

**BSE Code : 500820 | NSE Code : ASIANPAINT**

# **FINANCIAL MODELING REPORT**

**(A Comprehensive DCF and  
Comparable Company Valuation)**



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# ASIAN PAINTS LTD - One Page Profile

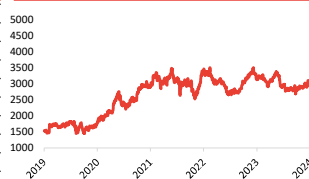


Asian Paints Ltd is an Indian multinational paint company, headquartered in Mumbai. The company is engaged in the business of manufacturing, selling and distribution of paints, coatings, products related to home décor, bath fittings and providing related services.

INR (Cr.)

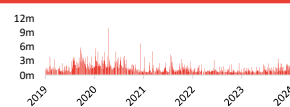
Key Financial Metrics	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Sales	20,211.3	21,712.8	29,101.3	34,488.6	35,494.7
Sales Growth (YoY)	5.05%	7.43%	34.03%	18.51%	2.92%
Gross Profit Margins (%)	39.32%	41.64%	26.31%	35.20%	43.80%
EBITDA Margins (%)	20.57%	22.36%	16.51%	18.15%	21.37%
EBIT Margins (%)	16.71%	18.72%	13.70%	15.66%	18.97%
Net Profit Margins (%)	13.38%	14.46%	10.41%	11.91%	15.38%
Earnings Per Share (in Rs.)	28.20	32.73	31.59	42.81	56.92
EPS Growth (YoY)	25.48%	16.05%	(3.46%)	35.50%	32.97%
Dividend per Share (in Rs.)	12.00	17.85	19.15	25.65	33.30
Dividend Growth (YoY)	14.29%	48.75%	7.28%	33.94%	29.82%

## Share Price - 5Y



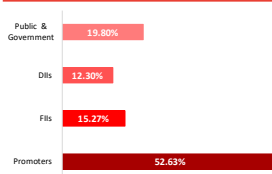
Key Financial Metrics	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
P/E	59.09x	77.53x	97.48x	64.51x	50.01x
EV/EBITDA	38.54x	50.22x	61.65x	42.49x	36.18x
EV/Sales	7.93x	11.23x	10.18x	7.71x	7.73x
P/B	15.78x	19.01x	21.39x	16.56x	14.58x
Return on Equity (%)	26.70%	24.51%	21.94%	25.68%	29.15%
Return on Capital Employed (%)	33.86%	34.96%	29.24%	35.01%	38.61%

## Volume - 5Y



Top 10 Shareholders	N. Share (in Crs.)	% Holding	Market Value (in Crs.)
Life Insurance Corporation Of India		6.2	6.47%
Sattva Holding and Trading Private Ltd.		5.5	5.71%
Smiti Holding and Trading Company Private Ltd.		5.2	5.40%
Siddhant Commercials Private Ltd.		4.7	4.90%
Geetanjali Trading and Investments Private Ltd.		4.6	4.77%
Elcid Investments Ltd.		2.8	2.95%
Gujarat Organics Private Ltd.		2.3	2.41%
Sudhanva Investments and Trading Company Private Ltd.		1.9	1.98%
Rupen Investment & Industries Private Ltd.		1.9	1.97%
Satyadharma Investments and Trading Company Private Ltd.		1.8	1.91%

## Shareholding Pattern



Managerial Remuneration	Designation	Remuneration (in Crs.)	X of Median Salary
Amit Syngle	MD & CEO	18.8	149x
R J Jeyamurugan	CFO & CS	4.3	34x
R Seshasayee	Chairman	0.7	5x
Manish Choksi	Vice- Chairman	0.6	5x

*Note: The increase in average salary of employees (other than Key Managerial Personnel) for the financial year 2023-24, as compared to financial year 2022-23 is 14.78% (including performance-based incentive) for those employees who are present throughout last & current financial year.*

Capital Structure	
Share Price as on 16/08/2022	3,026
Number of Shares O/S	97
<b>Market Capitalization</b>	<b>2,92,910</b>
Less: Cash & Equivalents	(1,084)
Add: Total Debt	2,474
Add: Minority Interests	695
<b>Enterprise Value</b>	<b>2,94,996</b>

## Recent Updates

In celebration of India's 78th Independence Day, Asian Paints and St+art India Foundation mark 10 years of collaboration with the unveiling of 'Dawn of Valour,' a tribute to the Indian Defence Forces in Tawang, Arunachal Pradesh. (16/08/2024)

Asian Paints has collaborated with Moonfolks to unveil a five-product range called the "Infinito System" designed to fix an array of wall problems. (14/08/2024)

Asian Paints and Berger Paints, have announced ambitious capital expenditure (capex) plans in response to the growing presence of new entrant Birla Opus. (13/08/2024)

Asian Paints' management is optimistic about double-digit volume growth in FY25. This is likely to be driven by the focus on economy paints, putty and primer. (10/05/2024)

Asian Paints launched Neo Bharat Latex Paint, venturing into a new category of paint as robust growth in the sector driven by increasing urbanization, rising disposable incomes, encouraged existing players to tap into the booming demand and lap in more market share. (15/04/2024)

Asian Paints gains as subsidiary signs agreements with GCPL to set up facility for manufacturing Vinyl Acetate Ethylene Emulsion (VAE) and Vinyl Acetate Monomer (VAM) at Dahej, Gujarat. (07/03/2024)

**Disclaimer :** This report is made as part of educational assignment and is meant for educational purpose only. The author of the report is not liable for any losses due to actions taken basis this report. It is advisable to consult SEBI registered research analyst before making any investments

**BSE Code : 500820 | NSE Code : ASIANPAINT**



Historical Financial Statement - ASIAN PAINTS LTD										
Years	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
# Income Statement										
Sales	₹ 13,615.3	₹ 14,271.5	₹ 15,062.0	₹ 16,824.6	₹ 19,240.1	₹ 20,211.3	₹ 21,712.8	₹ 29,101.3	₹ 34,488.6	₹ 35,494.7
Sales Growth	-	4.82%	5.54%	11.70%	14.36%	5.05%	7.43%	34.03%	18.51%	2.92%
COGS	₹ 9,298.8	₹ 9,413.8	₹ 9,732.7	₹ 11,194.2	₹ 12,905.8	₹ 13,158.0	₹ 14,035.1	₹ 20,590.6	₹ 23,766.7	₹ 23,010.0
COGS % Sales	68.30%	65.96%	64.62%	66.53%	67.08%	65.10%	64.64%	70.75%	68.91%	64.83%
Gross Profit	₹ 4,316.49	₹ 4,857.65	₹ 5,329.33	₹ 5,630.38	₹ 6,334.32	₹ 7,053.23	₹ 7,677.72	₹ 8,510.71	₹ 10,721.89	₹ 12,484.74
Gross Margins	31.70%	34.04%	35.38%	33.47%	32.92%	34.90%	35.36%	29.25%	31.09%	35.17%
Selling & General Expenses	₹ 2,073.60	₹ 2,132.61	₹ 2,335.57	₹ 2,426.37	₹ 2,569.38	₹ 2,896.41	₹ 2,822.12	₹ 3,707.10	₹ 4,462.05	₹ 4,899.76
S&G Exp % Sales	15.23%	14.94%	15.51%	14.42%	13.35%	14.33%	13.00%	12.74%	12.94%	13.80%
EBITDA	₹ 2,242.89	₹ 2,725.04	₹ 2,993.76	₹ 3,204.01	₹ 3,764.94	₹ 4,156.82	₹ 4,855.60	₹ 4,803.61	₹ 6,259.84	₹ 7,584.98
EBITDA Margins	16.47%	19.09%	19.88%	19.04%	19.57%	20.57%	22.36%	16.51%	18.15%	21.37%
Interest	₹ 42.24	₹ 49.00	₹ 37.33	₹ 41.47	₹ 110.47	₹ 102.33	₹ 91.63	₹ 95.41	₹ 144.45	₹ 205.17
Interest % Sales	0.31%	0.34%	0.25%	0.25%	0.57%	0.51%	0.42%	0.33%	0.42%	0.58%
Depreciation	₹ 265.92	₹ 275.58	₹ 334.79	₹ 360.47	₹ 622.14	₹ 780.50	₹ 791.27	₹ 816.36	₹ 858.02	₹ 853.00
Depreciation%Sales	1.95%	1.93%	2.22%	2.14%	3.23%	3.86%	3.64%	2.81%	2.49%	2.40%
Earnings Before Tax	₹ 1,934.73	₹ 2,400.46	₹ 2,621.64	₹ 2,802.07	₹ 3,032.33	₹ 3,273.99	₹ 3,972.7	₹ 3,891.8	₹ 5,257.4	₹ 6,526.8
EBT % Sales	14.21%	16.82%	17.41%	16.65%	15.76%	16.20%	18.30%	13.37%	15.24%	18.39%
Tax	₹ 649.5	₹ 844.5	₹ 943.3	₹ 1,041.0	₹ 1,098.1	₹ 854.9	₹ 1,097.6	₹ 1,102.9	₹ 1,493.5	₹ 1,790.1
Effective Tax Rate	33.57%	35.18%	35.98%	37.15%	36.21%	26.11%	27.63%	28.34%	28.41%	27.43%
Net Profit	₹ 1,285.2	₹ 1,556.0	₹ 1,678.4	₹ 1,761.1	₹ 1,934.3	₹ 2,419.1	₹ 2,875.1	₹ 2,788.9	₹ 3,763.9	₹ 4,736.7
Net Margins	9.44%	10.90%	11.14%	10.47%	10.05%	11.97%	13.24%	9.58%	10.91%	13.34%
No of Equity Shares	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92
Earnings per Share	₹ 13.40	₹ 16.22	₹ 17.50	₹ 18.36	₹ 20.17	₹ 25.22	₹ 29.97	₹ 29.08	₹ 39.24	₹ 49.38
EPS Growth %		21.07%	7.87%	4.93%	9.83%	25.07%	18.85%	-3.00%	34.96%	25.85%
Dividend per Share	₹ 6.1	₹ 7.5	₹ 10.3	₹ 8.7	₹ 10.5	₹ 12.0	₹ 17.8	₹ 19.2	₹ 25.7	₹ 33.3
Dividend payout ratio	45.53%	46.23%	58.87%	47.38%	52.07%	47.58%	59.55%	65.86%	65.37%	67.43%
Retained Earnings	54.47%	53.77%	41.13%	52.62%	47.93%	52.42%	40.45%	34.14%	34.63%	32.57%
# Balance Sheet										
Equity Share Capital	₹ 95.9	₹ 95.9	₹ 95.9	₹ 95.9	₹ 95.9	₹ 95.9	₹ 95.9	₹ 95.9	₹ 95.9	₹ 95.9
Reserves	₹ 4,646.4	₹ 6,428.9	₹ 7,508.0	₹ 8,314.3	₹ 9,374.6	₹ 10,034.2	₹ 12,710.4	₹ 13,715.6	₹ 15,896.3	₹ 18,632.4
Borrowings	₹ 418.2	₹ 323.3	₹ 560.3	₹ 533.4	₹ 1,319.6	₹ 1,118.5	₹ 1,093.1	₹ 1,586.9	₹ 1,932.6	₹ 2,474.4
Other Liabilities	₹ 3,754.0	₹ 3,710.9	₹ 4,241.0	₹ 4,819.8	₹ 5,458.7	₹ 4,889.3	₹ 6,455.9	₹ 7,560.0	₹ 7,854.5	₹ 8,698.1
Total Liabilities	₹ 8,914.5	₹ 10,559.0	₹ 12,405.2	₹ 13,763.5	₹ 16,248.8	₹ 16,138.0	₹ 20,355.3	₹ 22,958.4	₹ 25,779.3	₹ 29,900.8
Fixed Assets Net Block	₹ 2,660.0	₹ 3,416.4	₹ 3,303.7	₹ 3,732.2	₹ 6,496.6	₹ 6,272.3	₹ 5,858.5	₹ 5,519.1	₹ 5,770.5	₹ 7,146.6
Capital Work in Progress	₹ 196.0	₹ 106.6	₹ 257.5	₹ 1,405.1	₹ 209.7	₹ 140.2	₹ 183.0	₹ 426.4	₹ 1,019.6	₹ 2,698.4
Investments	₹ 1,587.8	₹ 2,712.1	₹ 2,652.0	₹ 2,140.7	₹ 2,568.6	₹ 2,018.9	₹ 4,736.8	₹ 3,247.5	₹ 4,261.7	₹ 4,587.9
Other Assets	₹ 825.7	₹ 714.7	₹ 1,317.2	₹ 1,691.8	₹ 1,472.0	₹ 1,738.7	₹ 2,565.5	₹ 2,876.7	₹ 3,036.2	₹ 3,571.4
Total Non Current Assets	₹ 5,269.5	₹ 6,949.8	₹ 7,530.4	₹ 8,969.9	₹ 10,746.8	₹ 10,170.1	₹ 13,343.8	₹ 12,069.7	₹ 14,087.9	₹ 18,004.3
Receivables	₹ 1,182.1	₹ 1,186.8	₹ 1,446.6	₹ 1,730.6	₹ 1,907.3	₹ 1,795.2	₹ 2,602.2	₹ 3,871.4	₹ 4,636.9	₹ 4,889.1
Inventory	₹ 2,258.5	₹ 1,998.2	₹ 2,626.9	₹ 2,658.3	₹ 3,149.9	₹ 3,389.8	₹ 3,798.6	₹ 6,153.0	₹ 6,210.6	₹ 5,923.4
Cash & Bank	₹ 204.4	₹ 424.2	₹ 801.2	₹ 404.7	₹ 444.9	₹ 782.8	₹ 610.8	₹ 864.3	₹ 843.8	₹ 1,084.0
Total Current Assets	₹ 3,645.0	₹ 3,609.3	₹ 4,874.8	₹ 4,793.6	₹ 5,502.1	₹ 5,967.9	₹ 7,011.5	₹ 10,888.8	₹ 11,691.4	₹ 11,896.5
Total Assets	₹ 8,914.5	₹ 10,559.0	₹ 12,405.2	₹ 13,763.5	₹ 16,248.8	₹ 16,138.0	₹ 20,355.3	₹ 22,958.4	₹ 25,779.3	₹ 29,900.8
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE



## ASIAN PAINTS LTD

BSE Code : 500820 | NSE Code : ASIANPAINT



### # Cash Flow Statements

#### Operating Activities

Profit from operations	₹ 2,271.0	₹ 2,848.0	₹ 3,056.0	₹ 3,274.0	₹ 3,861.0	₹ 4,380.0	₹ 4,970.0	₹ 4,957.0	₹ 6,460.0	₹ 7,929.0
Receivables	(₹ 155.0)	(₹ 146.0)	(₹ 475.0)	(₹ 483.0)	(₹ 205.0)	₹ 160.0	(₹ 849.0)	(₹ 1,326.0)	(₹ 834.0)	(₹ 362.0)
Inventory	(₹ 144.0)	₹ 202.0	(₹ 629.0)	(₹ 39.0)	(₹ 492.0)	(₹ 251.0)	(₹ 409.0)	(₹ 2,354.0)	(₹ 56.0)	₹ 315.0
Payables	(₹ 151.0)	₹ 142.0	₹ 501.0	₹ 442.0	₹ 287.0	(₹ 241.0)	₹ 1,143.0	₹ 644.0	(₹ 539.0)	₹ 269.0
Other WC items	-	-	-	-	-	-	(₹ 92.0)	₹ 242.0	₹ 657.0	(₹ 212.0)
Working capital changes	(₹ 450.0)	₹ 198.0	(₹ 603.0)	(₹ 80.0)	(₹ 410.0)	(₹ 331.0)	(₹ 206.0)	(₹ 2,795.0)	(₹ 772.0)	₹ 10.0
Direct taxes	(₹ 633.0)	(₹ 802.0)	(₹ 925.0)	(₹ 1,081.0)	(₹ 982.0)	(₹ 1,011.0)	(₹ 1,080.0)	(₹ 1,176.0)	(₹ 1,494.0)	(₹ 1,835.0)
<b>Cash from Operating Activities</b>	<b>₹ 738.0</b>	<b>₹ 2,442.0</b>	<b>₹ 925.0</b>	<b>₹ 2,033.0</b>	<b>₹ 2,059.0</b>	<b>₹ 2,706.0</b>	<b>₹ 3,477.0</b>	<b>(₹ 1,808.0)</b>	<b>₹ 3,422.0</b>	<b>₹ 6,114.0</b>

#### Investing Activities

Fixed assets purchased	(₹ 454.0)	(₹ 817.0)	(₹ 684.0)	(₹ 1,426.0)	(₹ 1,151.0)	(₹ 404.0)	(₹ 282.0)	(₹ 551.0)	(₹ 1,446.0)	(₹ 2,496.0)
Fixed assets sold	₹ 16.0	₹ 15.0	₹ 17.0	₹ 17.0	₹ 17.0	₹ 37.0	₹ 28.0	₹ 40.0	₹ 26.0	₹ 5.0
Investments purchased	(₹ 243.0)	(₹ 282.0)	(₹ 153.0)	(₹ 320.0)	(₹ 573.0)	(₹ 25.0)	(₹ 140.0)	-	(₹ 146.0)	(₹ 212.0)
Investments sold	₹ 278.0	₹ 205.0	₹ 357.0	₹ 362.0	₹ 733.0	₹ 134.0	₹ 272.0	₹ 207.0	₹ 446.0	₹ 240.0
Interest received	₹ 11.0	₹ 15.0	₹ 32.0	₹ 39.0	₹ 40.0	₹ 65.0	₹ 73.0	₹ 77.0	₹ 87.0	₹ 135.0
Dividends received	₹ 71.0	₹ 69.0	₹ 74.0	₹ 38.0	₹ 40.0	₹ 27.0	₹ 8.0	₹ 15.0	₹ 56.0	₹ 129.0
Investment in group cos	-	-	-	-	-	-	-	-	(₹ 180.0)	-
Redemp n Canc of Shares	-	-	-	₹ 141.0	-	-	-	-	-	-
Acquisition of companies	-	-	-	(₹ 525.0)	-	-	-	-	-	-
Other investing items	(₹ 144.0)	(₹ 70.0)	(₹ 324.0)	₹ 118.0	(₹ 24.0)	(₹ 353.0)	(₹ 500.0)	(₹ 105.0)	(₹ 126.0)	(₹ 350.0)
<b>Cash from Investing Activities</b>	<b>(₹ 465.0)</b>	<b>(₹ 865.0)</b>	<b>(₹ 681.0)</b>	<b>(₹ 1,556.0)</b>	<b>(₹ 918.0)</b>	<b>(₹ 519.0)</b>	<b>(₹ 541.0)</b>	<b>(₹ 317.0)</b>	<b>(₹ 1,283.0)</b>	<b>(₹ 2,549.0)</b>

#### Financing Activities

Proceeds from shares	-	-	-	-	-	-	-	-	-	₹ 1.0
Proceeds from borrowings	₹ 239.0	₹ 8.0	₹ 271.0	₹ 10.0	₹ 243.0	₹ 18.0	₹ 155.0	₹ 418.0	₹ 254.0	₹ 101.0
Repayment of borrowings	(₹ 86.0)	(₹ 119.0)	(₹ 58.0)	(₹ 54.0)	(₹ 26.0)	(₹ 279.0)	(₹ 14.0)	(₹ 8.0)	(₹ 25.0)	(₹ 98.0)
Interest paid fin	(₹ 35.0)	(₹ 40.0)	(₹ 36.0)	(₹ 35.0)	(₹ 106.0)	(₹ 101.0)	(₹ 89.0)	(₹ 94.0)	(₹ 142.0)	(₹ 191.0)
Dividends paid	(₹ 695.0)	(₹ 764.0)	(₹ 947.0)	(₹ 1,218.0)	(₹ 1,049.0)	(₹ 2,121.0)	(₹ 499.0)	(₹ 1,763.0)	(₹ 1,936.0)	(₹ 2,551.0)
Financial liabilities	-	-	-	-	(₹ 180.0)	(₹ 179.0)	(₹ 203.0)	(₹ 221.0)	(₹ 256.0)	(₹ 286.0)
Other financing items	-	₹ 66.0	₹ 13.0	(₹ 82.0)	-	(₹ 209.0)	-	(₹ 140.0)	(₹ 36.0)	₹ 41.0
<b>Cash from Financing Activities</b>	<b>(₹ 577.0)</b>	<b>(₹ 849.0)</b>	<b>(₹ 757.0)</b>	<b>(₹ 1,379.0)</b>	<b>(₹ 1,118.0)</b>	<b>(₹ 2,871.0)</b>	<b>(₹ 650.0)</b>	<b>(₹ 1,808.0)</b>	<b>(₹ 2,141.0)</b>	<b>(₹ 2,983.0)</b>

<b>Net Cash Flow</b>	<b>(₹ 304.0)</b>	<b>₹ 728.0</b>	<b>(₹ 513.0)</b>	<b>(₹ 902.0)</b>	<b>₹ 23.0</b>	<b>(₹ 684.0)</b>	<b>₹ 2,286.0</b>	<b>(₹ 3,933.0)</b>	<b>(₹ 2.0)</b>	<b>₹ 582.0</b>
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## ASIAN PAINTS LTD

BSE Code : 500820 | NSE Code : ASIANPAINT



### Common Size Income Statement - ASIAN PAINTS LTD

Particulars	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
<b>Sales</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
Raw Material Cost	50.49%	46.03%	49.48%	48.31%	51.84%	49.39%	48.02%	58.84%	55.05%	49.05%
Change in Inventory	1.09%	(1.40%)	3.51%	(0.84%)	1.52%	1.18%	0.43%	4.55%	0.90%	(1.02%)
Power and Fuel	0.96%	0.80%	0.70%	0.66%	0.62%	0.48%	0.40%	0.40%	0.40%	0.38%
Other Mfr. Exp	11.05%	10.76%	11.04%	10.05%	9.68%	9.63%	9.53%	9.90%	8.46%	7.80%
Employee Cost	6.88%	6.97%	6.90%	6.67%	6.46%	6.78%	7.13%	6.17%	5.90%	6.58%
Selling and admin	24.62%	27.41%	28.97%	13.40%	12.30%	11.44%	10.34%	10.11%	10.15%	10.74%
Other Expenses	(9.39%)	(12.47%)	(13.47%)	1.02%	1.05%	2.89%	2.65%	2.63%	2.79%	3.06%
Other Income	1.04%	1.50%	2.24%	2.00%	1.42%	1.76%	1.53%	1.02%	1.25%	2.31%
Depreciation	1.95%	1.93%	2.22%	2.14%	3.23%	3.86%	3.64%	2.81%	2.49%	2.40%
Interest	0.31%	0.34%	0.25%	0.25%	0.57%	0.51%	0.42%	0.33%	0.42%	0.58%
Profit before tax	15.25%	18.32%	19.65%	18.65%	17.18%	17.96%	19.82%	14.39%	16.49%	20.70%
Tax	4.77%	5.92%	6.26%	6.19%	5.71%	4.23%	5.06%	3.79%	4.33%	5.04%
Net profit	10.25%	12.23%	12.88%	12.12%	11.21%	13.38%	14.46%	10.41%	11.91%	15.38%
Dividend Amount	4.30%	5.04%	6.56%	4.96%	5.23%	5.70%	7.89%	6.31%	7.13%	9.00%
EBITDA	17.28%	20.42%	21.61%	20.69%	20.72%	21.98%	23.58%	17.34%	19.14%	23.41%

### Common Size Balance Sheet - ASIAN PAINTS LTD

	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
<b>Total Liabilities</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
Equity Share Capital	1.08%	0.91%	0.77%	0.70%	0.59%	0.59%	0.47%	0.42%	0.37%	0.32%
Reserves	52.12%	60.89%	60.52%	60.41%	57.69%	62.18%	62.44%	59.74%	61.66%	62.31%
Borrowings	4.69%	3.06%	4.52%	3.88%	8.12%	6.93%	5.37%	6.91%	7.50%	8.28%
Other Liabilities	42.11%	35.14%	34.19%	35.02%	33.59%	30.30%	31.72%	32.93%	30.47%	29.09%
<b>Total Assets</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
Fixed Assets Net Block	29.84%	32.35%	26.63%	27.12%	39.98%	38.87%	28.78%	24.04%	22.38%	23.90%
Capital Work in Progress	2.20%	1.01%	2.08%	10.21%	1.29%	0.87%	0.90%	1.86%	3.96%	9.02%
Investments	17.81%	25.69%	21.38%	15.55%	15.81%	12.51%	23.27%	14.15%	16.53%	15.34%
Other Assets	50.15%	40.95%	49.91%	47.12%	42.92%	47.75%	47.05%	59.96%	57.13%	51.73%
Receivables	13.26%	11.24%	11.66%	12.57%	11.74%	11.12%	12.78%	16.86%	17.99%	16.35%
Inventory	25.34%	18.92%	21.18%	19.31%	19.39%	21.01%	18.66%	26.80%	24.09%	19.81%
Cash & Bank	2.29%	4.02%	6.46%	2.94%	2.74%	4.85%	3.00%	3.76%	3.27%	3.63%

# ASIAN PAINTS LTD

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Years	Ratio Analysis of - ASIAN PAINTS LTD										Trend	Mean	Median
	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24			
Sales Growth		4.82%	5.54%	11.70%	14.36%	5.05%	7.43%	34.03%	18.51%	2.92%		11.59%	7.43%
EBITDA Growth		9.86%	7.02%	17.51%	10.41%	16.81%	(1.07%)	30.32%	21.17%	0.00%		12.45%	10.41%
EBIT Growth		24.07%	9.21%	6.88%	8.22%	7.97%	21.34%	(2.04%)	35.09%	24.15%		14.99%	9.21%
Net Profit Growth		21.07%	7.87%	4.93%	9.83%	25.07%	18.85%	(3.00%)	34.96%	25.85%		16.16%	18.85%
Dividend Growth		22.95%	37.33%	(15.53%)	20.69%	14.29%	48.75%	7.28%	33.94%	29.82%		22.17%	22.95%
Gross Margin	31.70%	34.04%	35.38%	33.47%	32.92%	34.90%	35.36%	29.25%	31.09%	35.17%		33.51%	34.04%
EBITDA Margin	16.47%	19.09%	19.88%	19.04%	19.57%	20.57%	22.36%	16.51%	18.15%	21.37%		19.62%	19.57%
EBIT Margin	2.26%	2.27%	2.47%	2.39%	3.81%	4.37%	4.07%	3.13%	2.91%	2.98%		3.16%	2.98%
EBT Margin	14.21%	16.82%	17.41%	16.65%	15.76%	16.20%	18.30%	13.37%	15.24%	18.39%		16.46%	16.65%
Net Profit Margin	9.44%	10.90%	11.14%	10.47%	10.05%	11.97%	13.24%	9.58%	10.91%	13.34%		11.29%	10.91%
Sales Expenses% Sales	15.23%	14.94%	15.51%	14.42%	13.35%	14.33%	13.00%	12.74%	12.94%	13.80%		13.89%	13.80%
Depreciation%Sales	1.95%	1.93%	2.22%	2.14%	3.23%	3.86%	3.64%	2.81%	2.49%	2.40%		2.75%	2.49%
OperatingIncome%Sales	2.26%	2.27%	2.47%	2.39%	3.81%	4.37%	4.07%	3.13%	2.91%	2.98%		3.16%	2.98%
Return on Capital Employed	38.31%	35.77%	32.57%	31.79%	29.13%	30.02%	29.24%	25.89%	30.14%	31.75%		30.70%	30.14%
Retained Earnings %	54.47%	53.77%	41.13%	52.62%	47.93%	52.42%	40.45%	34.14%	34.63%	32.57%		43.29%	41.13%
Return on Equity %	27.10%	23.85%	22.07%	20.94%	20.42%	23.88%	22.45%	20.19%	23.54%	25.29%		22.51%	22.45%
Self Sustained Growth Rate	14.76%	12.82%	9.08%	11.02%	9.79%	12.52%	9.08%	6.89%	8.15%	8.24%		9.73%	9.08%
Interest Coverage Ratio	46.80x	49.99x	71.23x	68.57x	28.45x	32.99x	44.36x	41.79x	37.40x	32.81x		45.29x	41.79x
Debtor Turnover Ratio	11.52x	12.02x	10.41x	9.72x	10.09x	11.26x	8.34x	7.52x	7.44x	7.26x		9.34x	9.72x
Creditor Turnover Ratio	3.63x	3.85x	3.55x	3.49x	3.52x	4.13x	3.36x	3.85x	4.39x	4.08x		3.80x	3.85x
Inventory Turnover	6.03x	7.14x	5.73x	6.33x	6.11x	5.96x	5.72x	4.73x	5.55x	5.99x		5.92x	5.96x
Fixed Asset Turnover	5.12x	4.18x	4.56x	4.51x	2.96x	3.22x	3.71x	5.27x	5.98x	4.97x		4.37x	4.51x
Capital Turnover Ratio	2.87x	2.19x	1.98x	2.00x	2.03x	2.00x	1.70x	2.11x	2.16x	1.90x		2.01x	2.00x
Debtor Days	32 Days	30 Days	35 Days	38 Days	36 Days	32 Days	44 Days	49 Days	49 Days	50 Days		40 Days	38 Days
Payable Days	101 Days	95 Days	103 Days	105 Days	104 Days	88 Days	109 Days	95 Days	83 Days	89 Days		97 Days	95 Days
Inventory Days	61 Days	51 Days	64 Days	58 Days	60 Days	61 Days	64 Days	77 Days	66 Days	61 Days		62 Days	61 Days
Cash Conversion Cycle	(8 Days)	(13 Days)	(4 Days)	(9 Days)	(8 Days)	5 Days	(1 Days)	31 Days	32 Days	22 Days		6 Days	(1 Days)
CFO/Sales	5.42%	17.11%	6.14%	12.08%	10.70%	13.39%	16.01%	(6.21%)	9.92%	17.23%		10.71%	12.08%
CFO/Total Assets	8.28%	23.13%	7.46%	14.77%	12.67%	16.77%	17.08%	(7.88%)	13.27%	20.45%		13.08%	14.77%
CFO/Total Debt	176.48%	755.36%	165.08%	381.12%	156.03%	241.93%	318.08%	(113.93%)	177.07%	247.09%		258.65%	241.93%

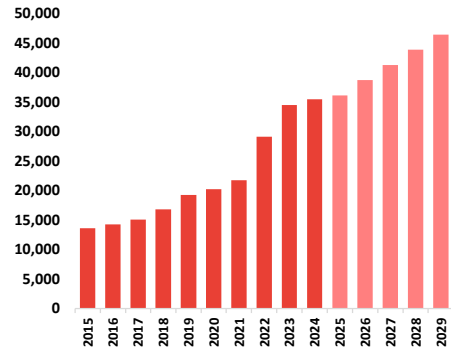
## ASIAN PAINTS LTD

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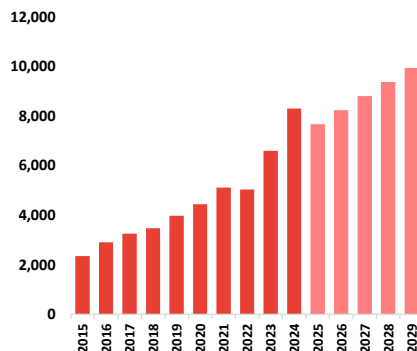
### ASIAN PAINTS LTD - Sales

Year Weight	Year	Sales	Sales Growth
1	2015A	13,615.3	
2	2016A	14,271.5	4.82%
3	2017A	15,062.0	5.54%
4	2018A	16,824.6	11.70%
5	2019A	19,240.1	14.36%
6	2020A	20,211.3	5.05%
7	2021A	21,712.8	7.43%
8	2022A	29,101.3	34.03%
9	2023A	34,488.6	18.51%
10	2024A	35,494.7	2.92%
11	2025E	36,144.4	1.83%
12	2026E	38,715.8	7.11%
13	2027E	41,287.1	6.64%
14	2028E	43,858.4	6.23%
15	2029E	46,429.7	5.86%



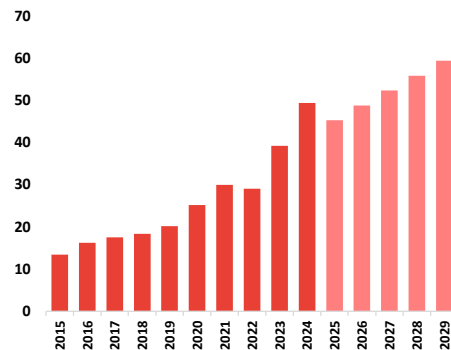
### ASIAN PAINTS LTD - EBITDA

Year Weight	Year	EBITDA	EBITDA Growth
1	2015A	2,352.9	
2	2016A	2,914.2	23.86%
3	2017A	3,254.8	11.69%
4	2018A	3,481.8	6.97%
5	2019A	3,986.6	14.50%
6	2020A	4,442.9	11.44%
7	2021A	5,119.8	15.24%
8	2022A	5,045.3	(1.46%)
9	2023A	6,602.4	30.86%
10	2024A	8,308.5	25.84%
11	2025E	7,675.6	(7.62%)
12	2026E	8,243.7	7.40%
13	2027E	8,811.8	6.89%
14	2028E	9,380.0	6.45%
15	2029E	9,948.1	6.06%



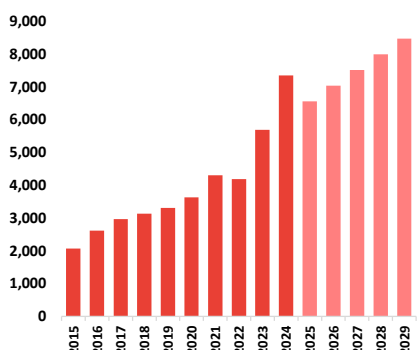
### ASIAN PAINTS LTD - Earnings per Share

Year Weight	Year	EPS	EPS Growth
1	2015A	13.4	
2	2016A	16.2	21.07%
3	2017A	17.5	7.87%
4	2018A	18.4	4.93%
5	2019A	20.2	9.83%
6	2020A	25.2	25.07%
7	2021A	30.0	18.85%
8	2022A	29.1	(3.00%)
9	2023A	39.2	34.96%
10	2024A	49.4	25.85%
11	2025E	45.3	(8.31%)
12	2026E	48.8	7.80%
13	2027E	52.3	7.24%
14	2028E	55.9	6.75%
15	2029E	59.4	6.32%



### ASIAN PAINTS LTD - Earnings Before Tax

Year Weight	Year	EBT	EBT Growth
1	2015A	2,076.9	
2	2016A	2,613.9	25.86%
3	2017A	2,959.5	13.23%
4	2018A	3,138.5	6.05%
5	2019A	3,306.1	5.34%
6	2020A	3,629.0	9.77%
7	2021A	4,304.4	18.61%
8	2022A	4,187.7	(2.71%)
9	2023A	5,688.8	35.85%
10	2024A	7,347.8	29.16%
11	2025E	6,556.1	(10.77%)
12	2026E	7,034.4	7.30%
13	2027E	7,512.7	6.80%
14	2028E	7,991.1	6.37%
15	2029E	8,469.4	5.99%



## ASIAN PAINTS LTD

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### Regression Beta - 2 years weekly

ASIAN PAINTS LTD. Weekly Returns			NIFTY Weekly Returns			Beta Shifitng	
Date	Closing Price	Retruns	Date	Closing Price	Retruns	Levered Raw Beta	0.70
15-08-2022	3415.46		15-08-2022	17758.45		Raw Beta Weight	75.00%
22-08-2022	3259.52	(4.57%)	22-08-2022	17558.90	(1.12%)		
29-08-2022	3364.95	3.23%	29-08-2022	17539.45	(0.11%)	Market Beta	1.00
05-09-2022	3375.54	0.31%	05-09-2022	17833.35	1.68%	Market Beta Weight	25.00%
12-09-2022	3258.54	(3.47%)	12-09-2022	17530.85	(1.70%)		
19-09-2022	3329.84	2.19%	19-09-2022	17327.35	(1.16%)	Adjusted Beta	0.78
26-09-2022	3278.06	(1.56%)	26-09-2022	17094.35	(1.34%)		
03-10-2022	3279.29	0.04%	03-10-2022	17314.65	1.29%	Beta 1 (Slope)	0.70
10-10-2022	3124.13	(4.73%)	10-10-2022	17185.70	(0.74%)	Beta 2 (Cov/Var)	0.70
17-10-2022	3032.83	(2.92%)	17-10-2022	17576.30	2.27%	Beta 3 (Regression)	0.70
24-10-2022	2994.58	(1.26%)	24-10-2022	17786.80	1.20%	Levered Raw Beta	0.70
31-10-2022	3120.06	4.19%	31-10-2022	18117.15	1.86%		
07-11-2022	3000.86	(3.82%)	07-11-2022	18349.70	1.28%		
14-11-2022	3040.25	1.31%	14-11-2022	18307.65	(0.23%)		
21-11-2022	3052.67	0.41%	21-11-2022	18512.75	1.12%		
28-11-2022	3087.34	1.14%	28-11-2022	18696.10	0.99%		
05-12-2022	3169.35	2.66%	05-12-2022	18496.60	(1.07%)		
12-12-2022	3001.35	(5.30%)	12-12-2022	18269.00	(1.23%)		
19-12-2022	3003.32	0.07%	19-12-2022	17806.80	(2.53%)		
26-12-2022	3032.78	0.98%	26-12-2022	18105.30	1.68%		
02-01-2023	2925.24	(3.55%)	02-01-2023	17859.45	(1.36%)		
09-01-2023	2857.22	(2.33%)	09-01-2023	17956.60	0.54%		
16-01-2023	2738.04	(4.17%)	16-01-2023	18027.65	0.40%		
23-01-2023	2674.05	(2.34%)	23-01-2023	17604.35	(2.35%)		
30-01-2023	2711.13	1.39%	30-01-2023	17854.05	1.42%		
06-02-2023	2754.54	1.60%	06-02-2023	17856.50	0.01%		
13-02-2023	2783.02	1.03%	13-02-2023	17944.20	0.49%		
20-02-2023	2689.62	(3.36%)	20-02-2023	17465.80	(2.67%)		
27-02-2023	2778.36	3.30%	27-02-2023	17594.35	0.74%		
06-03-2023	2779.68	0.05%	06-03-2023	17412.90	(1.03%)		
13-03-2023	2811.55	1.15%	13-03-2023	17100.05	(1.80%)		
20-03-2023	2748.55	(2.24%)	20-03-2023	16945.05	(0.91%)		
27-03-2023	2712.36	(1.32%)	27-03-2023	17359.75	2.45%		
03-04-2023	2759.70	1.75%	03-04-2023	17599.15	1.38%		
10-04-2023	2759.60	(0.00%)	10-04-2023	17828.00	1.30%		
17-04-2023	2830.66	2.57%	17-04-2023	17624.05	(1.14%)		
24-04-2023	2850.55	0.70%	24-04-2023	18065.00	2.50%		
01-05-2023	2959.17	3.81%	01-05-2023	18069.00	0.02%		

**ASIAN PAINTS LTD**

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Calculation of ROIC	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
<b>Current Assets</b>					
Inventories	3,390.0	3,799.0	6,153.0	6,211.0	5,923.0
Trade receivables	1,795.0	2,602.0	3,871.0	4,637.0	4,889.0
Cash Equivalents	783.0	611.0	864.0	844.0	1,084.0
Short term loans	12.0	11.0	8.0	12.0	17.0
Other asset items	1,727.0	2,555.0	2,869.0	3,024.0	3,555.0
<b>Total Current Assets</b>	<b>7,707.0</b>	<b>9,578.0</b>	<b>13,765.0</b>	<b>14,728.0</b>	<b>15,468.0</b>
<b>Current Liabilities</b>					
Non controlling int	404.0	423.0	388.0	454.0	695.0
Trade Payables	2,137.0	3,379.0	4,164.0	3,635.0	3,831.0
Advance from Customers	29.0	41.0	76.0	108.0	154.0
Other liability items	2,320.0	2,613.0	2,932.0	3,657.0	4,017.0
<b>Total Current Liabilities</b>	<b>4,890.0</b>	<b>6,456.0</b>	<b>7,560.0</b>	<b>7,854.0</b>	<b>8,697.0</b>
<b># Net Working Capital</b>	<b>2,817.0</b>	<b>3,122.0</b>	<b>6,205.0</b>	<b>6,874.0</b>	<b>6,771.0</b>
<b>Non Current Assets</b>					
Land	640.0	644.0	644.0	804.0	1,126.0
Building	2,257.0	2,249.0	2,325.0	2,883.0	3,390.0
Plant Machinery	4,208.0	4,340.0	4,531.0	4,825.0	5,422.0
Equipments	241.0	243.0	253.0	270.0	298.0
Furniture n fittings	94.0	99.0	113.0	146.0	175.0
Vehicles	43.0	38.0	32.0	36.0	40.0
Intangible Assets	505.0	476.0	345.0	422.0	850.0
Other fixed assets	293.0	302.0	294.0	289.0	321.0
<b>Gross Block</b>	<b>8,281.0</b>	<b>8,391.0</b>	<b>8,537.0</b>	<b>9,675.0</b>	<b>11,622.0</b>
Accumulated Depreciation	2,010.0	2,533.0	3,019.0	3,814.0	4,381.0
<b># Net Non Current Assets</b>	<b>10,291.0</b>	<b>10,924.0</b>	<b>11,556.0</b>	<b>13,489.0</b>	<b>16,003.0</b>
<b># Invested Capital</b>	<b>13,108.0</b>	<b>14,046.0</b>	<b>17,761.0</b>	<b>20,363.0</b>	<b>22,774.0</b>
<b>EBIT</b>	<b>3,376.3</b>	<b>4,064.3</b>	<b>3,987.3</b>	<b>5,401.8</b>	<b>6,732.0</b>
<b># ROIC</b>	<b>25.76%</b>	<b>28.94%</b>	<b>22.45%</b>	<b>26.53%</b>	<b>29.56%</b>
<b># Calculation of Reinvestment Rate</b>	<b>Mar-20</b>	<b>Mar-21</b>	<b>Mar-22</b>	<b>Mar-23</b>	<b>Mar-24</b>
Net Capex	923.0	823.0	868.0	2,729.0	5,045.0
Change in Working Capital		305.0	3,083.0	669.0	(103.0)
EBIT	3,376.3	4,064.3	3,987.3	5,401.8	6,732.0
Marginal Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%
EBIT(1-T)	2,532.2	3,048.2	2,990.4	4,051.4	5,049.0
Reinvestment		1,128.0	3,951.0	3,398.0	4,942.0
<b>Reinvestment Rate</b>		<b>37.00%</b>	<b>132.12%</b>	<b>83.87%</b>	<b>97.88%</b>
				<b>4 Year Average</b>	<b>87.72%</b>
				<b>4 Year Median</b>	<b>90.88%</b>
<b># Calculation of Growth rate</b>	<b>Mar-20</b>	<b>Mar-21</b>	<b>Mar-22</b>	<b>Mar-23</b>	<b>Mar-24</b>
Reinvestment Rate		37.00%	132.12%	83.87%	97.88%
ROIC		28.94%	22.45%	26.53%	29.56%
<b>Intrinsic Growth</b>		<b>10.708%</b>	<b>29.660%</b>	<b>22.250%</b>	<b>28.934%</b>
				<b>4 Year Average</b>	<b>22.89%</b>
				<b>4 Year Median</b>	<b>25.59%</b>

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## Weighted Average Cost of Capital

All figures are in INR unless stated otherwise.

### Peer Comps

Name	Country	Total Debt	Total Equity	Tax Rate <sup>1</sup>	Debt/ Equity	Debt/ Capital	Levered Beta <sup>2</sup>	Unlevered Beta <sup>3</sup>
Asian Paints	India	2474.38	288219.69	30%	0.86%	0.85%	0.70	0.70
Berger Paints	India	753.29	61956.25	30%	1.22%	1.20%	0.94	0.93
Kansai Nerolac	India	276.42	23447.02	30%	1.18%	1.17%	0.62	0.61
Akzo Nobel	India	60.4	14499.81	30%	0.42%	0.41%	0.23	0.23
Indigo Paints	India	16.84	6848.64	30%	0.25%	0.25%	0.50	0.50
<b>Average</b>				30.00%	0.78%	0.78%	0.60	0.60
<b>Median</b>				30.00%	0.86%	0.85%	0.62	0.61

### Cost of Debt

Pre-tax Cost of Debt	10.64%
Tax Rate	30.00%
After Tax Cost of Debt	7.45%

Risk Free Rate	6.99%
Equity Risk Premium	15.61%
Levered Beta <sup>4</sup>	0.80
Cost of Equity	19.40%

### Capital Structure

		Current	Target
Total Debt	2,474.4	0.85%	0.78%
Market Capitalization	2,88,219.7	99.15%	99.22%
Total Capitalization	290694.07	100.00%	100.00%

Debt / Equity	0.86%	0.78%
---------------	-------	-------

### Levered Beta

Comps Median Unlevered Beta	0.61
Target Debt/ Equity	0.78%
Tax Rate	30.00%
Levered Beta	0.80

### Weighted Average Cost of Capital

Cost of Equity	19.40%
Equity Weight	99.22%
Cost of Debt	7.45%
Debt Weight	0.78%
<b>WACC</b>	<b>19.31%</b>

1. Tax Rate considered as Marginal Tax Rate for the country
2. Levered Beta is based on 5 year monthly data
3. Unlevered Beta = Levered Beta / (1 + (1 - Tax Rate) x Debt/Equity)
4. Levered Beta = Unlevered Beta \* (1 + (1 - Tax Rate) x Debt/Equity)

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## ASIAN PAINTS LTD

BSE Code : 500820 | NSE Code : ASIANPAINT



Calculation of PV of FCFF	Mar-24A	Mar-25F	Apr-26F	Apr-27F	Mar-28F	Mar-29F
EBIT	6,731.98	8,454.80	10,618.51	13,335.95	16,748.83	21,035.11
Tax Rate	25%	25%	25%	25%	25%	25%
EBIT(1-T)	5,048.99	6,341.10	7,963.88	10,001.96	12,561.62	15,776.33
Less: Reinvestment Rate	90.88%	79.41%	67.94%	56.47%	45.00%	45.00%
Free Cash Flow to Firm (FCFF)	460.62	1,305.77	2,553.34	4,353.93	6,908.89	8,676.98
Mid Year Convention		0.5	1.5	2.5	3.5	4.5
Discounting Factor		0.916	0.767	0.643	0.539	0.452
<b>PV of FCFF</b>		<b>1,195.45</b>	<b>1,959.31</b>	<b>2,800.30</b>	<b>3,724.45</b>	<b>3,920.59</b>

Expected Growth	25.59%
Terminal Growth	6.50%
WACC	19.31%

Calculation of Terminal Value	
FCFF (n+1)	10,897.56
WACC	19.31%
Terminal Growth Rate	6.50%
<b>Terminal Value</b>	<b>85,082.36</b>

Sensitivity Analysis - Terminal Value					
		WACC			
		18%	19.31%	20%	21%
Terminal Growth Rate	5%	78,920.65	73,591.14	68,935.91	64,834.59
	6%	85,082.36	78,920.65	73,591.14	68,935.91
	6.50%	92,287.70	85,082.36	78,920.65	73,591.14
	8%	1,00,826.33	92,287.70	85,082.36	78,920.65
	9%	1,11,106.09	1,00,826.33	92,287.70	85,082.36

Calculation of Equity Value per Share	
PV of FCFF	13,600.11
PV of Terminal Value	38,443.46
<b>Value of Operating Assets</b>	<b>52,043.57</b>
Add: Cash	1,084.01
Less: Debt	1,107.00
<b>Value of Equity</b>	<b>52,020.58</b>
No of Shares	96.80
<b>Equity Value per Share</b>	<b>537.39</b>

Sensitivity Analysis - Equity Value per Share					
		18%	19.31%	20%	21%
Terminal Growth Rate	5%	508.63	483.75	462.02	442.88
	6%	537.39	508.63	483.75	462.02
	6.50%	571.02	537.39	508.63	483.75
	8%	610.87	571.02	537.39	508.63
	9%	658.86	610.87	571.02	537.39

Share price	3,025.85
Discount/Premium	5.63x

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ASIAN PAINTS LTD

BSE Code : 500820 | NSE Code : ASIANPAINT



Amount in crores

Comparable Company Valuation

Company	Ticker	Market Data					Financials			Valuation		
		Share Price	Shares Outstanding	Equity Value	Net Debt	Enterprise Value	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E
Asian Paints	ASIANPAINT.NS	3,025.85	95.92	2,90,239.53	2,474.38	2,92,713.91	35,282.15	7,943.61	5,169.64	8.30x	36.85x	56.14x
Berger Paints	BERGEPAIN.NS	547.20	116.58	63,792.58	753.29	64,545.87	11,260.42	1,960.28	1,168.94	5.73x	32.93x	54.57x
Indigo Paints	INDIGOPNTS.NS	1,436.85	4.76	6,839.41	16.84	6,856.25	1,271.80	244.72	143.82	5.39x	28.02x	47.56x
MCON Rasayan	MCON-SM.NS	194.50	0.63	122.54	15.95	138.49	42.13	5.72	2.24	3.29x	24.21x	54.70x
Akzo Nobel	AKZOINDIA.NS	3,194.85	4.55	14,536.57	60.40	14,596.97	3,998.70	676.20	431.40	3.65x	21.59x	33.70x
Kansai Nerolac	KANSAINER.NS	290.85	80.84	23,512.31	276.42	23,788.73	7,777.70	1,134.37	666.73	3.06x	20.97x	35.27x
Shalimar Paints	SHALPAINTS.NS	133.94	8.37	1,121.08	105.88	1,226.96	537.61	(63.35)	(90.62)	2.28x	(19.37x)	(12.37x)
High										8.30x	36.85x	56.14x
75th Percentile										5.56x	30.47x	54.64x
Average										4.53x	20.74x	38.51x
Median										3.65x	24.21x	47.56x
25th Percentile										3.17x	21.28x	34.48x
Low										2.28x	(19.37x)	(12.37x)

Asian Paints Comparable Valuation										EV/Revenue	EV/EBITDA	P/E
Implied Enterprise Value										1,28,794.96	1,92,320.08	2,48,318.26
Net Debt										2,474.38	2,474.38	2,474.38
Implied Market Value										1,26,320.58	1,89,845.70	2,45,843.88
Shares Outstanding										95.92	95.92	95.92
Implied Value per Share										1,316.94	1,979.21	2,563.01

Source: The Valuation School, Screener.in

Overvalued Overvalued Overvalued

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# ASIAN PAINTS LTD

BSE Code : 500820 | NSE Code : ASIANPAINT

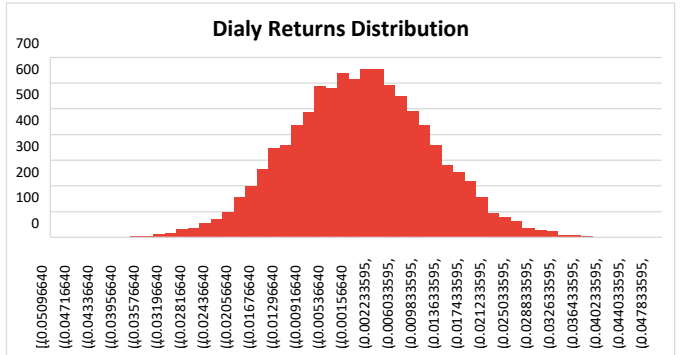


#	Date	Adj Close	Return	Sorted Returns
	10-04-2003	16.36	(0.011007886)	(0.001389879)
	09-04-2003	16.54	(0.000641580)	0.011130408
	08-04-2003	16.55	(0.004381626)	0.000641992
	07-04-2003	16.62	(0.004542399)	0.004400909
	04-04-2003	16.70	0.002094212	0.004563126
	03-04-2003	16.66	(0.000727706)	(0.002089835)
	02-04-2003	16.68	0.003011256	0.000728236
	01-04-2003	16.63	(0.003772640)	(0.003002216)
	31-03-2003	16.69	(0.009321128)	0.003786926
	28-03-2003	16.85	(0.015952739)	0.009408829
	27-03-2003	17.12	(0.000708606)	0.016211355
	26-03-2003	17.13	(0.009083024)	0.000709108
	25-03-2003	17.29	(0.018518355)	0.009166281
	24-03-2003	17.61	0.008381213	0.018867754
	21-03-2003	17.47	0.004099256	(0.008311552)
	20-03-2003	17.40	0.013971279	(0.004082521)
	19-03-2003	17.16	0.026179727	(0.013778771)
	18-03-2003	16.72	0	(0.025511834)
	17-03-2003	16.72	(0.004516522)	0
	14-03-2003	16.79	0	0.004537013
	13-03-2003	16.79	0.004081664	0
	12-03-2003	16.73	(0.005098669)	(0.004065072)
	11-03-2003	16.81	0.011870415	0.005124799
	10-03-2003	16.62	0.026238405	(0.011731162)
	07-03-2003	16.19	0.019731981	(0.025567553)
	06-03-2003	15.88	0.007558026	(0.019350164)
	05-03-2003	15.76	(0.002879710)	(0.007501331)
	04-03-2003	15.80	(0.009037742)	0.002888027
	03-03-2003	15.95	(0.007272160)	0.009120168
	28-02-2003	16.06	(0.011482761)	0.007325432
	27-02-2003	16.25	0.003889319	0.011616146
	26-02-2003	16.19	(0.011442178)	(0.003874251)
	25-02-2003	16.38	0.004981366	0.011574616
	24-02-2003	16.29	(0.008905187)	(0.004956675)
	21-02-2003	16.44	0.003240105	0.008985202
	20-02-2003	16.39	0.004791133	(0.003229640)
	19-02-2003	16.31	0.004672700	(0.004768288)
	18-02-2003	16.23	(0.005113662)	(0.004650968)
	17-02-2003	16.32	(0.004950161)	0.005139946
	14-02-2003	16.40	(0.007347230)	0.004974787
	13-02-2003	16.52	0	0.007401611
	12-02-2003	16.52	0.003086298	0
	11-02-2003	16.47	0.001060230	(0.003076802)
	10-02-2003	16.45	(0.009137460)	(0.001059107)
	07-02-2003	16.60	(0.005136267)	0.009221723
	06-02-2003	16.69	0	0.005162784
	05-02-2003	16.69	0.006726883	0
	04-02-2003	16.58	0.011853043	(0.006681935)
	03-02-2003	16.38	(0.006120626)	(0.011714195)
	31-01-2003	16.48	(0.013169614)	0.006158319
	30-01-2003	16.70	0.001819783	0.013345368
	29-01-2003	16.67	(0.009329823)	(0.001816478)
	28-01-2003	16.83	0.004072982	0.009417688
	27-01-2003	16.76	(0.009103015)	(0.004056460)
	24-01-2003	16.92	0.003148955	0.009186641
	23-01-2003	16.86	(0.006569125)	(0.003139071)
	22-01-2003	16.97	0.003137968	0.006612563
	21-01-2003	16.92	(0.000134486)	(0.003128152)
	20-01-2003	16.92	0.000583012	0.000134504
	17-01-2003	16.91	(0.005619403)	(0.000582673)
	16-01-2003	17.01	0.023554107	0.005651159
	15-01-2003	16.62	(0.021703212)	(0.023012078)
	14-01-2003	16.99	0.018187740	0.022184691
	13-01-2003	16.68	(0.005291847)	(0.017862855)
	10-01-2003	16.77	0.001948755	0.005320000
	09-01-2003	16.74	0.000453029	(0.001944965)
	08-01-2003	16.73	(0.000271923)	(0.000452824)
	07-01-2003	16.74	0.005468796	0.000271997
	06-01-2003	16.65	0.004716243	(0.005439051)

Replication	Simulated Returns
1	0.002903261
2	0.004175029
3	(0.010475899)
4	(0.001685700)
5	0.030396144
6	(0.005308037)
7	(0.003930682)
8	0.008716496
9	0.005500924
10	(0.020703027)
11	0.017511162
12	(0.011621115)
13	(0.013194600)
14	0.020509526
15	(0.015706482)
16	0.020951659
17	0.003106942
18	(0.018690492)
19	(0.015148476)
20	(0.000601732)
21	(0.005594141)
22	0.003899964
23	0.021220884
24	0.020917390
25	0.007357386
26	0.009425086
27	(0.015292116)
28	(0.000254715)
29	(0.015835231)
30	0.004644956
31	0.010944841
32	0.008008122
33	0.011265661
34	(0.002849054)
35	0.007282937
36	0.010125284
37	0.014988092
38	0.011023254
39	0.003995099
40	0.009702742
41	(0.001237733)
42	(0.003702511)
43	0.009739693
44	(0.016435745)
45	0.006998187
46	0.003220667
47	(0.003602201)
48	0.000819443
49	0.005581956
50	(0.002221838)
51	0.002480921
52	0.013454510
53	0.017033687
54	(0.001633607)
55	(0.009749089)
56	(0.009793116)
57	0.015503682
58	(0.005708777)
59	(0.011127533)
60	(0.014403223)
61	(0.017807688)
62	(0.016670696)
63	0.015960438
64	0.009302130
65	(0.016933997)
66	0.006350502
67	0.013412614
68	0.008059192
69	(0.005399065)

Calculation of Value at Risk - Asian Paints (Historical)				
Historical Approach				
Mean				0.01%
Std Deviation				1.18%
Min				3.95%
Max				(4.53%)
CMP				3,027.00
Percentile	Confidence	VAR %	Stock Price	VAR (INR)
5.0%	95.0%	(1.92%)	3,085.23	(58.23)
1.0%	99.0%	(3.66%)	3,137.93	(110.93)
0.5%	99.5%	(4.41%)	3,160.51	(133.51)
10%	90.0%	(1.27%)	3,065.55	(38.55)

Calculation of Value at Risk - Asian Paints (Simulation)				
Monte Carlo Simulation				
Mean				0.03%
Std Deviation				1.17%
Min				(5.10%)
Max				4.92%
CMP				3,027.00
Percentile	Confidence	VAR %	Stock Price	VAR (INR)
5.0%	95.0%	(1.86%)	3,083.37	(56.37)
1.0%	99.0%	(2.71%)	3,109.00	(82.00)
0.5%	99.5%	(2.99%)	3,117.53	(90.53)
10%	90.0%	(1.47%)	3,071.37	(44.37)



## ASIAN PAINTS LTD

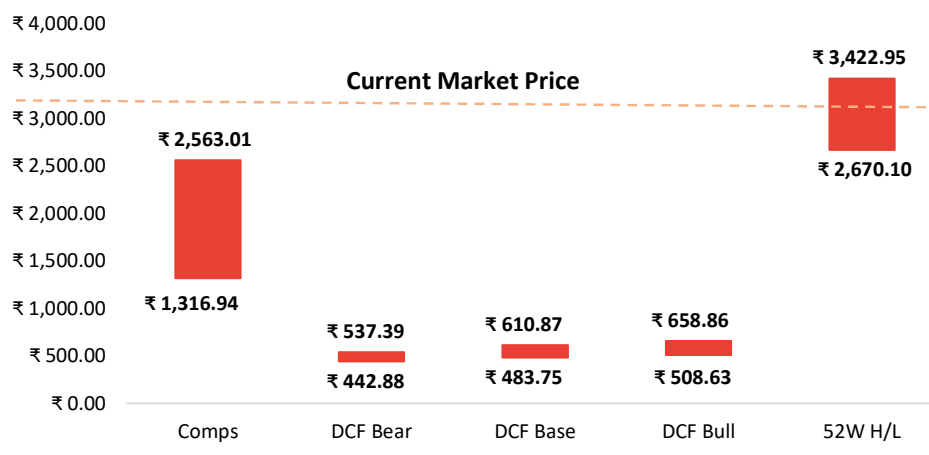
BSE Code : 500820 | NSE Code : ASIANPAINT



### Football Field Analysis - Data

	OpenLow	Low	OpenHigh	High		
Comps	₹ 1,316.94	₹ 1,316.94	₹ 2,563.01	₹ 2,563.01	CMP	₹ 3,025.85
DCF Bear	₹ 442.88	₹ 442.88	₹ 537.39	₹ 537.39		
DCF Base	₹ 483.75	₹ 483.75	₹ 610.87	₹ 610.87		
DCF Bull	₹ 508.63	₹ 508.63	₹ 658.86	₹ 658.86		
52W H/L	₹ 2,670.10	₹ 2,670.10	₹ 3,422.95	₹ 3,422.95		

### Football Field Analysis - Valuation Summary (Rs)



## ASIAN PAINTS LTD

(ASIANPAINT | BSE Code: 500820)

**INR 3025.85**

52 Week Range (Low: INR 2,670.10, High: INR 3,422.95)

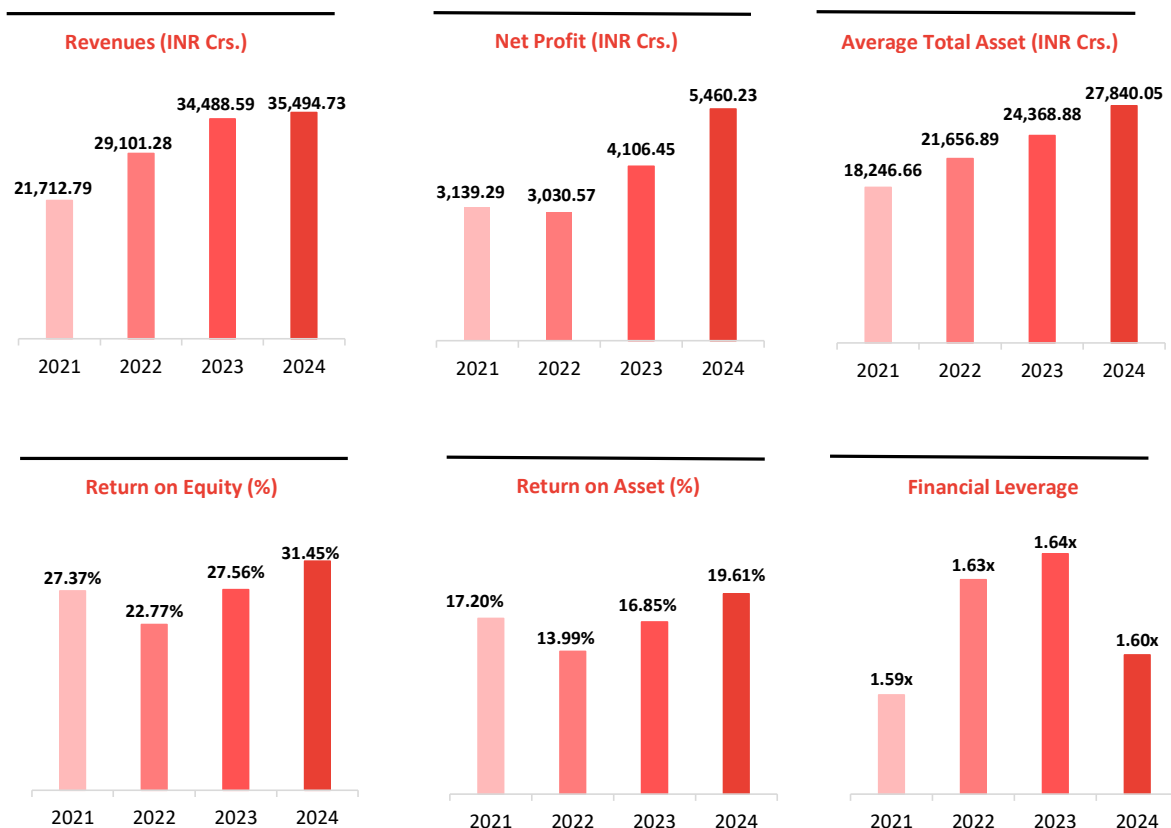


### About the Company

**Asian Paints Ltd** is an Indian multinational paint company, headquartered in Mumbai. The company is engaged in the business of manufacturing, selling and distribution of paints, coatings, products related to home décor, bath fittings and providing related services.

Asian Paints is India's largest paints company by market share. The company's manufacturing operations encompass 15 countries of the world including India, with considerable presence in the Indian subcontinent and the Middle East. It has 27 paint manufacturing facilities, servicing consumers in over 60 countries. Asian Paints is also present in the Home Improvement and Décor space in India.

### Financial Summary



### Recent Updates

- Asian Paints reported a drop in its consolidated net profit for Q1 FY25, declining nearly 25% year-on-year to Rs 1,187 crore. Revenue from operations during April-June also decreasing over 2% year-on-year to Rs 8,970 crore. EBITDA saw a substantial decline of 20.2%, amounting to Rs 1,694 crore, with margins contracting to 18.9% from 23.1% in the same quarter last year.
- Decorative Business Volume Growth At 7%. The company's international business faced challenges, with sales declining by 2.3% to Rs 679.1 crore. Despite challenges, the home decor segment showed growth, particularly in sales of bath fittings and kitchen business, which grew by 10% and 4.6% respectively.

## Dupont Analysis - Return on Equity & Return on Asset

### Return on Equity (ROE)

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,038.93	2,155.92	2,705.17	3,139.29	3,030.57	4,106.45	5,460.23
Average Shareholder Equity	8,007.06	8,940.39	9,800.36	11,468.23	13,308.93	14,901.90	17,360.27
<b>Return on Equity</b>	<b>25.46%</b>	<b>24.11%</b>	<b>27.60%</b>	<b>27.37%</b>	<b>22.77%</b>	<b>27.56%</b>	<b>31.45%</b>

### ROE - DuPont Equation

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,038.93	2,155.92	2,705.17	3,139.29	3,030.57	4,106.45	5,460.23
Revenue	16,824.55	19,240.13	20,211.25	21,712.79	29,101.28	34,488.59	35,494.73
<b>Net Profit Margin (A)</b>	<b>12.12%</b>	<b>11.21%</b>	<b>13.38%</b>	<b>14.46%</b>	<b>10.41%</b>	<b>11.91%</b>	<b>15.38%</b>

Revenue	16,824.55	19,240.13	20,211.25	21,712.79	29,101.28	34,488.59	35,494.73
Average Total Asset	13,084.34	15,006.16	16,193.41	18,246.66	21,656.89	24,368.88	27,840.05
<b>Asset Turnover Ratio (B)</b>	<b>128.59%</b>	<b>128.21%</b>	<b>124.81%</b>	<b>119.00%</b>	<b>134.37%</b>	<b>141.53%</b>	<b>127.50%</b>

Average Total Asset	13,084.34	15,006.16	16,193.41	18,246.66	21,656.89	24,368.88	27,840.05
Average Shareholder Equity	8,007.06	8,940.39	9,800.36	11,468.23	13,308.93	14,901.90	17,360.27
<b>Equity Multiplier (C)</b>	<b>1.63x</b>	<b>1.68x</b>	<b>1.65x</b>	<b>1.59x</b>	<b>1.63x</b>	<b>1.64x</b>	<b>1.60x</b>

<b>Return on Equity (A*B*C)</b>	<b>25.46%</b>	<b>24.11%</b>	<b>27.60%</b>	<b>27.37%</b>	<b>22.77%</b>	<b>27.56%</b>	<b>31.45%</b>
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### Return on Asset (ROA)

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,038.93	2,155.92	2,705.17	3,139.29	3,030.57	4,106.45	5,460.23
Average Total Asset	13,084.34	15,006.16	16,193.41	18,246.66	21,656.89	24,368.88	27,840.05
<b>Return on Asset</b>	<b>15.58%</b>	<b>14.37%</b>	<b>16.71%</b>	<b>17.20%</b>	<b>13.99%</b>	<b>16.85%</b>	<b>19.61%</b>

### ROA - DuPont Equation

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,038.9	2,155.9	2,705.2	3,139.3	3,030.6	4,106.5	5,460.2
Revenue	16,824.6	19,240.1	20,211.3	21,712.8	29,101.3	34,488.6	35,494.7
<b>Net Profit Margin (A)</b>	<b>12.12%</b>	<b>11.21%</b>	<b>13.38%</b>	<b>14.46%</b>	<b>10.41%</b>	<b>11.91%</b>	<b>15.38%</b>

Revenue	16,824.6	19,240.1	20,211.3	21,712.8	29,101.3	34,488.6	35,494.7
Average Total Asset	13,084.3	15,006.2	16,193.4	18,246.7	21,656.9	24,368.9	27,840.1
<b>Asset Turnover Ratio (B)</b>	<b>1.3x</b>	<b>1.3x</b>	<b>1.2x</b>	<b>1.2x</b>	<b>1.3x</b>	<b>1.4x</b>	<b>1.3x</b>

<b>Return on Asset (A*B)</b>	<b>15.58%</b>	<b>14.37%</b>	<b>16.71%</b>	<b>17.20%</b>	<b>13.99%</b>	<b>16.85%</b>	<b>19.61%</b>
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## Dupont Summary

- Asian Paints Ltd's financial performance, as analyzed through the DuPont framework, reveals a positive trend in both Return on Equity (ROE) and Return on Assets (ROA).
- Over the period from March 2018 to March 2024, the company's ROE increased significantly from 25.46% to 31.45%, highlighting an improved ability to generate profit relative to shareholders' equity. This upward trend suggests that the company has effectively enhanced its profitability and operational efficiency.
- Concurrently, the ROA also improved from 15.58% to 19.61%, indicating that Asian Paints has become more adept at generating revenue from its assets. Although the asset turnover ratio showed some fluctuations, peaking in March 2023, it has generally been high, reflecting effective asset utilization. The equity multiplier, while relatively stable, saw a slight decrease in March 2024, indicating a more balanced approach to leveraging.

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## ASIAN PAINTS LTD

(ASIANPAINT | BSE Code: 500820)

INR 3025.85

52 Week Range (Low: INR 2,670.10, High: INR 3,422.95)



### Altman's Z-Score Analysis

**Asian Paints Ltd** is an Indian multinational paint company, headquartered in Mumbai. The company is engaged in the business of manufacturing, selling and distribution of paints, coatings, products related to home décor, bath fittings and providing related services.

Asian Paints is India's largest paints company by market share. The company's manufacturing operations encompass 15 countries of the world including India, with considerable presence in the Indian subcontinent and the Middle East. It has 27 paint manufacturing facilities, servicing consumers in over 60 countries. Asian Paints is also present in the Home Improvement and Décor space in India.

### Altman's Z-Score Analysis Calculation

Working Capital/ Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Working Capital	1,665.61	1,515.34	2,817.26	3,121.11	6,205.42	6,873.09	6,769.77
Total Assets	13,763.48	16,248.84	16,137.97	20,355.34	22,958.43	25,779.33	29,900.77
Working Capital/ Total Assets (A)	12.10%	9.33%	17.46%	15.33%	27.03%	26.66%	22.64%

Retain Earnings/ Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Retained Earnings	926.61	927.11	1,268.10	1,162.93	952.06	1,303.52	1,542.59
Total Assets	13,763.48	16,248.84	16,137.97	20,355.34	22,958.43	25,779.33	29,900.77
Retain Earnings/ Total Assets (B)	6.73%	5.71%	7.86%	5.71%	4.15%	5.06%	5.16%

EBIT/ Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
EBIT	2,843.54	3,142.80	3,376.32	4,064.33	3,987.25	5,401.82	6,731.98
Total Assets	13,763.48	16,248.84	16,137.97	20,355.34	22,958.43	25,779.33	29,900.77
EBIT/ Total Assets (C)	20.66%	19.34%	20.92%	19.97%	17.37%	20.95%	22.51%

Market Cap / Long-Term Liabilities							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Market Cap	1,07,468.52	1,43,179.45	1,59,850.31	2,43,386.85	2,95,428.12	2,64,896.86	2,73,059.63
Long-Term Liabilities	533.43	1,319.60	1,118.50	1,093.12	1,586.88	1,932.62	2,474.38
Market Cap / Long-Term Liabilities (D)	20146.70%	10850.22%	14291.49%	22265.34%	18616.92%	13706.62%	11035.48%

Sales / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Sales	16,824.55	19,240.13	20,211.25	21,712.79	29,101.28	34,488.59	35,494.73
Total Assets	13,763.48	16,248.84	16,137.97	20,355.34	22,958.43	25,779.33	29,900.77
Sales / Total Assets (E)	122.24%	118.41%	125.24%	106.67%	126.76%	133.78%	118.71%

Altman's Z Score							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Final Score	123.02	67.12	88.01	135.58	113.92	84.66	68.49
Financial Stability	Strong	Strong	Strong	Strong	Strong	Strong	Strong

### Altman Z-Score Summary

- Asian Paints has demonstrated robust financial health from March 2018 to March 2024, as evidenced by its consistently strong Altman Z-Score, which remains well above the critical threshold for bankruptcy risk.
- The company's Working Capital to Total Assets ratio shows effective liquidity management and increased asset efficiency, particularly highlighted by a significant rise in 2022. Despite some fluctuations in the Retained Earnings to Total Assets ratio, which reflects variability in accumulated profits, Asian Paints has maintained a solid financial foundation.
- The EBIT to Total Assets ratio indicates strong operational efficiency, with a notable peak in March 2024, suggesting effective asset utilization. Additionally, the Market Cap to Long-Term Liabilities ratio, although decreasing slightly, remains extremely high, underscoring a robust market valuation relative to long-term debt. The Sales to Total Assets ratio also reflects effective revenue generation relative to

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