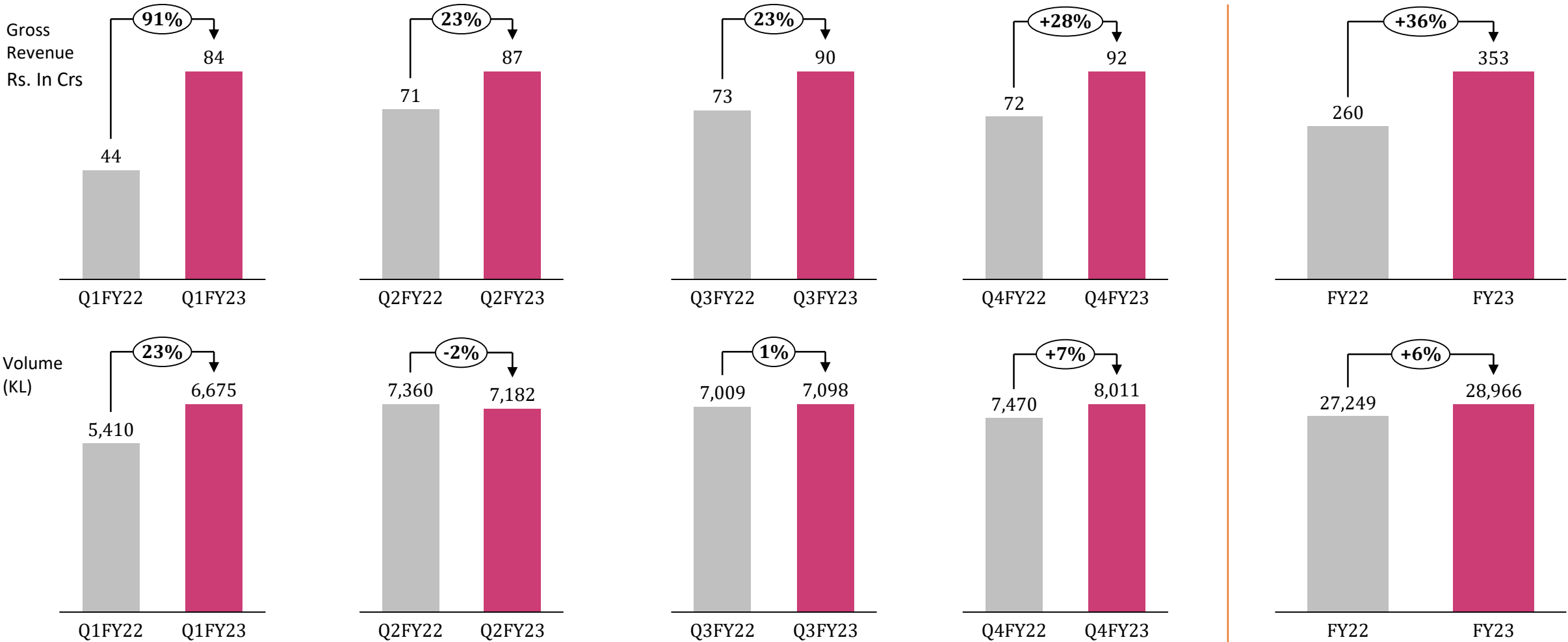


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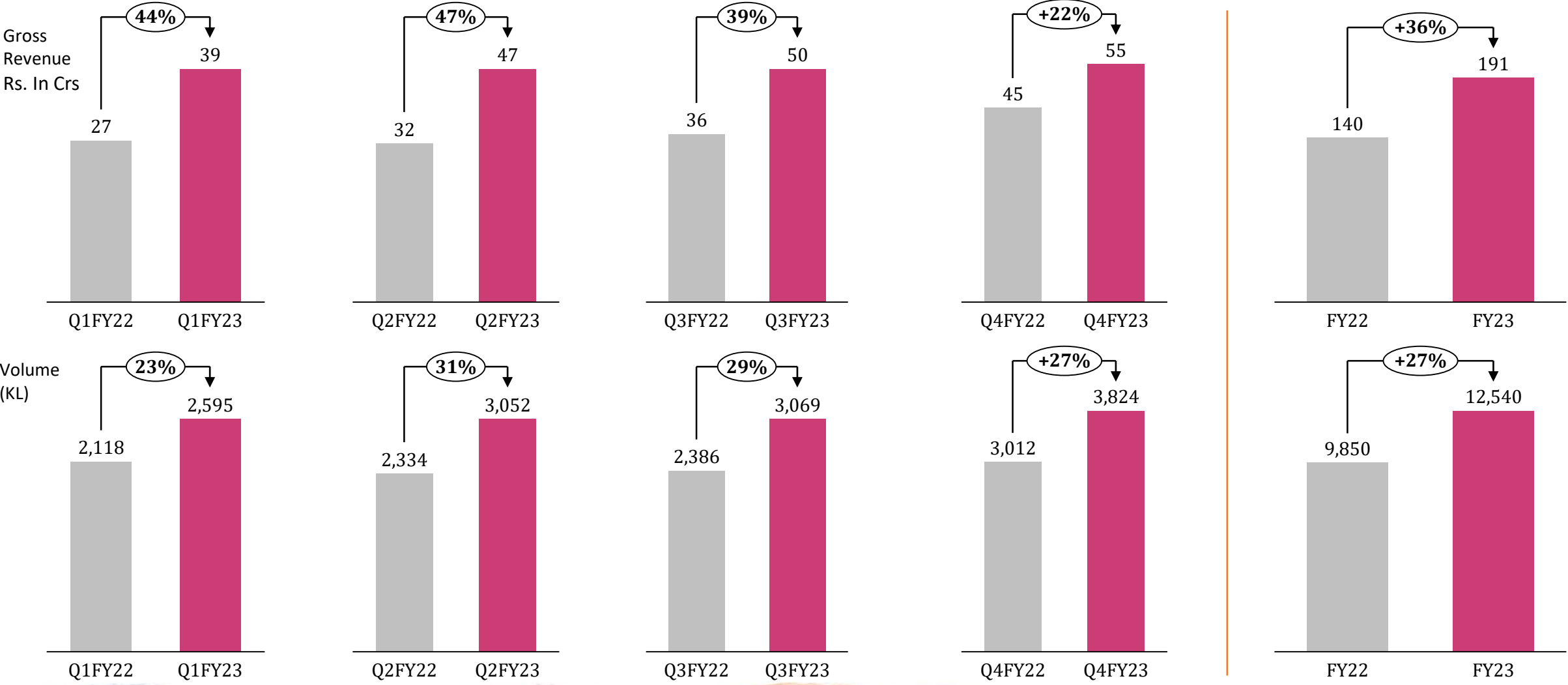
Performance Snapshot

Decorative Paint Performance

Historical Decorative Paint performance : Y-o-Y Value growth (in Cr) every quarter

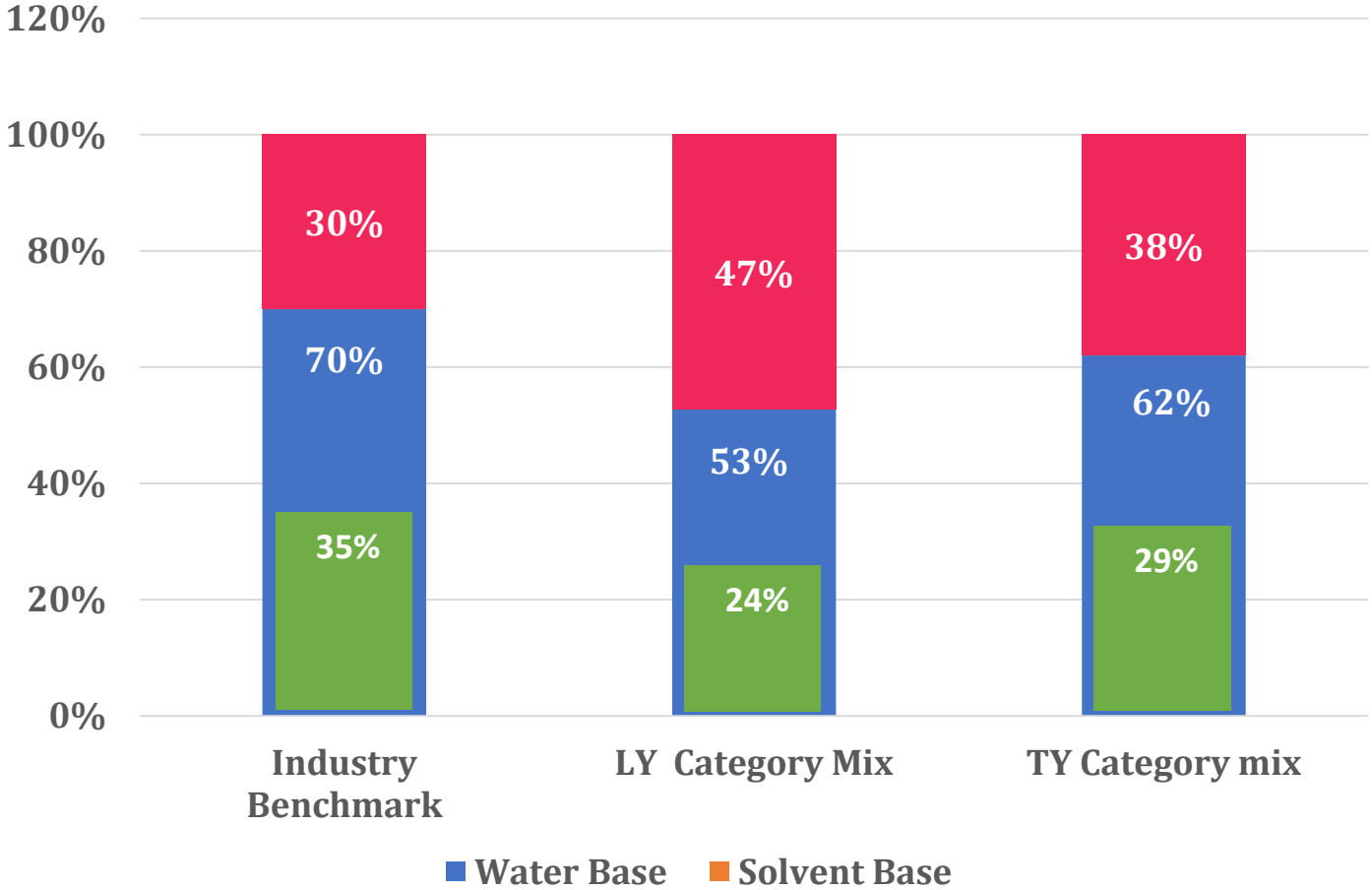


Historical Industrial performance : Y-o-Y Value growth (in Cr) every quarter



Category Saliency

Category Mix



29% ↑ 5%
Emulsions

38% ↓ 9%
Solvents

62% ↑ 9%
Water base



Focus on areas having significant presence



Focus on smaller Tier 3 & 4 towns and rural area



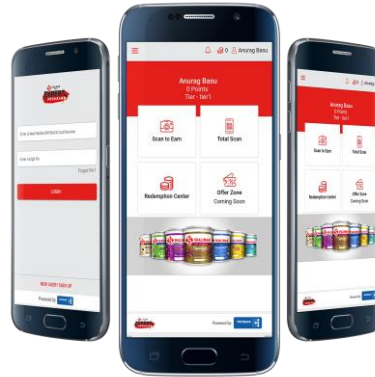
Focus on deploying Premium emulsion machines in the market



Service improvement - specially supply



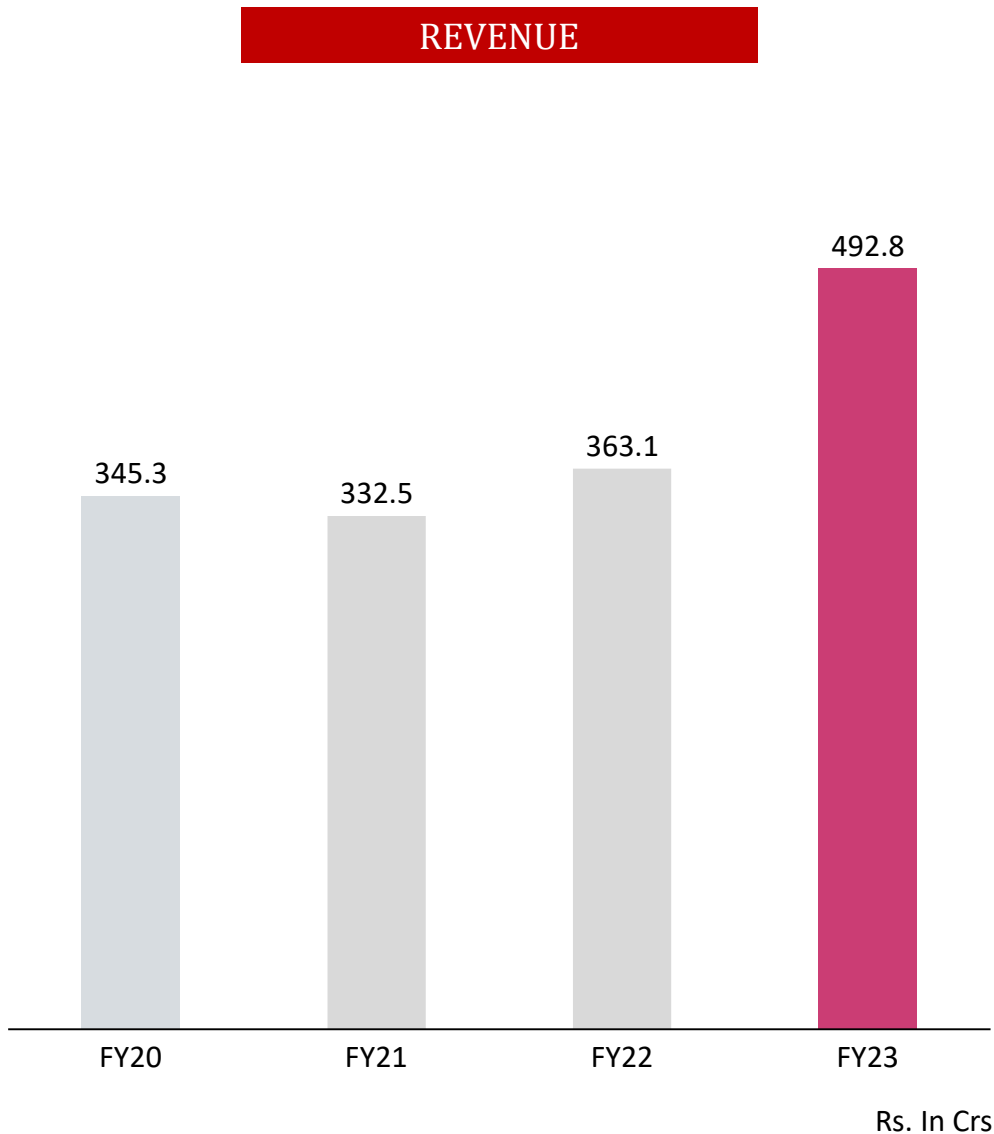
Focus on research & development of newer products



Expert Program

Progress over last a year

- ✓ **Cost Reduction:**
 - Cost saving due to 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:**
 - Installation of new pipelines for eliminating flexible hose
 - Improvement in the storage facility



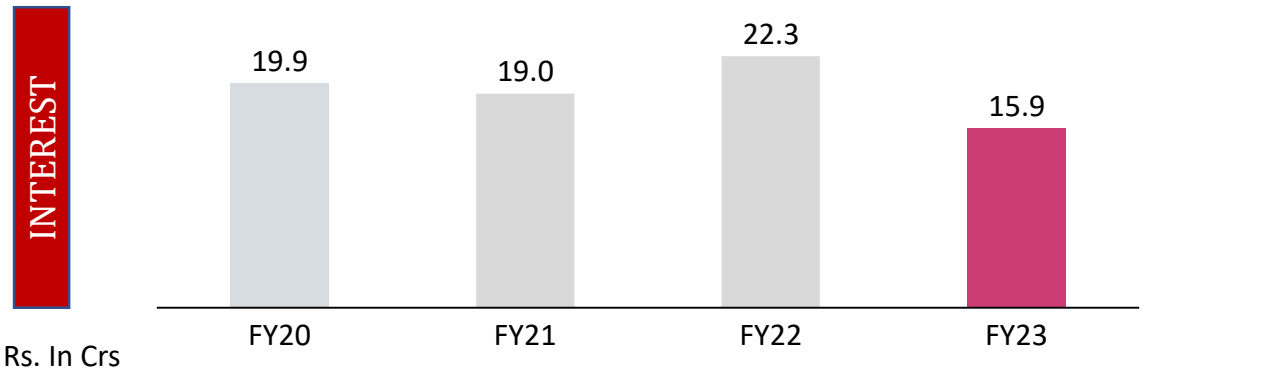
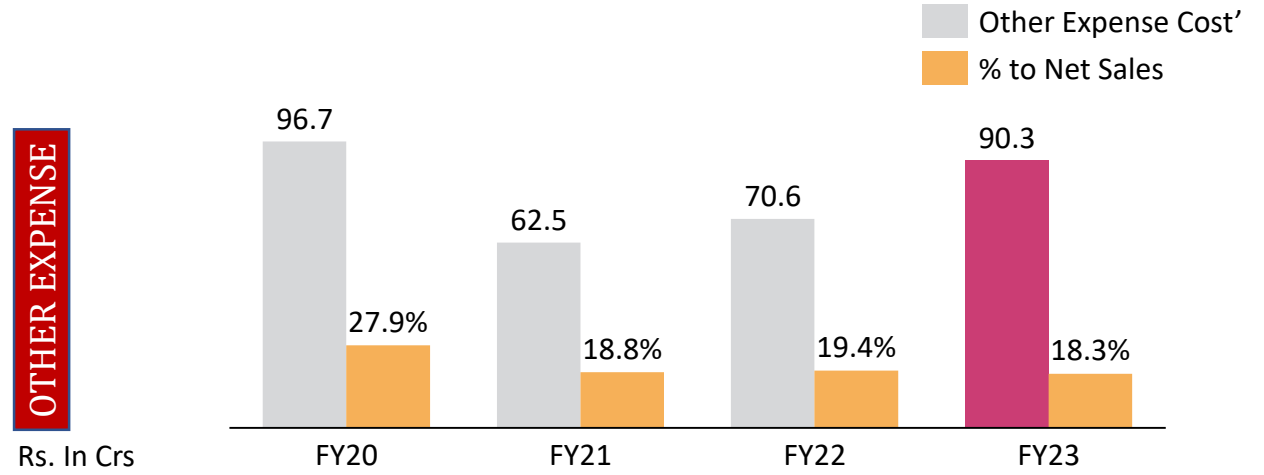
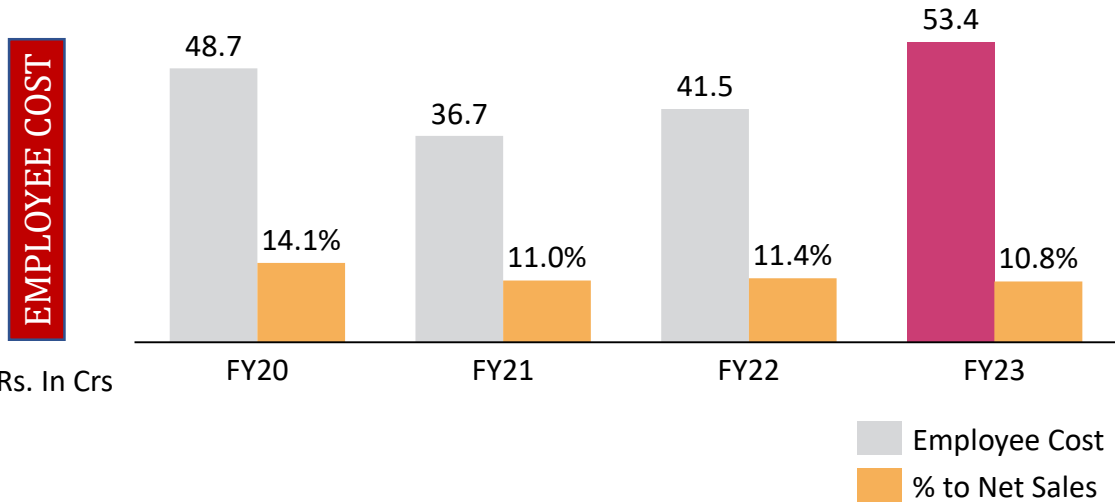
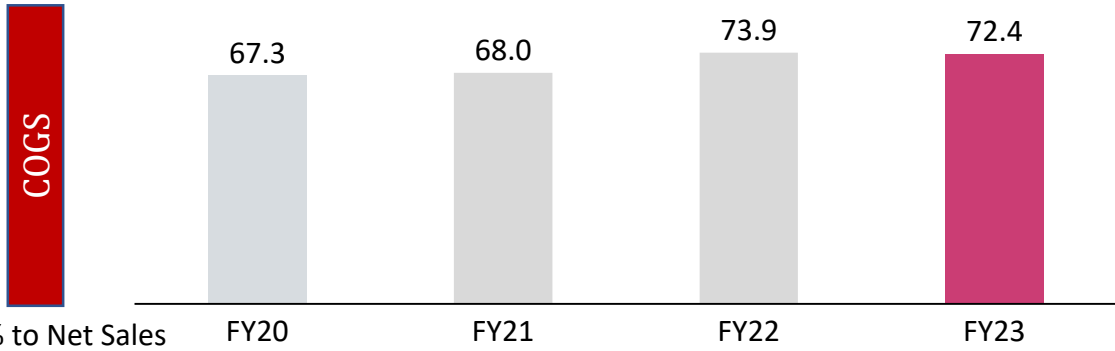
Improvement in Net Revenue

- ✓ Net Revenue growth of 36% v/s last year largely contributed by 31% growth in Industrial Segment and 28% in Decorative Segment
- ✓ Increase in the dealer network and number of depots across the country
- ✓ Increase in the number of tinting machines
- ✓ Brand Alliance with Aap ka Painter
- ✓ Focus on water-based products and increase of products in the water based umbrella
- ✓ Launch of new products in waterproofing range and protective coating
- ✓ Digital initiatives for consumers, dealers & Shalimar expert painters

Improvement in EBITDA

- ✓ EBITDA has improved in the current year as against last year largely due to
 - ✓ Reduction in input cost by 1.6%
 - ✓ Procurement through reverse mechanism which has reduced material as well as freight cost

Cost Trend



Consolidated Profit & Loss Statement Q4 FY23



Particulars (Rs. Crs)	Q4FY23	Q4FY22	Q3FY23
Revenue from Operations	135.8	105.6	129.1
Other Income	3.5	1.9	1.0
Total Income	139.3	107.6	130.1
Cost of Materials Consumed	96.2	76.8	95.3
Purchase of Traded Goods	5.3	5.3	5.6
Changes in Inventories of Finished Goods and Work in Progress	-3.3	-6.8	-6.0
Gross Profit	41.1	32.3	35.2
GP %	29.5%	30.0%	27.0%
Employee Benefits Expense	15.1	9.3	13.6
Other Expenses	28.6	20.7	21.2
EBITDA	-2.6	2.2	0.4
Depreciation and Amortisation Expense	3.2	3.3	3.0
EBIT	-5.8	-1.1	-2.6
Finance Costs	3.8	5.8	3.6
Exceptional Items	-	-2.6	-
PBT	-9.6	-9.5	-6.2
Total Tax Expense	-	-	-
Profit for the year	-9.6	-9.5	-6.2
EPS	-1.33	-1.59	-0.86

- **Revenue:**

- Company has reported revenue growth of 29.5% from previous year which is Q4FY22.
- During this quarter company has grown by 38% in Decorative segment and 22% in Industrial Segment from last year same quarter i.e., Q4 FY22.
- Company has onboarded 1458 new dealers and deployed more than 250 tinting machines during the quarter 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

- **Raw material cost:**

- In the current quarter, the prices of key raw material has been stable which has resulted in the gross margins improvement by 0.5% from Q4FY22 and 2.5% from Q3FY23.
- Company is continuously working on improving its product mix within the segments, which will eventually help to 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:**

- Company has maintained the fixed cost at previous year level for its routine expenses.

- **Finance Cost :**

- During the quarter, finance cost has been reduced by Rs. 2.0 Crs as against last year mainly due to reduction in the borrowings.

Profit & Loss Statement



Particulars	FY23	FY22
Revenue from Operations	492.8	363.1
Cost of Materials Consumed	345.6	252.5
Purchase of Traded Goods	24.5	17.9
Changes in Inventories of Finished Goods and Work in Progress	-13.4	-1.9
Gross Profit	136.2	94.2
GP %	27.6%	26.0%
Employee Benefits Expense	53.4	41.5
Other Expenses	90.3	70.6
EBITDA	-7.5	-17.5
EBITDA %	-1.5%	-4.9%
Depreciation and Amortisation Expense	12.7	13.4
EBIT	-20.3	-31.3
Finance Costs	15.9	22.3
Exceptional Items	-	-7.4
PBT	-36.2	-60.9
Total Tax Expense	-	-
Profit for the year	-36.2	-60.9
PAT %	-7.3%	-16.8%
EPS	-5.01	-10.76

Balance Sheet

Balance Sheet – ASSETS (Rs cr)	Mar-23	Mar-22
Property, Plant and Equipment	252.1	253.7
Right of Use Assets	16.7	17.7
Capital Work-in-progress	1.7	0.2
Intangible Assets	3.3	4.1
Financial Assets		
(i) Other Financial Assets	1.4	1.2
Deferred Tax Assets (Net)	-	-
Non Current Tax Assets	2.9	3.3
Other Non Current Assets	0.2	0.5
Total Non-Current Assets	278.3	280.7
Inventories	113.6	95.3
Financial Assets		
(i) Investments	-	-
(ii) Trade Receivable	107.5	78.5
(iii) Cash and Cash Equivalents	21.2	159.8
(iv) Other Bank Balances	2.2	2.6
(v) Other Financial Assets	87.7	14.3
Current Tax Assets (Net)	1.0	-
Other Current Assets	12.3	15.5
Total Current Assets	345.4	366.0
TOTAL ASSETS	623.7	646.7

Balance Sheet - EQUITY & LIABILITIES (Rs cr)	Mar-23	Mar-22
Equity Share Capital	14.4	14.4
Other Equity	338.1	336.4
Total Equity	352.6	350.8
Financial Liabilities		
(i) Borrowings	14.6	82.1
(ii) Lease Liabilities	0.4	1.0
(iii) Other Financial Liabilities	0.1	0.1
Provisions	6.0	5.3
Deferred Tax Liabilities (Net)	2.5	2.5
Other Non-Current Liabilities	-	-
Total Non-Current Liabilities	23.6	90.9
Financial Liabilities		
(i) Borrowings	124.3	83.7
(ii) Lease Liabilities	0.8	0.9
(iii) Trade payables	100.0	97.5
(iv) Other Financial Liabilities	6.8	6.7
Provisions	10.9	12.5
Other Current Liabilities	4.7	3.7
Total Current Liabilities	247.6	205.0
TOTAL EQUITY & LIABILITIES	623.7	646.7

Cashflow Statement



Cash Flow Statement	Mar-23	Mar-22
Cash Flow from Operating Activities		
Profit before Tax	(36.2)	(60.9)
Adjustment for Non-Operating Items	(25.3)	(42.9)
Operating Profit before Working Capital Changes	(10.8)	(18.1)
Changes in Working Capital	(36.6)	(43.5)
Cash Generated from Operations	(47.4)	(61.6)
Less: Direct Taxes paid	(0.5)	(0.2)
Net Cash from Operating Activities	(47.9)	(61.8)
Cash Flow from Investing Activities	(83.8)	(5.8)
Cash Flow from Financing Activities	(6.9)	224.7
Net increase/ (decrease) in Cash & Cash equivalent	(138.6)	157.1
Cash & Cash Equivalents at the beginning of the period	159.8	2.7
Cash & Cash equivalents at the end of the period	21.2	159.8

Thank You

Company :



Shalimar Paints Limited

CIN: L24222HR1902PLC065611

Mr. Mohit Kumar Donter – Chief Financial Officer

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