

APL/SEC/57/2025-26/19

18th November 2025

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Security Code: 500820

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Symbol: ASIANPAINT

Sir/Madam,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of the Investor Conference

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Investor Conference held on Wednesday, 12th November 2025, with regard to the business and financial performance of the Company for the quarter and half year ended 30th September 2025.

The transcript has also been uploaded on the Company's website and can be accessed through the following link:

[Investor Conference – Transcript](#)

You are requested to take the above information on record.

Thanking you,

Yours truly,

For **ASIAN PAINTS LIMITED**

R J JEYAMURUGAN
CFO & COMPANY SECRETARY

Encl.: As above



Q2 and H1FY2026 Earnings Conference Call Transcript

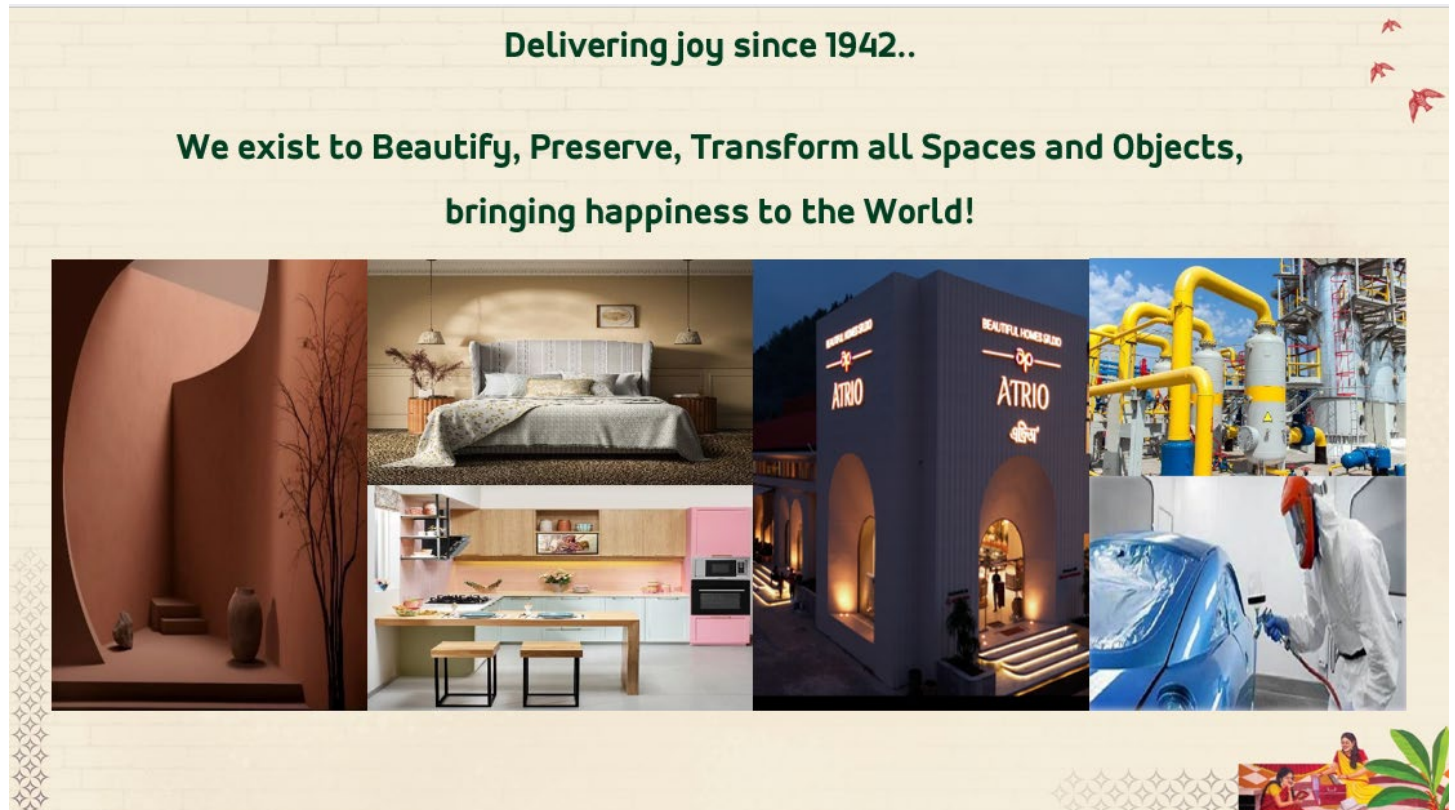
Date: November 12, 2025

Management: *Mr. Amit Syngle* :MD & CEO
 Mr. R.J. Jeyamurugan :CFO & Company Secretary
 Mr. Parag Rane :AVP - Finance
 Mr. Lakshya Sharma :AGM - Finance

Disclaimer: This is a memorandum of the proceedings of the Investor Conference of Asian Paints Limited held on 12th November 2025 at 5:30 pm in Mumbai with regards to the financial results of the Company for the second quarter ended 30th September 2025. While we have made our best attempt to prepare a verbatim transcript of the proceedings of the meeting, this document has been edited for readability purposes and may not be a word-to-word reproduction.

Lakshya Sharma: Hello, and good evening, everyone, and thank you for joining us today for Asian Paint's Q2 and H1FY26 results call. I'm Lakshya Sharma from Investor Relations team and it's my pleasure to welcome you all. We are joined today by senior members of the management team, including our MD and CEO, Mr. Amit Syngle, our CFO and Company Secretary, Mr. RJ Jeyamurugan and Mr. Parag Rane AVP Finance. I would now like to invite our MD and CEO to give us his opening remarks. Over to you, sir.

Amit Syngle: Hello, good evening to everyone. Welcome to the investor call for Q2 and H1FY26 results.



When we look at our core purpose this is something which we have been enumerating - delivering joy since 1942. We exist to beautify, preserve, and transform all spaces and objects, bringing happiness to the world. And I hope this time the results give you joy.

Series of initiatives accelerating growth



What really happened in this quarter was, you know, turning the whole story from a point of view of looking at a series of initiatives which we had basically put into place for accelerating growth and not looking at what the external conditions would be. And it was more driven internally from what we wanted to achieve.

Various initiatives included one, a very big upsurge with respect to the overall spending on the brand, building the brand equity and really spending for getting the share of the consumer's mind, looking at the consideration to buy and really improving our overall reach to the consumers so that we are able to connect to all our customers across the length and the breadth of the country very strongly.

The second area which as we have been speaking, we really dialed up the innovation quotient, both from the point of view of our new products as well as some of the newer initiatives in terms of what we kept in the market. So, the element was of differentiation.

The third area, which was a very strong impetus, was the whole area of really looking at the service economy and therefore putting an ignition onto our services. And that is something which is another big factor in terms of how it is bringing us closer to the consumer.

The fourth area was about looking at the regionalization of our efforts so that we could look at our execution far more strongly, look at micro markets, look at differential strategies which span out into very, very different regions in a very different way. And therefore, that was a very big question in terms of what we used in terms of looking at what we can do about looking at really driving growth.

The fifth area was overall in terms of our B2B business, where we looked at really widening the net and not only depend on the conventional builder community but also looked at various other elements so that we could broaden our net and look at sales coming in a very different manner.

And one of the other areas amongst the many which we did were the area of backward integration. And that is something which is giving us some advantage in the market.



I'll try to cover some of these areas quickly for you. This was a season time when we launched newer and differentiated campaigns which possibly gave advantage to our premium and luxury emulsions in a very strong way. We looked up at this entire initiative in which we said that the whole decor is just not about finishes. It is the finish which inspires you to also do textures and wallpapers. And we really kind of launched this entire campaign with a call to action which came in about a glitz decor guide which was along with it. So, it was, I think, a very successful campaign. It was also comeback for Deepika as well for the brand in a big way.

The second area which we really focus on is our core ownership of homes, which is very important. And that is something which we have literally looked at from a point of view of corporate positioning. And that is the area of Har Ghar. So, we invoked Har Ghar very strongly because we know that that's the emotional connect and we always want to be the emotional energy in terms of how people associate with their homes. And that's why we came out with something which was very different. It was very well entrenched in the homes, had a emotional tug, but at the same time had a contemporary feel to it in terms of looking at appealing to Gen Z as well as a wide range of audiences. Quickly we'll try to show you this entire creative in terms of how it unfolded.

Owning Homes: 'Har Ghar Kuch Kehta Hai'



[Link for Commercial Ad](#)

So, as you see it, a lot of emotions in terms of what we built-in the whole relationship with the home, and I think it was very well received and we have got really very strong brand recalls in terms of how people have seen this as an integral part of the Asian Paints story.

Deepening our Regional Customization Strategy

Expanding state-specific variants across the full portfolio – from Economy to Luxury



The other area which I mentioned was about the whole area of regionalization. Today, this is a big marketing theme which is emerging that you cannot look at a country like India in one span. We looked at various regions and looked at doing things which were very core to the culture of that region and appealing to the people. And I believe that this is something which is a phenomenon which IPL has brought, where people are proud of their own regions. And we kind of really appeal to that. We did this innovation in terms of bringing regional packs, which is a huge logistical exercise, very difficult to replicate by any other player. And this is something which really stood out where today, in various parts of the country, we had a differential pack across various products, appealing to the local culture and arts. So, it kind of created a very strong tug for the customer in terms of relationship with the brand and relationship with the can, which was very strongly kept. What we hear is a lot of people have really adorned this can in their living rooms and really treasuring it. So, I think this was really a master move in terms of what really helped us in terms of really enriching the portfolio from a point of view of a region and a kind of attraction in terms of what we could really talk about.

Leveraged Prime-Time Excitement

High-Impact Brand Showcase during pre-match Countdown in Asia Cup

SmartCare Damp Proof Rain Cover

Strategic media placement during India-England Test Series to showcase Product Attributes

The other thing was the innovation around how we were able to leverage in terms of our excitement across various media properties. So, whether it was the Asia cup, whether it was the India England series, we really looked at taking the advantage in terms of really asserting some of the big things, whether it was the area of warranty, whether it was the whole area of our waterproofing product, in terms of what it does - we could amplify it. And these were really loved by the audiences and a huge recall in terms of how differently it is done.

Asian Paints Shades of India - Independence Day Campaign



Colours that India trusts.



5000+ colours of freedom.

Decades of Trust.
Backed by Warranty.

We also looked at really carrying on the entire impetus so that basically the energy always remains in the market. And really adorned the Independence Day with something which is core to us – The Colors of India in a very strong manner. We also brought in the whole flavor of warranty, which was clearly our game changing move.

SmartCare Damp Secure – Exterior waterproofing Primer

It locks in paint and forms a strong base to protect against dampness—keeping homes safe and stylish



Not only this, the whole element of innovation continued where we looked at a series of newer products and whether it was the area of waterproofing, where we really elevated the story by launching something which was very different, but at a very good VFM price point which attracted the market. And this has really done well for us.



And not only this, we looked at really inflating the affordable price point by offering propositions which are very strong for the customer. So, these are all smart products which offer various choices to the customer in terms of the type of finish. And that becomes a real flaunting point from the customer's point of view of showing that they are using something which is very different. But at the same time, it is a smart choice which is affordable.

Wood Finishes - Chrome & Metallics

A landmark innovation offering 100+ designer chrome and metallic wood shades



At the same time, we looked at the whole world of wood finishes. And for the first time we really embellished by looking at designer chrome and metallic shades which we introduced. And this is something which has been the rage with the architect designer segment. And overall, we have got a fabulous response. And as I said, new products are a very strong part of our strategy. And I think it is great to see that today new products contribute more than 15% of our revenue. And that is something which we are really proud of.

Services Ignition



Our flagship direct-to-consumer service focusing on timely completion, offering tailored colour guidance and dedicated supervision



Service specializing in preventive maintenance of large factories, offering comprehensive assessments & expert execution of maintenance and repair work



A highly-sophisticated, predictive asset-protection service for B2B. It uses a data-driven model to forecast corrosion and share maintenance solution.

Continued focus on Services as a differentiator
Driving Beautiful Homes Painting Service & Trusted Contractor Service with a strong NPS focus

650+

Towns serviceable across India

11 Lakhs+

Satisfied customers

The whole area of looking at the service economy, because this is something which really matters for any brand, as you connect with the consumers and offer a proposition which is very different. We really inflated our beautiful home service in terms of its reach. Looking at more than 650+ towns servicing it, looking at an element of technology so that we can service the customer better. Looking at and bringing a whole element of AI as well in it. And that is something which really gave us very strong results.

The second area was Total Assure - a very unique service which we offer in the B2B segment where we look at standing by the customer, which could be the builder, could be a society and really treasuring the whole process of looking at how we stand by the customer in terms of the whole painting process so that we are able to offer a service which is impeccable at the same time, something which gives the customer a strong confidence.

The third unique service which basically we gave wings to during this quarter was the whole Metacare service, which is really an asset protection service. No one offers this kind of service where we really look at adopting industries, give them a service throughout the year to maintain their plants, which could be corrosion-free and other things. And this has really worked very well for us to kind of really enhance our overall basket and give us basically an insight into so many big players where we are able to get our products in, especially from the point of view of our industrial range.

Widening the APPS (Project Sales) footprint



Factories



Hospitality Segment



Government

In Q2FY26, Projects / Institutional Business did well across segments
Strong demand from Builders, Factories and Government

Not only this, but we also looked at the B2B segment in terms of a one big foray where given the industrialization which is taking place in India and the kind of expenditure which the government is putting in, in terms of giving this country a real facelift from a point of development, we wanted to be part of that story. And that is something which we have invigorated far more strongly so that we can kind of embrace this area and not only look at the conventional space of builders and CHS. And that is something again which has paid a strong dividend to us in terms of what we have been able to achieve.

Backward Integration – Next-level Differentiation / Cost Supremacy



White Cement plant commissioned successfully and in record time
VAM-VAE Project on Track

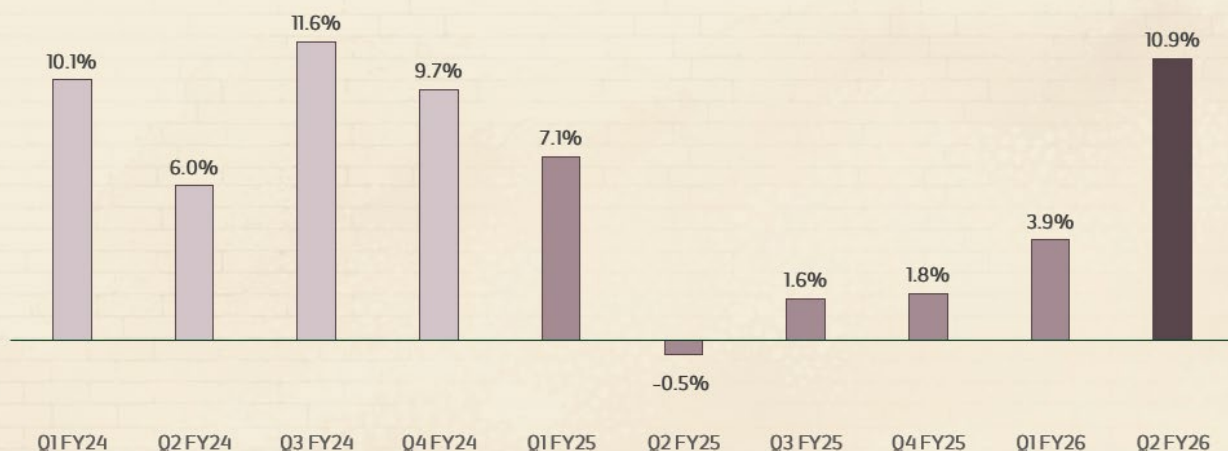
Not only this, as promised to a lot of you over various quarters, we have looked at this whole area of backward integration. I remember that a lot of people were asking us questions in terms of what this is all about. And then when we look at it, there are two big things.

We just commissioned our white cement plant which has unfolded in Fujairah, UAE. And we have basically tested the product going up to about 90% of the capacity. And we have looked at dealing with both white cement and clinkers of white cement in a very strong way. And this is something which is now underway as a project which is really rolling out.

The second area is the VAM VAE project in which we have committed to the project a CAPEX of about Rs. 3,250 crores. Overall, one part of this project is also nearing completion. And that is something which we are going to look at unfolding in quarter one of next year. And this is something which is a big story in terms of how we are looking at the next gen emulsion which will come out, which will give the company the differentiation, in terms of what we will bring as a very new initiative which is unbeatable. So, these are some of these real advantages from the backward integration part.

Supportive Base; Yet a significant improvement in volume growth trajectory

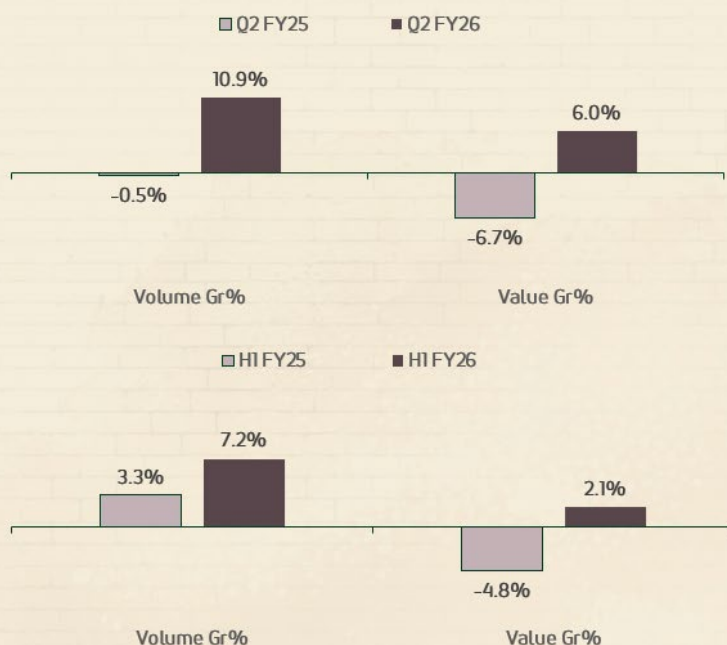
Decorative Business (India)



Coming to the numbers. A good strong achievement, although the base was supportive, as you all know. I think good trajectory of finally getting to the double-digit growth at 10.9% and looking at overall this trajectory being very strong.

Strong performance for the Quarter despite prolonged monsoon Supported by improved demand conditions as we moved in the festive season

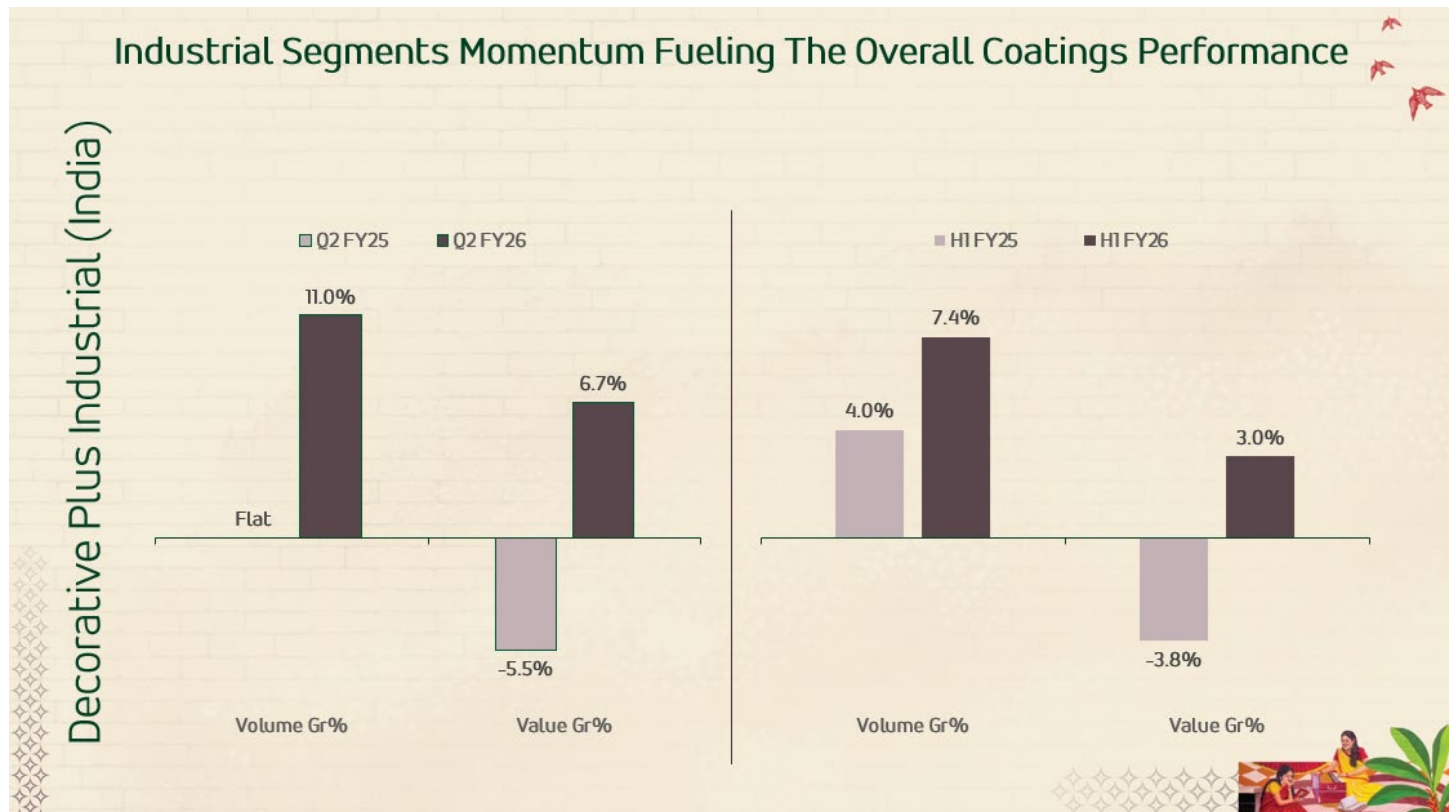
Decorative Business (India)



- Improved consumer sentiments with supportive policy actions and aided by early festive season; Overcoming the impact of extended monsoon even in September
 - Broad-based growth across urban and rural centres
- All product categories contributing to the growth
 - Improved PreLux offtake aiding performance

If you look from the point of view of performance, we delivered a volume growth of 10.9% in Q2FY26, but we had a value of about 6% in an environment which was not too great and overall consumer sentiment sentiments were also not too great. We also saw that while, there was a little bit of an uptick from festive season, but it was very short. Also, the extended monsoon took us by surprise overall. But I think a series of our initiatives which I just mentioned have really worked very well in terms of giving a broad-based growth across the urban and rural centers.

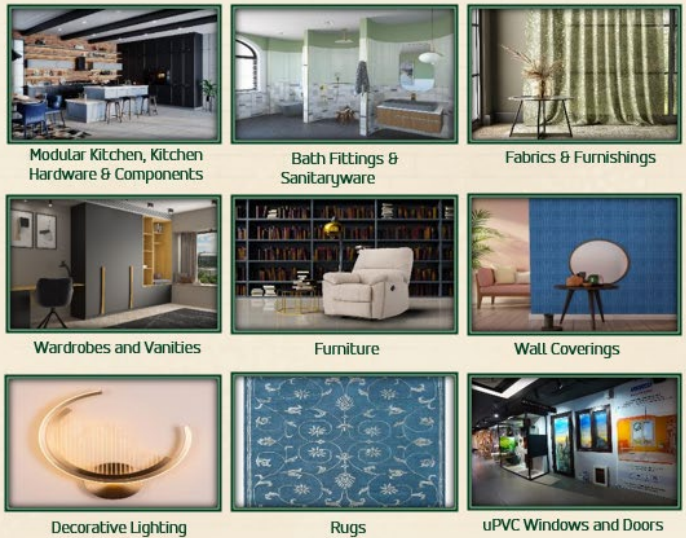
In H1, we are at 7.2% volume and 2.1% value growth, which I think in the current circumstances it is good. Overall, all product categories have done quite well. And especially the Prelux category in emulsions as I mentioned earlier on the backing of good marketing effort, has been able to do quite well.



When we look at the total coatings business, which is the decorative plus the industrial business, overall the number goes up further up to 6.7% because industrial business has also done well and the volume goes to 11%. And therefore, in coatings, both value and volume have done well.

In H1, there is a value growth of 3% and a volume growth of about 7.4%. So, overall from the coatings piece it improves when we look at the industrial coming along with the decorative segment.

Our Home Décor Foray



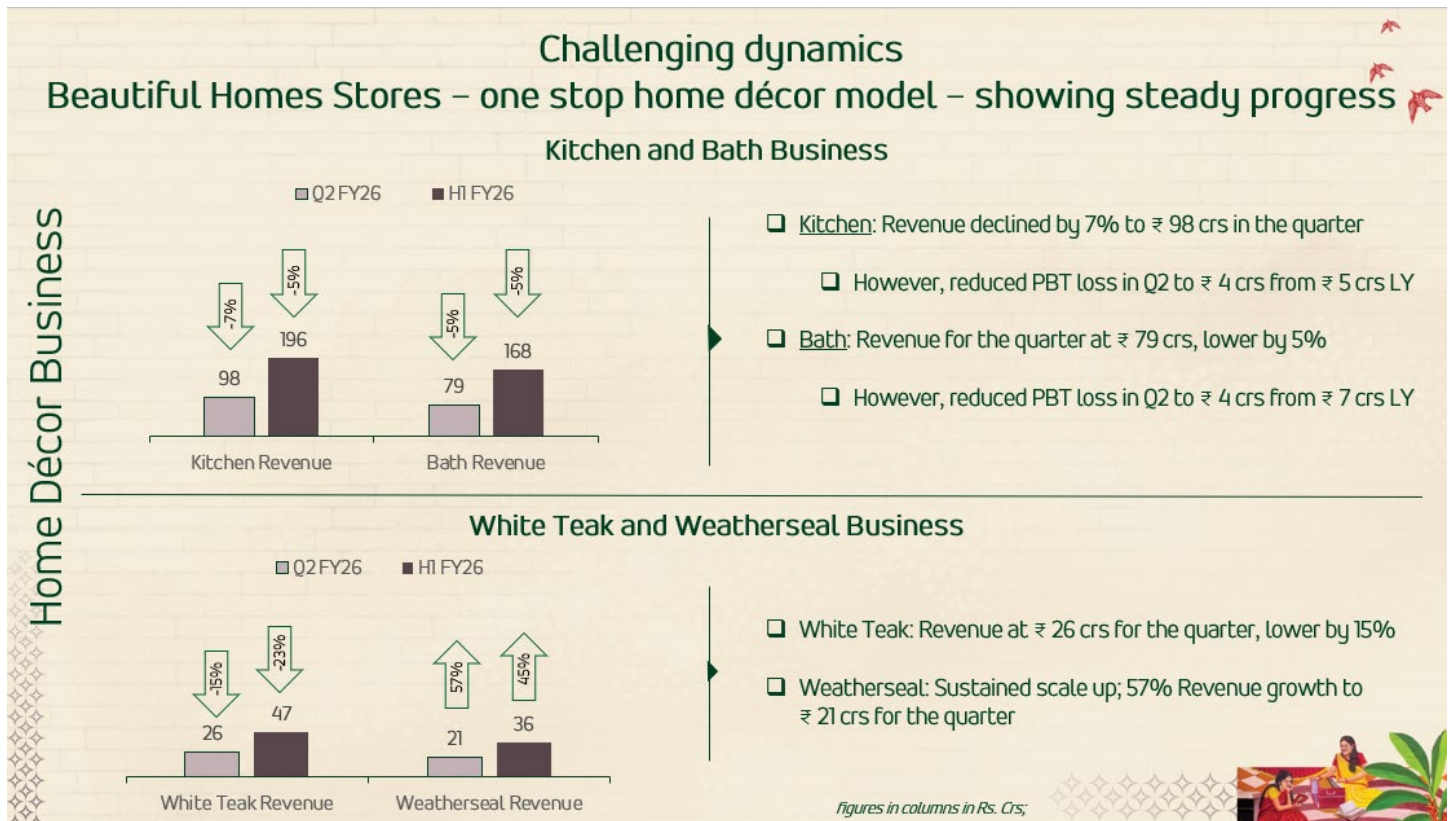
The home decor foray you are all aware that this is something which we have been pursuing for some time and today we claim to be the number one integrated home decor player. We have got now 73 Beautiful Homes stores across the length and breadth of the country. And we have been doing various collaborations, and we exist in various categories. Obviously, this was one area where there was a little bit of disappointment in terms of how we performed.

Beautiful Homes Network expands to 73 Stores

With the 73rd Beautiful Homes store in Ahmedabad, launched a new exquisite Kitchen and Wardrobe range



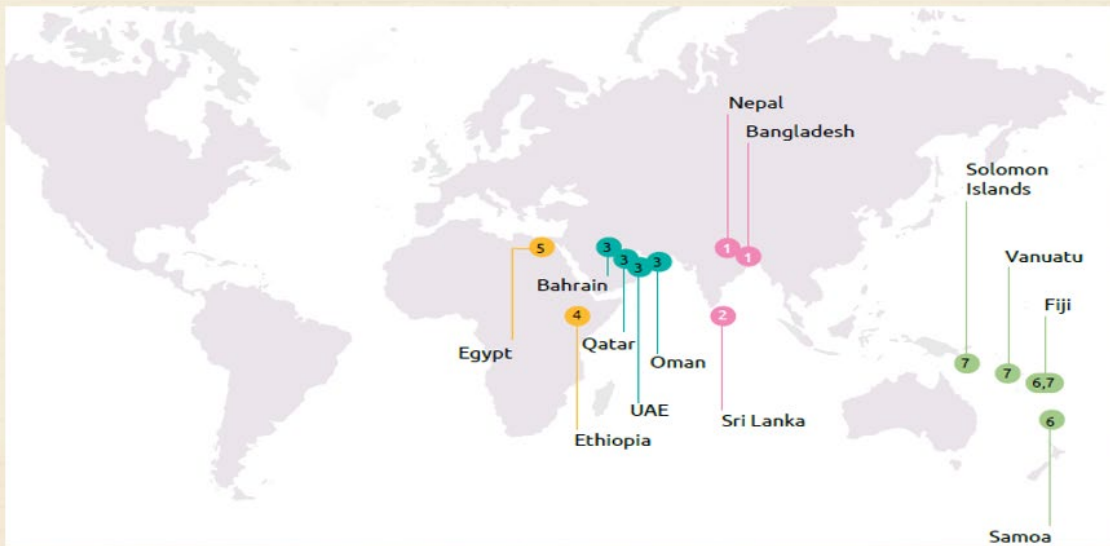
However, we continue to launch newer ranges. We launched a new range of kitchens, new range of wardrobes and really looked at bringing new energy through not only in our Beautiful Homes stores, but also due to our stronger launches which are coming into this place so that we can get the customer excited.



However, overall, as we see it, out of the four bigger businesses, only Weatherseal was something where we got a good revenue. We were also able to work better from a bottom-line perspective for Kitchen and Bath. But when we look at overall top line for both kitchen and bath business, there has been a yoy decline. So, this is an area of work. A lot of initiatives are being put for the second half of the year in terms of how we need to galvanize this, get it possibly in a zone so that it starts contributing to the core business. So, that's something which is an area we are looking at as we go forward.

International Business

Our Presence



When it comes to the international business this is our representations with the various brands through which we operate in the international markets.

Double-digit Revenue growth – led by key units in Asia, the Middle East & Africa

International Business



Figures in columns in Rs. Crs;

Q2 growth of 9.9% in INR terms; constant currency growth of 10.6%

- Key units of Nepal, Sri Lanka and UAE driving growth
- Focus on prelux and water proofing categories yielding results

Marked improvement in profitability

- Material cost deflation supporting improvement
- Aided by divestment of loss-making operations in Indonesia

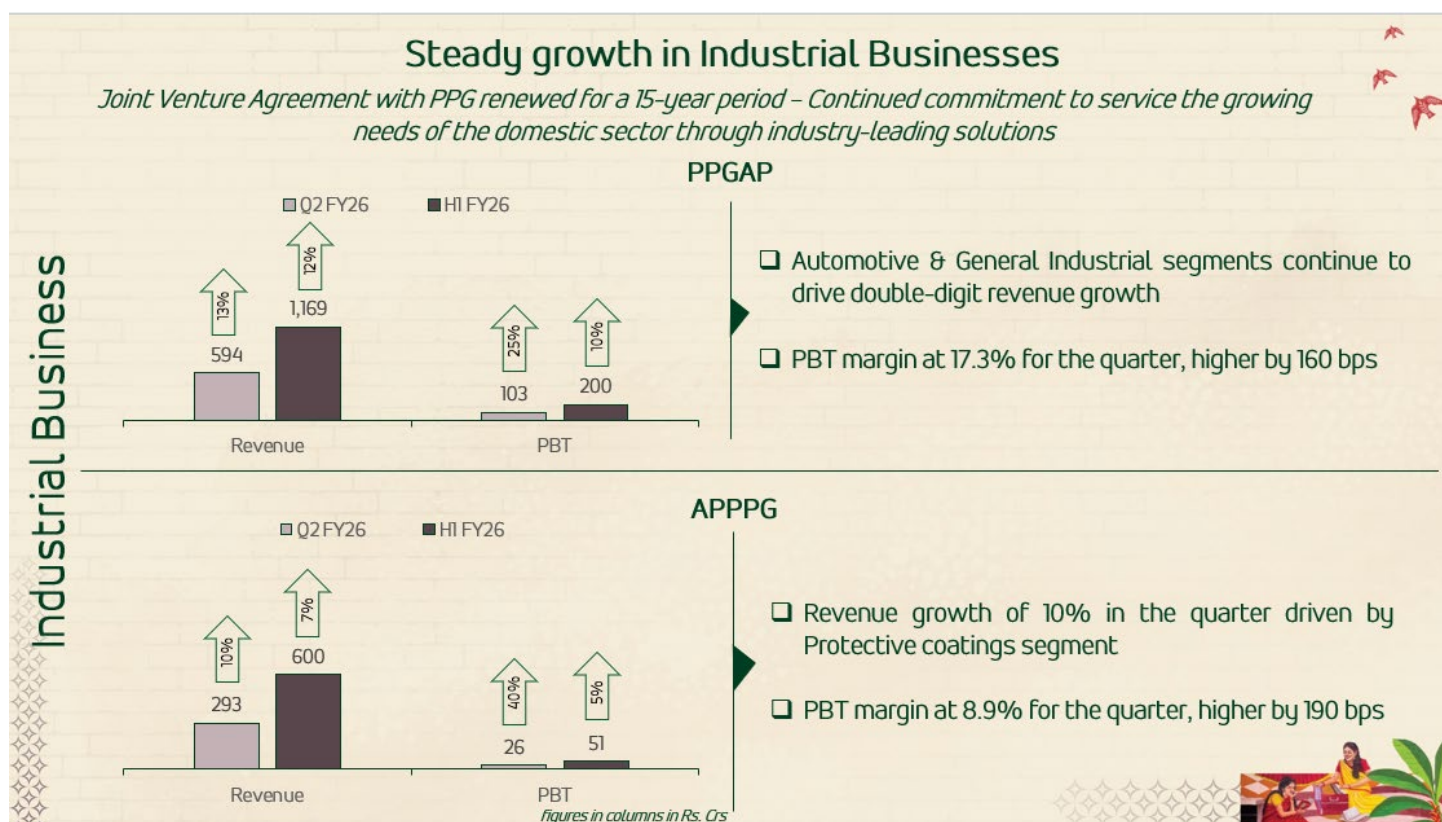
PBT margin at 9% for the quarter, higher by 450 bps

* PBT before exceptional item

It's been a strong quarter overall we have done 9.9% growth in INR terms. So, almost a double-digit value growth. In terms of constant currency given the fact that there has been a devaluation in Ethiopia and other places. So, we

are looking at a 10.6% growth. Also remember we also have the base of Indonesia last year. If you take out the divestment we made last year, we would have grown by ~12.2% on a reported currency basis. Here also the focus has been on the Prelux and the waterproofing ranges. But I think the good part is that Asia is doing well for us now with Nepal and Sri Lanka doing well as well and in Middle East, UAE is what is driving the growth for us. So, I think these are the key markets which have done well.

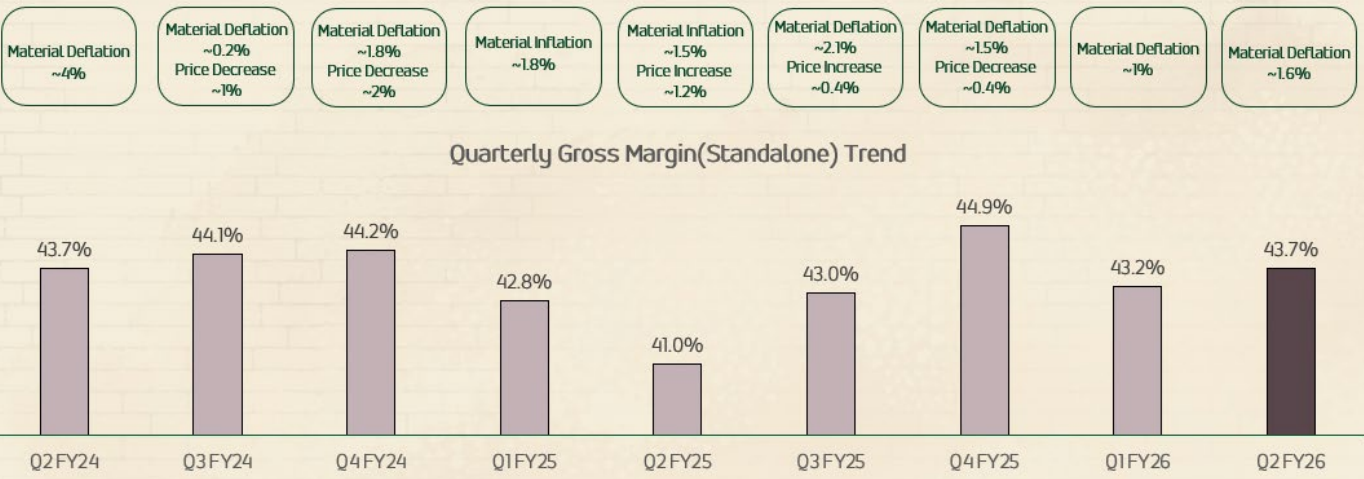
The best part is that I think the profitability story has been good. Last year was not so great. So, overall, I think it's a combination of material cost deflation, the mix in terms of what we have been able to sell and the overall top line numbers which has given us a very strong tick in terms of looking at the overall profitability which has really increased in a big way. The PBT margins are also at 9% for the quarter, higher by about 450bps. So, all around I think it's been a strong performance in terms of what we see from the point of view of international business.



Industrial, as I mentioned last time as well that the industrial business continues to do well overall as we look at India and in that category today, the PPGAP business which is largely into auto OEMs and auto refinishes along with packaging and marine, the revenue grew by 13% in Q2FY26 and 12% in H1FY26. From a PBT level also we see strong growth from both the Q2 and the H1 level. PBT margins in Q2FY26 have gone up to about 17.3% which is higher by 160 bps.

The second JV – APPPG - which is about the general industrial products again is showing a surge driven by the protective coatings. Revenue, we delivered 10% growth in Q2FY26 and in H1FY26, we delivered 7% growth. In Q2, the PBT growth is good for the quarter, but at H1 level, PBT grew by 5%. The PBT margins have gone up to 8.9%, higher by 190 bps. So, again a steady show in from the industrial business point of view.

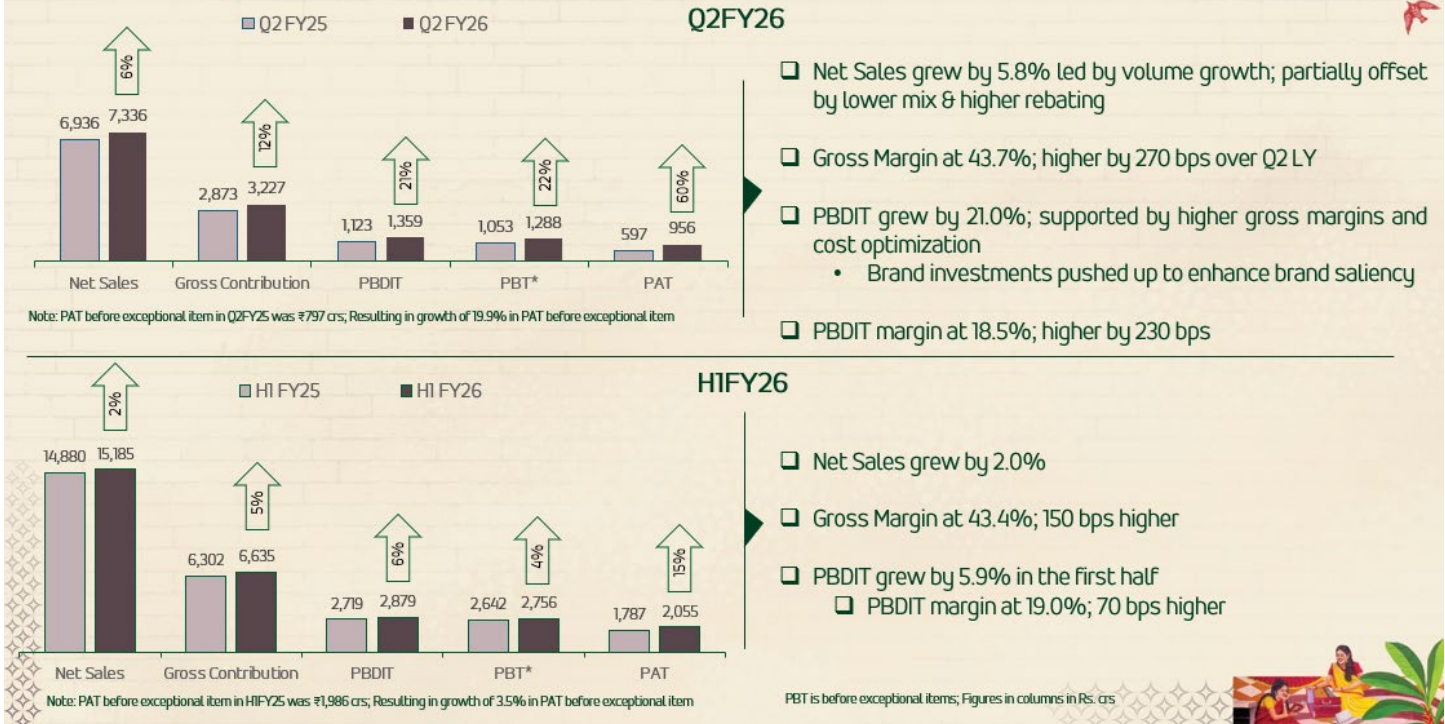
Sustained work on Sourcing & Formulation Efficiencies coupled with raw material deflation supporting Gross Margins despite lower mix and higher discounting



Note: Gross Margin is computed as a % of Net sales

Next is how material prices have been behaving over a period of time. The material prices have been fairly benign. In Q1, we had seen a deflation of about 1%, in Q2 we have seen a deflation of about 1.6%. So, if you look at the gross margins, the story is quite good. We are up from 43.2% in last quarter to about 43.7% now. At the same time, we are up 270 bps from same quarter last year. This is also led by some of the work which has been done from the point of view of sourcing and formulation efficiencies which has also contributed in terms of expanding the overall gross margins for us.

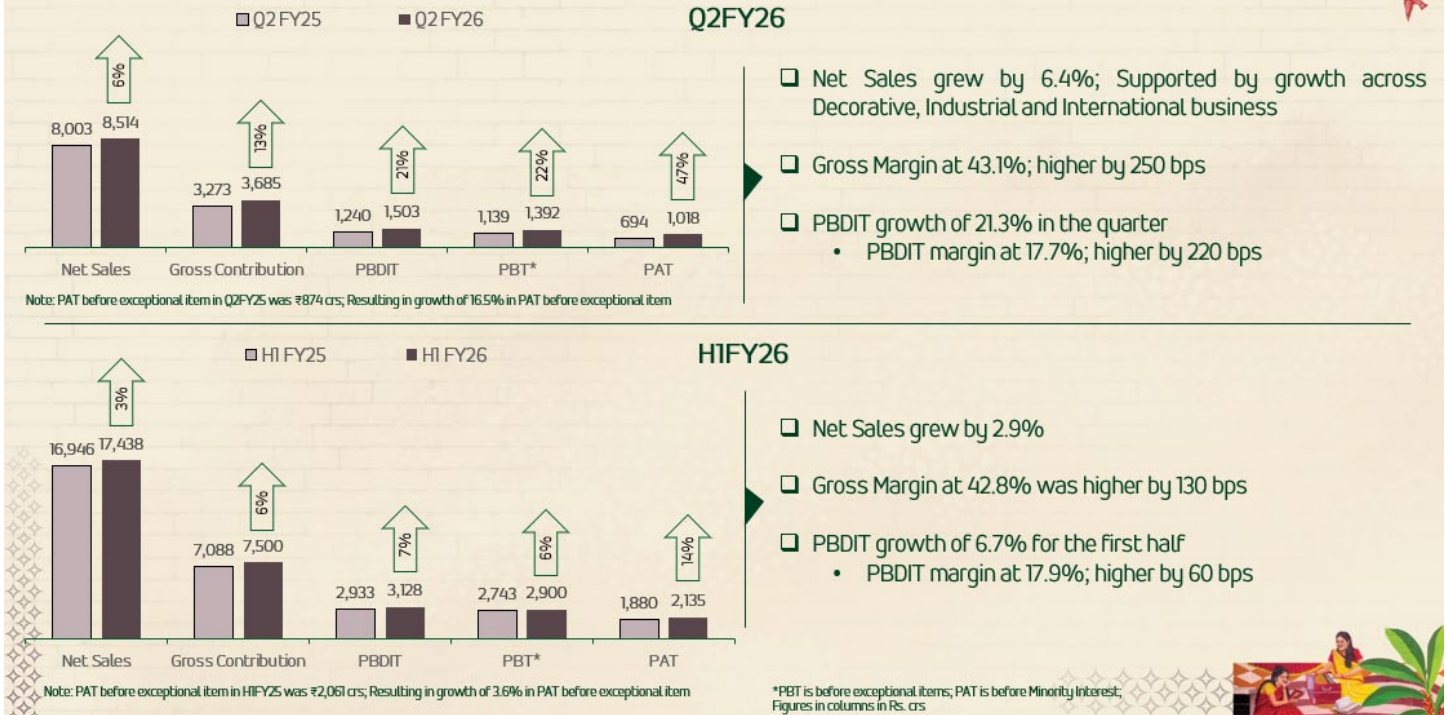
Summary Standalone Financials



So, finally coming to the overall standalone financials, Net Sales as I said grew by 5.8%, Gross Margins have expanded by 270bps to 43.7%. PBDIT has grown by 21% and PBDIT margin is at 18.5% higher by 230bps points. So, overall a strong performance from the standalone perspective of Q2.

At an H1 level, given the fact that the quarter one was not so strong, we are seeing a net sales growth of about 2%, Gross Margins of 43.4% which is 150bps higher from the last year same period. PBDIT grew by 5.9% in the first half. The PBDIT margins were at 19%, 70bps higher.

Summary Consolidated Financials



Let's look at what the summary at the consolidated level. Quite similar to what we see from a standalone perspective, net sales grew by 6.4%, supported by growth across decorative, industrial and international business. Gross margins at 43.1% was higher by 250 bps. PBDIT growth was 21.3%, and PBDIT margin of 17.7% was higher by 220 bps points.

Similarly, at H1 level Net Sales grew by 2.9%. Both gross margins and PBDIT margins have expanded and that is something which we are able to see at both Standalone and the Consolidated level.

Dividend Distribution

FY 2025-26

Interim Dividend 450% (₹ 4.50)

FY 2024-25

Interim Dividend 425% (₹ 4.25)

Final Dividend 2055% (₹ 20.55)

Total Dividend 2480% (₹ 24.80)

Payout Ratio : 60%

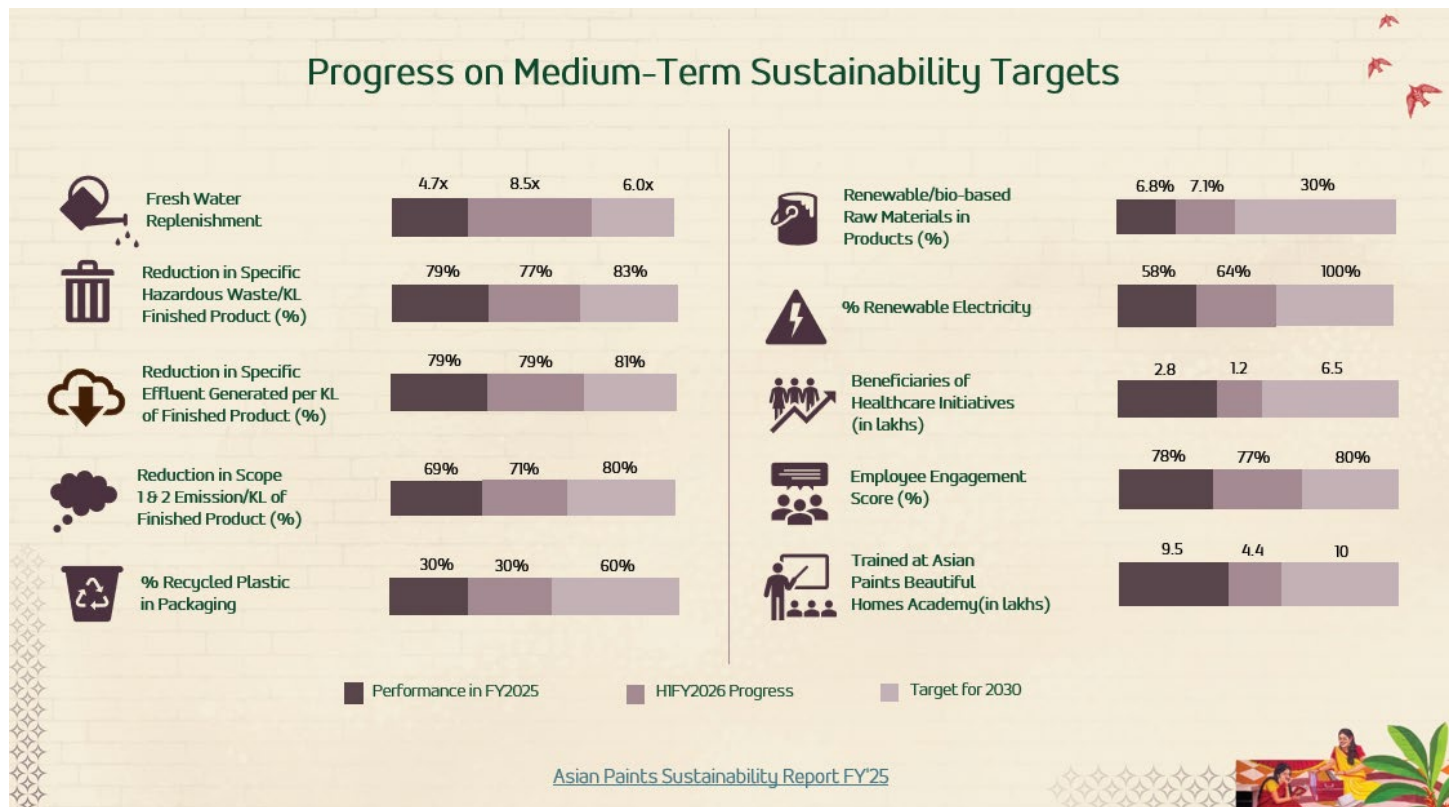
We have declared interim dividend of Rs. 4.5. This is in line with the performance and for comparison sake, we have shared what we declared last year in terms of the interim and the final dividend. So, again, very clearly it shows the commitment in terms of return to the shareholders.

Outlook for Q3 FY26

- ❑ Seeing improvement in demand conditions; Continue to watch for sustainability, especially in the urban markets
 - Festival and Marriage season expected to provide support
 - GST 2.0 and benign inflation to augur well for uptick in broader domestic consumption
- ❑ Competitive intensity to remain; Strong focus on driving the Innovation Quotient and enhancing Brand Saliency will be the Company's focus
- ❑ Continued momentum in Industrial and International Businesses
- ❑ Raw material prices expected to remain stable; Geopolitical uncertainty / exchange volatility may weigh on prices

From the point of view of outlook, all of you are interested in terms of knowing how are we proceeding, what do we see in the market? What we are definitely seeing is that the demand conditions for the entire industry have not been very great. The industry, in the Q2 has just grown by about 3.5-4%. So, it's not been something which has been really great. Monsoons were the spoil sport, and festive window was also small. But I think the good part is that there were still green shoots in terms of what we witnessed in September and October.

We are also seeing that as we go ahead there is a very strong marriage season which is going to provide support. We have had good monsoons which would augur well for possibly some growth in terms of the rural markets. And finally, I think GST corrections would create an uptick in the consumption. However, I think we need to be a little bit conservative in terms of seeing how the overall environment kind of augurs out as we look at the next three months and the six months. Overall, the competitive intensity, will remain in the market. And I think we have all the players putting their best foot forward in terms of what they're doing. We will stay focused while looking at the entire area of innovation, looking at brand saliency, deepening our regionalization strategy and at the same time building a very strong element of differentiation from the point of view of our execution. Some of the good parts of the story which we have kind of picked up from quarter two. Momentum in industrial and international business should continue, which is something which we are kind of banking on as we go forward. And I think the raw material prices will remain benign as we see. However, we are aware that there could be some volatility which can happen because of geopolitical uncertainty. And that is something on which we will continue to keep a good watch as we go forward.



Finally, something which is very close to us, something which we really invest a lot of money in and think how as an organization we are kind of going - our sustainability targets which we have taken. So, if you see the overall performance from FY2025 to H1FY26, good progression in terms of what we see clearly moving towards our target of 2030. So, whether it is the freshwater replenishment, reduction in specific hazardous waste, reduction in specific effluent, reduction in Scope 1&2 emission, or even increasing recycled plastic in packaging, I think strong

impetus is put in there. Renewable electricity is another big area in terms of what we keep on looking at along with the bio-based materials. And we continue to look at our employee engagement very strongly from the point of view of looking at equity, diversity and engagement. Overall, one of the big areas is our entire work in terms of increasing the livelihoods of a lot of artisans in this country and skilling them. And that is something which we did almost about 9.5 lakh trainings last year. This year we've already done about 4.4 lakh training. And we are proud that our 23 academies across the country are yielding very good results for us in terms of picking up a very big force of people who basically make the whole area of decor happen for the customers. So, I think that is something which is a strong direction in terms of what we have taken. So, that's all. Thank you so much, great speaking to you.

Moderator: Thank you, sir. We will now open the call for the Q&A session. The first question is from Mr. Abneesh Roy from Nuvama.

Abneesh Roy: Yeah, thank you. Thanks for the opportunity. My question is on overall competition. I see that your gross margins are up, both QoQ and YOY. I do understand that the raw material side is favorable and outlook also looks good. My specific question is in terms of the 10% free grammage in the different SKUs by a competitor, what has been your reaction? And the new players, what we are hearing is they are now withdrawing it from many of the SKUs. So, if you could comment on that. Also, I picked up that in terms of the tail of the distribution, there was some loss for you because of the new players coming in. So, if you could comment, how are things there? And from an advertising perspective also I see Asian Paints now being much more aggressive in terms of all the key events of cricket. So, if you could comment, how is your market share in terms of the media presence? I'm not asking about volume market share, I'm asking about the overall media market share.

Amit Syngle: So, thanks Abneesh. In terms of some of those incisive questions, in terms of what you placed, I think when we look at from the point of view of the whole area of additional grammage, the whole area of free, which kind of comes along with paint, we think it's something which is an area which has been tried and, you know, worked upon by various players earlier as well. It's something which is nothing new. It also basically reduces the turnover of the retailers from what they will be able to sell. And it is very difficult to keep focused in terms of where that benefit goes from the point of view of consumer-painter-dealer. So, I feel that possibly that's one area which is a strategy which some of the competitors might take, but it is something which they will see the benefit in terms of what they are getting out of it. From the point of view of our perspective, what we are very clear is that our work on fundamentals, our work on execution, our work on brand building, our work on innovation will continue and we keep on doing this work. This will definitely give us some gains in the market as we are seeing in this quarter. We are very clear that possibly it is not a game of just discounting alone. It is a game of how you look at placing your brand, how you look at upping the category from the point of view of premium luxury finishes. And that's something which we have been really looking at. From a point of view of building the brand equity, above the line media has been very strong and we have used it effectively for reaching not only the entire country, but also at a regional level very strongly. As we see it in terms of a share of voice, we would be definitely much higher today than the overall competition. And that is something which we have upped from a national level, at a regional level. And for us, I think that augurs well because one, it really affects the top-of-the-mind awareness and secondly, the whole area of the consideration to buy of the customer is getting influenced. And therefore, that is something which we have been taking very strongly. And that is why, you see, strong marketing spends in the second quarter.

Moderator: Thank you. The next question is from Mr. Vivek Maheshwari from Jefferies.

Vivek Maheshwari: Hi, good evening team. My first question is on volume growth. So, you know, you mentioned about the macro as well as your own efforts. We have seen a double-digit volume growth in this quarter from your side. There are two parts to this question. First is, you know, your presentation talks about improvement in consumer sentiments. Whereas what you articulated on the call, it looked like more of your internal, you know, internal factors which is driving this growth. Can you just clarify as to, you know, sentiments versus your own efforts, which was the bigger driver and how do you see this going ahead?

Amit Syngle: So, overall, the demand conditions we are all aware have been really average. We have not seen too much of an uptick. The overall industry, as I said, would not be growing more than about 3.5 to 4%. Therefore, we were very clear that we need to really shift our gear in terms of how we really galvanize the market, how do we look at playing to our strengths in a very strong manner. And that is something which we activated. The whole area of looking at aligning to the consumer, getting the consumer on the fore. And that is why you would have seen that we have kind of unleashed so many kind of initiatives from the point of view of media and new advertising across the range of products. And I think the bigger effort was to ensure and give a very strong whiff to our overall execution piece so that we could deliver the right kind of servicing, generate demand, and have the right kind of connect with people. And that has been a stronger focus in terms of executional excellence. The other area has been the area of regional initiatives. So, you look at micro marketing, you look at regional markets in a very strong way, you align to the markets and basically create empowerment and a flexibility so that we are able to perform much better at micro marketing and reaching out to the smaller places, much better. The other area which I think has been very important is that some of our innovations in terms of the new products have also galvanized the numbers for us. Also, uptick in premium and luxury has also helped us at really upgrading the consumer. So, I would say that it's a combination of overall factors in terms of what has worked well.

But I would also say that we saw some demand pick up in September for sure. And also I think the first fortnight of October has been strong due to festival being there and some uptick in the demand which has also helped us so that we could kind of take advantage of the demand uptick given our overall execution and consumer connect.

Moderator: Thank you sir. The next question is from Mr. Avi Mehta from Macquarie.

Avi Mehta: Hi sir. Just two questions. First, you know, given how you're seeing your initiatives pan out and the demand improving, would love to get your thoughts on how you see the full year volume growth and value growth for us or for the industry to give us some sense. And second, we have historically seen this industry do double digit growth in value terms as well. What do you think is required or when do you see that panning out? Any thoughts over there would also. Thank you very much.

Amit Syngle: When we look at the next six months, we've already spoken about where we are looking at the overall year going. We are looking at mid-single-digit value growth for the full year. And as we kind of go-ahead volumes would be higher since we are now batting across the range of products right from undercoats to the economy to the mid-range and to the top end products. And therefore, we would anticipate that the gap between the volume and the value would remain in that zone of about 4-5%. So, I think if we are able to hit, mid-single-digit value growth, we would come closer to a higher digit value growth at the end of the year. So, I think that is the endeavor.

But as I said, a lot depends in terms of how possibly the market pans out, how things will kind of augur as we kind of go forward. But I think that is something which is what we think we can really aim for.

Moderator: Thank you. The next question is from Mihir Shah from Nomura.

Mihir Shah: Hi sir. Thank you for taking my question. Congrats on an excellent set of numbers. Just wanted to understand the numbers a bit better. So, two questions here. Firstly, there has been a sharp improvement in volume growth despite the extended monsoon quarter. Was this aided by festive demand which was largely sitting in 3Q last year? And also, did you see any lost dealers coming back or restocking impact indicating that sustaining this double-digit volume growth in coming quarters can be challenging or do you see this double-digit growth, volume growth to sustain in the coming quarters? Secondly, the difference between your volume and value has been much lower versus historical trend. What drove that? And despite being a seasonally weak quarter, gross margins are a bit higher versus 1Q levels which ideally, are supposed to be down. Which means that you have seen some benefits from lower raw material prices. Can these benefits continue in second half and margin expansion that we've seen in this quarter, you know, continue in the coming quarters as well. These are my questions. Thank you.

Amit Syngle: Okay, as I said this has been the quarter where we approached the entire product category in a fairly holistic manner. So, that today, given the overall equity of Asian Paints, we leverage that and look at possibly batting at the retail with the full range of products. And I think that has given us leverage across the range of products, whether they are at the economy level or at the mid-level or at the luxury level. We have also seen a clear focus on B2B segment, which has given us entire advantage in terms of exploring beyond the central theme of just the builders and CHS. As I said, I think we've looked at the government, the factory segment also very strongly. And I think those are stronger avenues which have also helped us sell a full range and really participate in the whole development story where government is spending a lot of money. And that is something which has been also supportive in terms of giving us benefits across the product range. And therefore, you see that the volume we have been able to expand because it has also been the consistency in terms of looking at the entire range and not looking at specific ranges. The second reason, you know, the September month was definitely much better. And it has definitely upped the overall volumes. I wouldn't say that from a point of view of festive season, because the difference between last year and this year was just 10 days in terms of the overall festive season. But nonetheless, the first 15 days were strong, a very good uptick at that point of time. So, that has also added to the overall volume growth. And that is why I think I see one of the reasons we are closer to this kind of a volume. As we go ahead, we have also looked at saying that we will maintain a 4-5% difference between volume and value. And we have been conscious of this, that we need to kind of shape up our product mix. So, therefore, we have looked at the premium and the luxury and far more strongly, as I said, a lot of energies went in terms of upgrading the consumer also so that we are able to showcase the benefits. And therefore, if you see a lot of our communications ran in terms of the premium and luxury emulsions in this quarter which has really elevated mix for us. And that is where the gap between the volume and the value stays in terms of this zone

Moderator: Thank you, sir. The next question is from Latika Chopra from JP Morgan.

Latika Chopra: Hi. Thank you for the opportunity. Two questions from my side. The first one was on margins. You've always maintained an 18 to 20% margin band for yourself. Given the raw material environment is benign, competitive intensity remains stable, though stiff, nothing incremental, hopefully, and clearly there are a lot of cost interventions. From your end, are you comfortable to see visibility that you can land at the higher end of this margin band instead of the lower end, which has been the performance in last few quarters. And the second question was at an industry level. We have seen introduction of consumer financing for painting services. What are your thoughts on this? This is very nascent, but is it a meaningful driver of consumer demand? And is it something that you could explore, or the industry players could explore in the future? And the third bit, just a clarification on your previous answer. You know, this gap between volume and value, you know, I understand over the next six months you are still looking at 4 to 5%, but when you frame your plans for FY27 in terms of mix and all the initiatives that you've taken, and also the salience of B2B which seems to be increasing, do you sense that this gap will reduce or there is a conscious effort to do that. Thank you.

Amit Syngle: From a point of view, overall margins, you know, at the standalone level, in Q2 we are at 18.5% at standalone level and at consolidated level, we are closer to 18%. Today, we are making some very meaningful investments in our marketing efforts, we are also looking at investing in technology a lot, we are looking at bringing in more innovation which we are adding in the market and are able to reach out to the consumer far more effectively as we go ahead. We also see higher competitive intensity in the market as we go ahead. Given all this, it is okay to maintain the whole guidance of 18 to 20% PBDIT margin band. I would not qualify whether it should be at an 18% level or a higher level. But it's good to maintain 18-20% margin as we go ahead. The second area which you raised in terms of consumer financing, I don't think it's a new concept in the country. It has been tried and tested for a long time. In fact, we were the first ones to introduce financing about almost five years back. It is something which has got a little bit of a muted response because people are also wary about the fact that there are certain resultant charges which accrue to them. And therefore, it totally depends on the ticket size of painting and the ease of getting that level of finance. So, I feel that there is nothing new in the concept. It's been tried tested earlier. Possibly it will give only that much of connect with the consumer but cannot become a big game changer. The third question on the volume value gap which you spoke of, please remember that today when we reach out to the market, we are talking of reaching out to every segment of consumer, right from the segment at the economy level to the mid-level to the luxury level. And therefore, we would not like to see that we are losing out in any of these segments. And today the economy to the mid-level segments are fairly big segments. And therefore, what I would see is that as we keep on going ahead, this kind of volume-value gap will persist if we are looking at a far more holistic approach across the range of products. And that is something what would be our endeavor going forward.

Moderator: Thank you. The next question is from Mr. Manoj Menon, ICICI Securities.

Manoj Menon: Hi team. Good to note, far higher disclosures on the activities which have been undertaken, and request please continue. Just one, one thing on those actions which you have taken, not really talking about macros and markets and industry growth, etc. If you could comment about anything which would have done in the last six months or one year with the dealers, you know, anything different versus in the past, that would be very helpful. That's one. The second question is any color over the last six, nine months in terms of your regional mix changes. What I'm trying to understand is in markets like Tamil Nadu, Karnataka, Kerala, where you are probably

over indexed versus your national average. So, let's say how do I think about these parts of India, the growth for you, is it closer to the overall growth or is there a regional divergence and also on the product. Thank you and good luck.

Amit Syngle: So, for us, the entire set of retailers are something which are core to us. I think what we have definitely looked at in the last six to nine months is the area in terms of building far more stronger relationships. I think that is something which is a very different thing in terms of what we have tried to do. Because for us, the relationships are much more important in terms of what we kind of really build up. So, that it really then adds up to the overall business. The second area which we have looked up is in terms of generating more business for the retailer. So, that it is something which is very different from the industry standpoint saying that today we get you better leads, we get you better business, so that today the retailer gets more interested in terms of doing business with you in terms of looking for a brand which is really supplementing his or her efforts from a point of view of selling more. And that is something which really matters to the dealer. I think the third area is to kind of really look at their earnings and basically, we look at two initiatives. One is from the point of view of giving them a strong ROI in terms of their overall business. And secondly, by the virtue of a lot of variants, a lot of differentiated propositions, we try to give them higher margins so that the entire return on his investment really amplifies a lot. So, I think those are some of the key areas in terms of what we have looked at really building from strength to strength in the last nine months. When we look at, from the point of view of certain regions which you mentioned, especially the southern regions, we have looked at a lot of regional initiatives which are basically tuned to that region in a very strong manner. To give you an example, that if today we see that there is a region which is tuned to more in terms of looking at that they are excited in terms of looking at a certain finish in a certain category at a mid-level, we would kind of try to give more wings to that category and that finish in that market through various mechanisms, whether it could be through the architects through the interior designers or the painters, contractors, so that we could kind of play in that category, which is so good for that kind of a region. Similarly, I think the whole area of regionalization, which offers some areas like colors which suit that region, packs which suit that region, something which appeals to the art culture of that area, has been a strong galvanizing point in terms of what we are seeing, where people are looking at aligning with you. Because that is something which the customer is asking, and the customer is really enjoying. And that in the true sense is bringing joy and happiness to consumer lives. So, I think that is something which have been the strong differentiators there.

Moderator: Thank you. The next question is from Mr. Amit Sachdeva, UBS.

Amit Sachdeva: Hi, good evening. Thank you for taking my question. Sir, my question is on the competitive intensity. I think last year we've seen, for lack of any better word, kind of bandwagon effect where a lot of dealers, joined competition, and competition built up some scale. Now, is this because some sort of fatigue has set in there as well, where dealers are going back and buying Asian Paints again and some sort of that effect is waning. And also related to that is that the painter commission that you also gave you also accelerated quite a lot a bit, I believe. How do you record that commission? Is it part of the net pricing or it sits on in the other expenses. But I just wanted to your reaction to it, whether competitive intensity actually is waning from a dealer adoption point of view.

Amit Syngle: So, it's very good that you asked this question because if you look at it from a point of view of the

consumer, this is not an FMCG industry that you basically come in with a force and you look at possibly giving consumer a lot of goodies packed by, people who are kind of aligning in terms of giving and offering those areas. I think it is also a question in terms of saying that this is a cycle which keeps on visiting you once in five years, which means that every year you have a new set of consumers which possibly are coming into the market. And this is a continuous process that if you don't build bridges with this customer over a longer period of time, a shorter-term kind of invasion will really not help you in terms of getting to the consumer. Having said that, at the same time, I think it is important that you build in the consistency of brand spending to that extent, which can only happen if you do it over a larger period five years to 10 years, to that extent, so that you are able to get that customer, the newer customer, and then start basically getting a repeat from that customer as you can kind of look at your long term journey. So, therefore I would say that while there are ways of accelerating in terms of incentivization which can come in terms of looking at discounting. But I think the more important thing is the fact that are you building a connect in terms of ensuring that both the dealer and the contractor are able to get a continuity in terms of their business. And that is something which is very important that you work with the contractor in terms of one increasing his business and not only in terms of looking at either discounting or giving him a benefit per litre. I think some of those areas will have a little bit of a short term effect and it would kind of really call for really strong energy that you could kind of really leverage the areas of overall brand connect far more strongly along with relationships, which would really work for medium to long term.

Moderator: Thank you, sir. The next question is from Mr. Tejas Shah of Avendus Spark.

Tejas Shah: Hi, thanks for the opportunity and congrats on recovery. So, just in your presentation, you called out that part of translation from volume growth to value growth is also missing because of rebates. Just wanted to know how are we tracking and how is the overall industry also tracking on that front? Has the intensity on that particular line item come down?

Amit Syngle: So, as I said, the important thing is that, when you look at the overall segments, there is a certain kind of balance you will have to really look at because it is a large product range today, and each segment has a large contribution, given the diversity of this country and the huge consumption. And therefore, possibly just blindly pursuing the fact that I need to just decrease the value volume gap might not be a great idea going forward. What really matters is that in each of the segments, are you really scoring out with the consumer? Are you really giving consumer a different segmentation and are you really winning in each of the segments. The segment sizes vary to that extent in terms of what possibly economy contributes, what is the mid end contributing, what is the luxury contributing. And therefore, just saying that I need to concentrate only at the mid and the luxury end and kind of look at possibly increasing my value might not be a great choice when you are really traversing the entire range and reaching out to the entire country. And especially when you talk of your retailing and your distribution strength, which is both very strong towards the urban and the rural centers. So, therefore, I would say that possibly a balanced approach, is a good option in terms of maintaining volume and value parity going forward.

Moderator: Thank you. The next question is from Mr. Jaykumar Doshi, Kotak Securities.

Jaykumar Doshi: Yeah, hi, thanks for the opportunity and congratulations on good performance. My question is on premium and luxury part of the portfolio. Could you give us some indications in terms of what has been the growth rate relative to the company? And the question comes primarily because the new entrant has indicated that for

them 65% of the portfolio is premium and luxury. And if that is the case, mathematically it appears that either the market is growing at a super normal rate, like 25, 30% plus in value terms of premium luxury, or maybe they are gaining share from others. So, I would like to know your thoughts on that aspect.

Amit Syngle: So, I can speak for Asian Paints here that today, when you look at the luxury and medium category today, it's not that large a category in terms of what we see. The larger, bigger category obviously is the economy category. And therefore, we have reason to believe that every new entrant who comes in basically tries to get a larger peep into the area of the economy segment. Because it takes a lot of effort in terms of brand building, a lot of effort in terms of product differentiation to start making forays from a mid-level to a luxury level. And therefore, what we believe is that the economy segment will still be the largest segment in terms of the market. And therefore, I think our endeavor is to look at upgradation, which is a very strong initiative what we take, in terms of how we upgrade people who are using distempers to the economy emulsions, from economy emulsions to the mid-level immersions and from there onto the luxury emulsions. We keep on prodding that pyramid far more strongly, but the larger base of that pyramid is the economy segment.

Moderator: Thank you. We will take the last question from Mr. Pratik Gothi, HSBC Securities.

Pratik Gothi: Thank you for the opportunity. I have a quick question on the mix again. Any color in terms of interior, exterior performance in terms of mix.

Amit Syngle: The interiors would have done much better this quarter, given the fact that there was extended monsoon. And please remember, in the monsoon, the exterior painting suffers. Especially large, big sites, especially in the B2B business. It takes a toll in terms of the exterior painting because no one wants to risk painting at a time when there was incessant rain. So, I would say that this quarter has been much stronger from the point of view of all the interior finishes.

Pratik Gothi: And just a quick one, if I can squeeze it in on the waterproofing category or the construction chemicals category in general. Any commentary there?

Amit Syngle: That category has done very well for us. Overall, we are looking at growing more than double digits in that category. And there are lot of innovations in terms of what we are bringing from the kind of products and really offering consumer a proposition, which is a strong waterproofing proposition. And, in the B2B business, it is basically foundational to get into the waterproofing first and then start supplementing it with the top coats. So, I think it's been one category which has been doing very well for us over a period of time.

Moderator: I thank everyone for their questions. With that, we come to an end of the Q and A session. On behalf of Asian Paints Ltd. this concludes today's conference. Thank you for joining us. You may now disconnect your line and exit the webinar. Thank you so much, everyone.