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APL/SEC/40/2025-26/20

26th June 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: Chairman's Speech at the 79th Annual General Meeting of the Company

The 79th Annual General Meeting ("AGM") of the Company was held today, i.e., Thursday, 26th June 2025 through video conference. Please find enclosed the speech delivered by Mr. Manish Choksi, Vice-Chairman of the Company and Chairman of the AGM.

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



79th Annual General Meeting 2025



Dear Members,

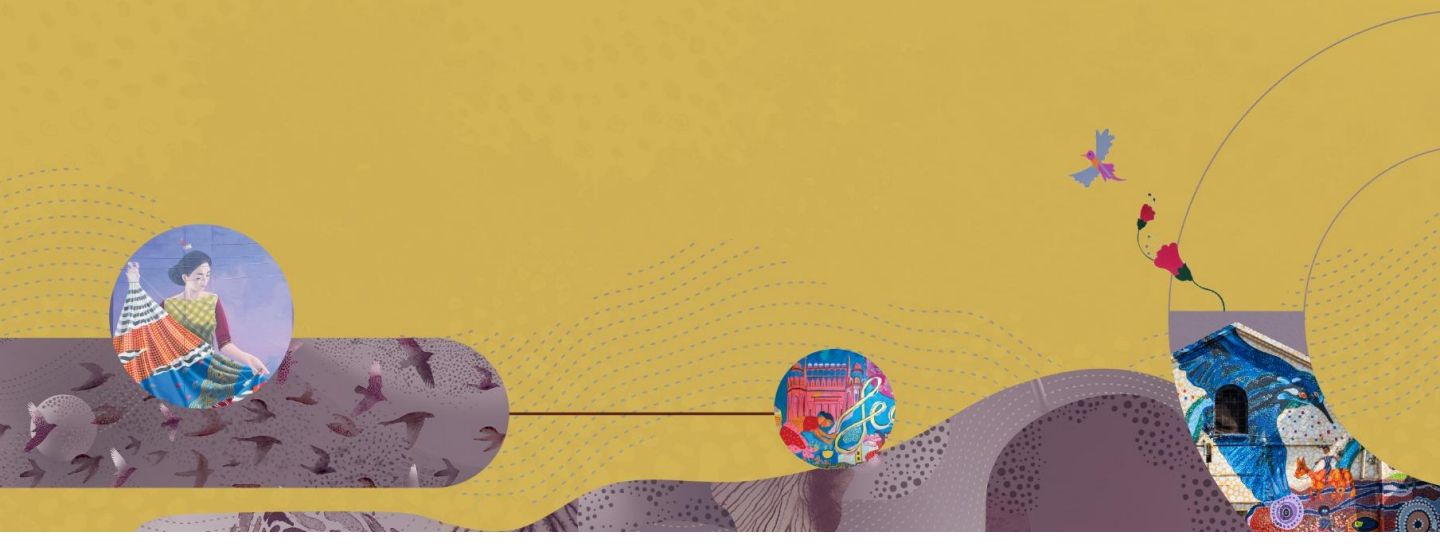
Namaskar.

On behalf of the Board of Directors and the management of the Company, I extend a hearty welcome to each one of you to the 79th Annual General Meeting of your Company. We are grateful for your continued trust, support, and engagement, which have been instrumental in our journey and success.

The overall macro environment in financial year 2024-25 remained challenging with India's Gross Domestic Product growth moderating to around 6.5%, as compared to 9.2% in the previous year. Consumption trends, in particular, were weak across sectors, as persistent inflation and wage growth challenges weighed down the consumer sentiments.



The overall weak consumption trends prevalent through the year had a dampening impact on the domestic decorative paints market, particularly, the urban markets. Subdued discretionary spending also led to extension of repainting cycles and home maintenance schedules, affecting the consumption of architectural paints and décor items. Consumers were also moving towards more affordable options, even within the premium segments of decorative paint products across categories. While the rural demand showed relative resilience, the softness in urban demand contributed to an overall flat performance for the entire decorative paints market, marking a below-trend performance for the last 18 months.



The challenges in the retail consumption were further compounded by heightened competitive pressure. Both the new entrants as well as established players adopted aggressive pricing and discounting strategies further intensifying competition in the industry. These dynamics affected the value realisations as well as the profitability for Asian Paints throughout the year.

The combined impact of a flat market and intense competition resulted in our Decorative paints business recording a 5.7% decline in value terms, despite registering a growth of 2.5% in volume terms.

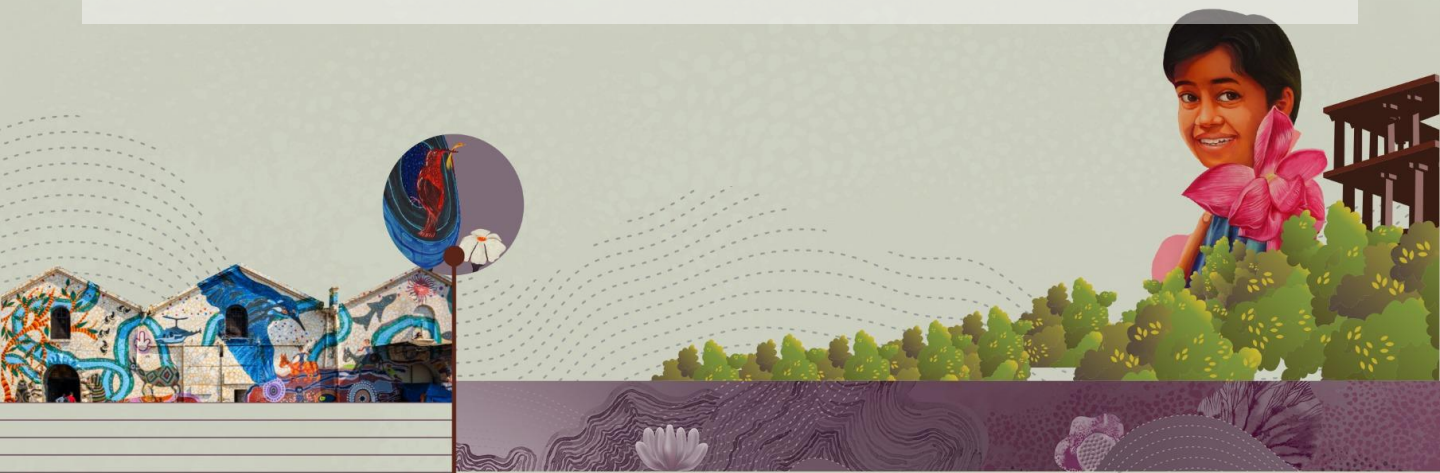


Amidst the challenging conditions in retail demand, we continued to strengthen our Projects and Institutional business initiatives. We have built a strong footprint addressing the needs of not only the realty sector but also Factories, Government and Institutional clients. Our waterproofing, construction chemicals and repair ranges added to our differentiated value propositions. Throughout the year, we have made significant progress in obtaining specification approvals and validations from key government ministries, including Railways, Roads, Housing, Defence, and Civil Aviation. This has allowed us to benefit from the strong investment cycle driven by the Central government and various state governments.



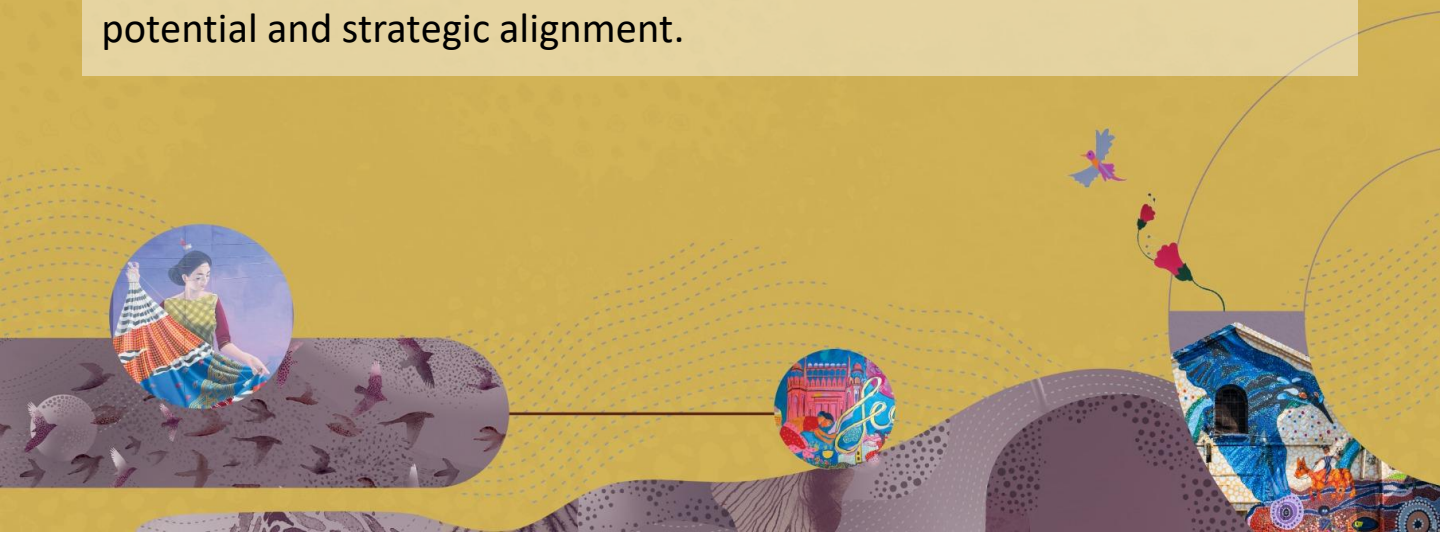
We continued our foray in the 'Home Décor space with further investments in Beautiful Home stores network across the country, holding our position as the No. 1 Integrated Home Décor player in the organised market. Given the overall consumption trends in home renovation and new construction, we had a mixed performance across categories and are looking to calibrate our efforts with differentiated focus in the coming year.

The Industrial coatings business continued to leverage the collaborative way of working with the Decorative coatings team, offering a comprehensive range of products and services to customers, thereby enhancing the overall value proposition. In partnership with PPG Industries, USA, we focused on providing technologically advanced and differentiated solutions, expanding our presence across key user segments. Overall, for the year, our Industrial business spanning across automotive, general industrial and powder coatings, delivered good revenue growth and undertook multiple initiatives to maintain a strong profitability.



Our performance in the international markets presented a mixed picture during the year. Overall, the international business registered a flat revenue in Rupee terms while growing at approximately 9% in constant currency terms.

Despite the varied challenges across regions, we remained steadfast in our commitment to strengthening the foundation of our international operations. Through enhanced customer engagement and a sharper focus on refining our product and service offerings, we are steadily progressing towards sustainable long-term growth in viable markets. During the year, your Company took a considered decision to exit the Indonesian market. This decision was an outcome of comprehensive review of our growth journey in the region, which began with setting up of greenfield operations in 2017-18. Despite sustained efforts over the years, the business continued to face structural challenges and remained sub-scale. Exiting the market allows us to reallocate resources more effectively and focus on regions with stronger growth potential and strategic alignment.



Overall, for the financial year 2024-25, your Company, at a standalone level reported a decline of 5.4% in revenue from operations at Rs. 29,553 crores. The profit before exceptional items and tax decreased by 24.6% to Rs. 5,277 crores and the profit after tax for the year decreased by 32.6% to Rs. 3,585 crores. At the consolidated level, the revenue from operations declined by 4.5% to Rs. 33,906 crores. The consolidated profit before exceptional items and tax reduced by 25.6% to Rs. 5,466 crores for the financial year. The net profit after tax for the group was lower by 33% at Rs. 3,710 crores. The Board of Directors have recommended payment of Rs. 20.55 per equity share as the final dividend for the financial year 2024-25. This is in addition to the interim dividend of Rs. 4.25 per equity share which was paid in the month of November 2024. If approved, the total dividend for the financial year 2024-25 will be Rs. 24.8 against Rs. 33.3 per equity share paid for the previous financial year, a reduction of about 25.5%. The dividend pay-out for the year will be 60%, in line with the previous year. I request all shareholders to approve the recommended final dividend for the financial year 2024-25.



We are confident that the inherent and unassailable strengths of the company built over decades, which continue to be strengthened, viz, far superior product quality, much wider range of products addressing every need of the customer, unparalleled customer services such as painting contracts, comprehensive engagement with our customers through unique home décor products and services, and the formidable distribution reach, will all enable us to defend and improve our market position and our profitability, despite some near term challenges.

During the year, Mr. Varun Berry joined the Board as an Independent Director. His extensive experience and leadership insights will enhance the Board's collective expertise in guiding the Company as we pursue our long-term growth journey. Additionally, Mr. Jigish Choksi stepped down from his role as a Non-Executive Director to focus on his family business and other personal interests. On behalf of the Board and the management, I would like to express my sincere gratitude to Mr. Choksi for his valuable contributions and dedicated service during his tenure.



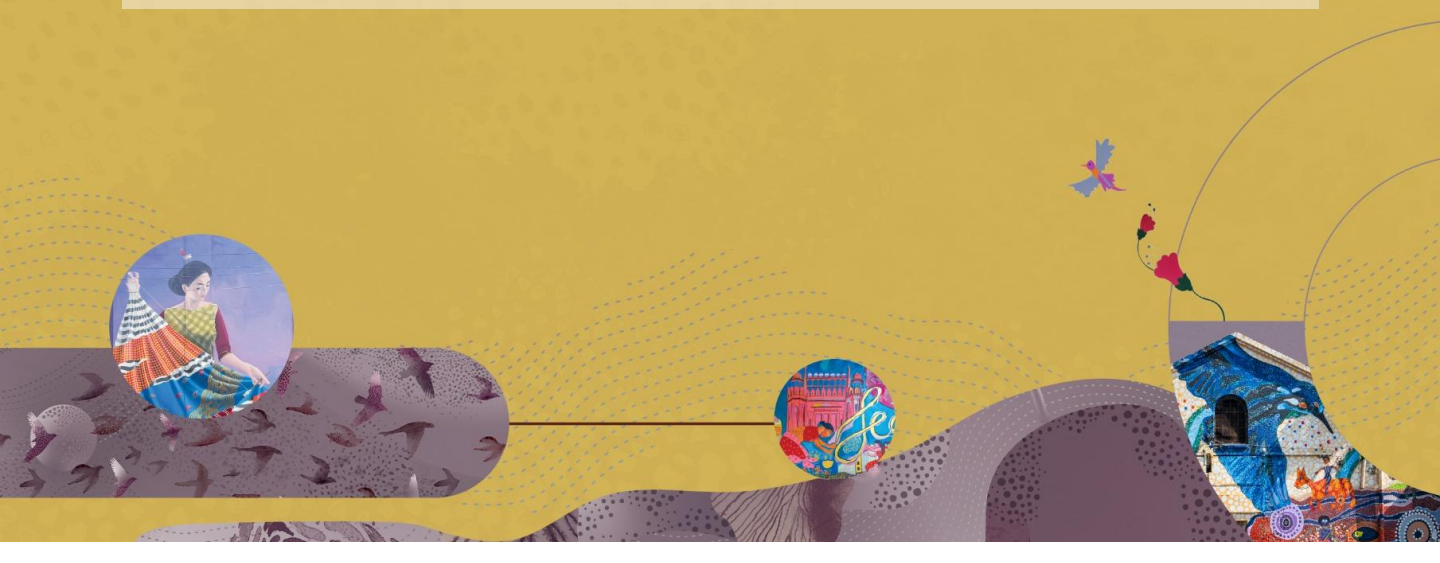
Mr. Malav Dani, our Non-Executive Director, retires by rotation and being eligible, has offered himself for re-appointment. Additionally, the Board has appointed Mr. Ashish Choksi as an Additional and Non-Executive Director of your Company. Their extensive industry experience and strategic acumen will further strengthen the Board's capabilities. I urge all the shareholders to approve their appointments to the Board of Directors.

As we look ahead, the long-term potential of the industry remains unequivocal- driven by the rising aspirations of our people and India's persistent journey of growth and transformation. This enduring promise has attracted new players making significant commitments, resulting in sustained competitive intensity across the sector.



As a leading paint company, we recognise the need to refine, refresh and reinvent our operational tactics to offer superior value proposition to our customers across the price spectrum. Even amidst the current wave of hyper-aggressiveness, we remain focussed on strengthening our core differentiator, working with intent and pace, to enhance our competitive edge and ensure sustainable performance for times to come.

An integral element of this journey is to continually enhance the saliency of our brand 'Asian Paints' for all the stakeholders. This requires not only to efficiently meet current expectations but staying attuned to evolving aspirations. Throughout our leadership journey, we have embraced innovation as a necessity to maintain and build on our competitive edge in the industry. This has manifested in multiple ways, including new product introductions, adjacent product category development, robust supply chain, customer-centric retailing formats, initiatives on 'share of space' and top-of-the-mind brand recall.



We will continue to harness innovation as a strategic lever to navigate the evolving competitive landscape and retain our position and preference as the 'brand of choice'. We are also building strengths in the area of core raw materials through investments in white cement and new age emulsions like VAE through our backward integration strategy.

Our commitment to Environmental, Social and Governance (ESG) principles remains unwavering. Guided by our ESG Charter, we have set clear, measurable targets across each of our strategic focus areas. Over the years, we have consistently progressed towards these goals and your Company is now actively working towards achieving the long-term ESG targets set for 2030. This journey is one of continuous improvement, and we remain dedicated in our resolve to creating long-term value for all stakeholders while contributing meaningfully to a more sustainable and equitable future.



We are calibrating all energies to successfully counter the competitive environment and continue to reinforce our brand with differentiated propositions. I am fully confident in our team's ability to navigate challenges and seize opportunities as we deliver sustainable, rewarding long-term performance, maintaining our unwavering commitment to all our stakeholders. I look forward to your continued support as we move ahead on this journey together.

Thank you.

