



Corporate Presentation

CORPORATE OVERVIEW

Kansai Nerolac Paints Ltd.

Parameter	
Ownership	Subsidiary of Kansai Paint, Japan
Founded	1920
Market Position	One of India's largest Paint company
	Leader in Industrial Paints
Turnover (FY 18-19 standalone)	Rs. 51736 Mn.
PBT (FY 18-19 standalone)	Rs. 7134 Mn.
Market Cap (31st March 2019)	Rs. 247094 Million

Company Vision

“We design solutions that Protect,
Inspire and Touch Lives every day”

Company Mission

We leverage superior technology to contribute to our Customers and Society, in a sustainable manner, with innovative Products and Services, through a competent workforce, built on a culture of Customer Focus, Integrity and Respect to our Stakeholders.

Core Values



integrity



customer focus



accountability



respect

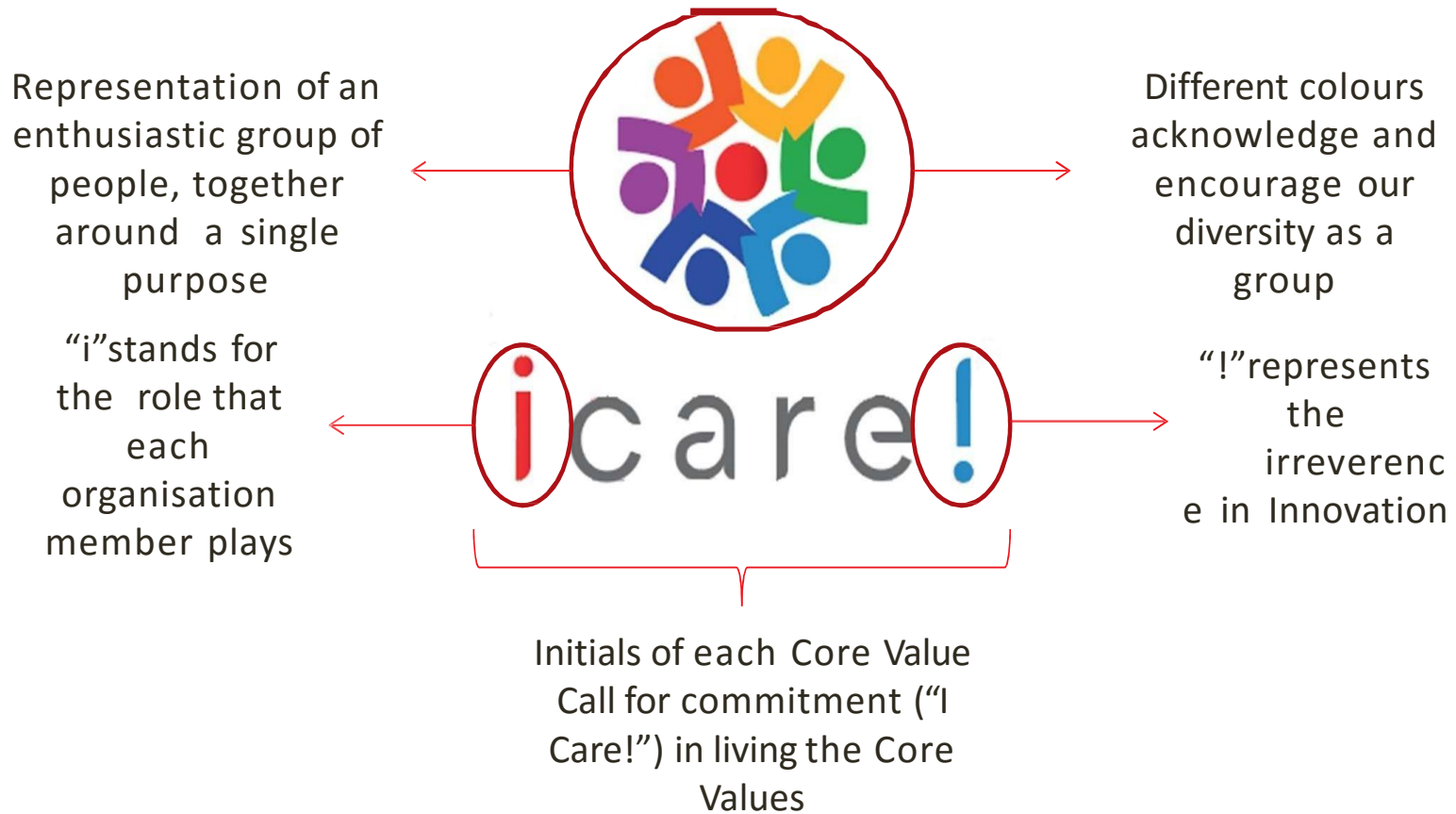


entrepreneurial
mindset



innovation

icare! Logo



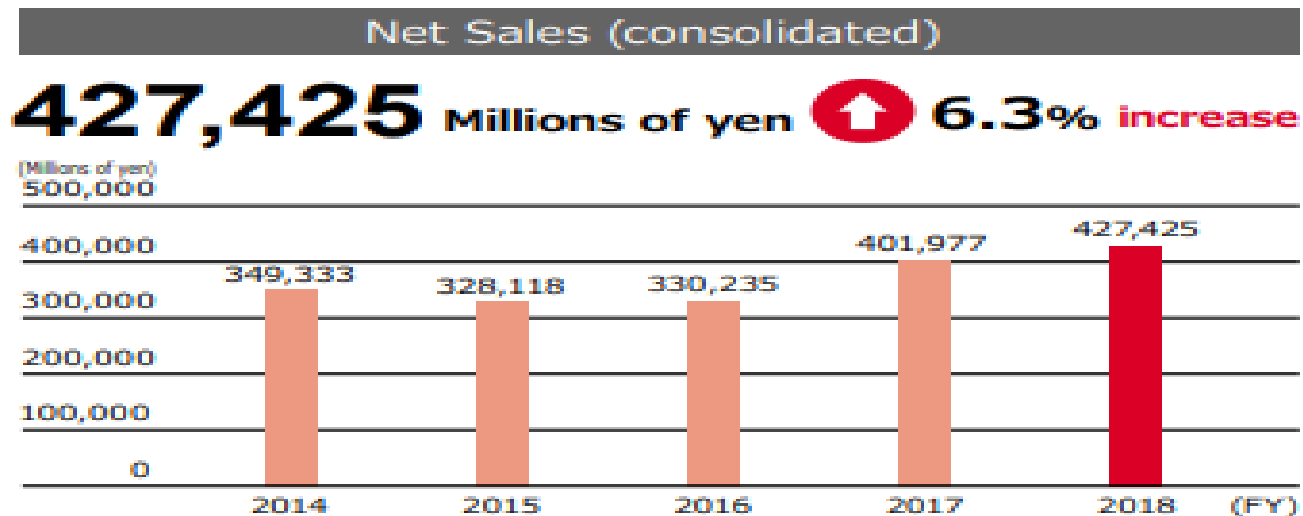
Strong Legacy

99 Years History

Year	Key Milestone
1920	Started as Gahagan Paints and Varnish Co. Ltd
1957	Changed name to Goodlass Nerolac Paints Ltd.
1976	Became Part of TATA group
1986	Acquisition of stake by Kansai Paint, Japan
2000	Became subsidiary of Kansai Paint, Japan
2006	Change of name to Kansai Nerolac Paints Ltd.
2012	Acquisition in Nepal
2017	Commencement of operations in Sri Lanka
2018	Acquisition of Marpol (Powder Coating) Acquisition in Bangladesh(RAK Paints) Acquisition of Perma (Construction Chemicals)
2019	Joint Venture with Polygel (Adhesives)

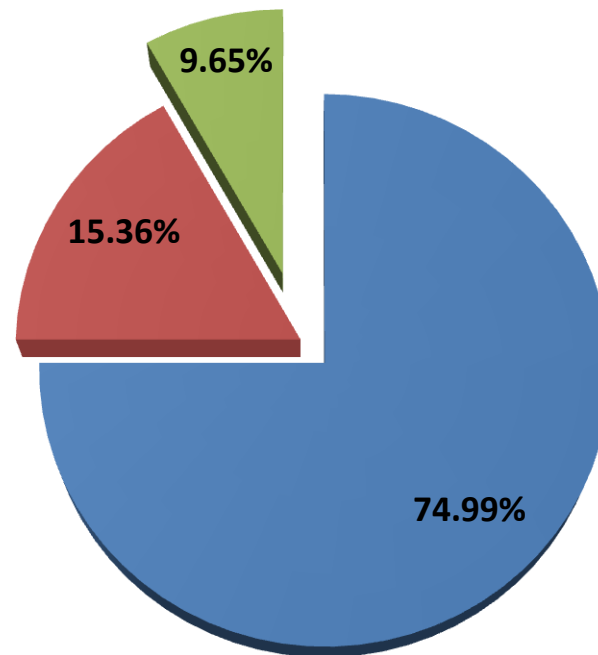
Kansai Paint, Japan

- Japan's largest paint company
- 8th largest Paint company globally
- Among top 5 global automotive paint companies
- Presence in 80 countries via 152 companies
- Gross sales over 3.9B USD



Shareholding Pattern (31st March, 19)

■ KPJ ■ Institutional ■ Others



KPJ-Kansai Paint Japan

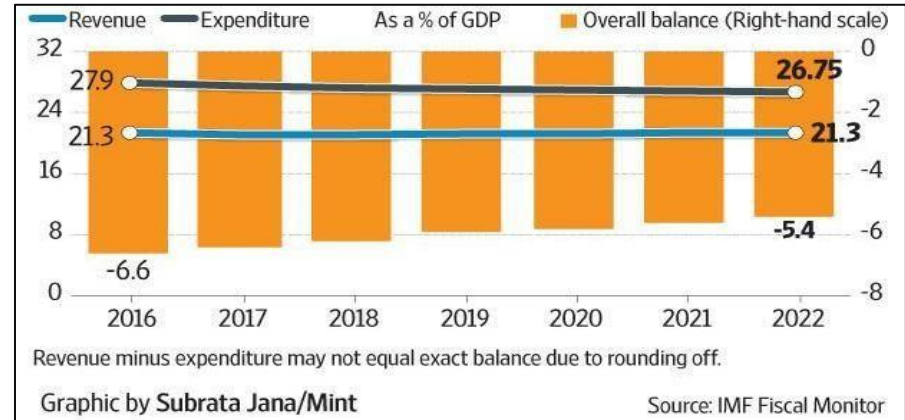
INDUSTRY OVERVIEW

Indian Economy

Political Stability
Fiscal Prudence

Series of reforms
Pro- Industry environment
Strong Governance

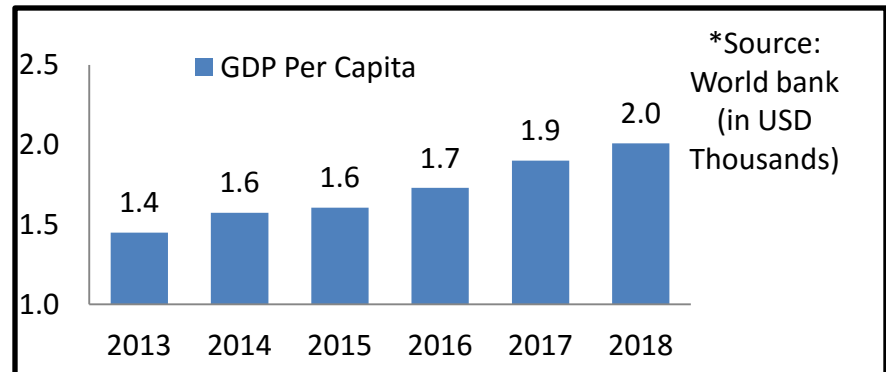
Increasing GDP
Increasing Per Capita Income



*Source: IMF Fiscal Monitor(Estimated)

Ease of Doing Business Ranking				
2015	2016	2017	2018	2019
142	130	100	77	63

*Source: World bank



Indian Paint Industry Facts

Parameter	Facts
Size	Over \$7 Billion
Growth Rates	Double digit since 1991
Organized : Un-organized Market	70:30
Per Capita consumption	~4 kg (Global average @12-15 kg)

Future Growth Drivers



- Favorable demographics
- Rapid urbanization
- Make in India
- Infrastructure growth
- Unorganized to Organized with GST implementation

KANSAI NEROLAC PAINTS LTD



General Industrial Coatings



Powder Coatings



High performance Coatings



Automotive Coatings



Auto Refinish (ARF) Coatings



Decorative Coatings



Decorative Coatings

Exterior



Economy



Popular



Premium



Super Premium

Interior



Economy



Popular



Premium



Super Premium

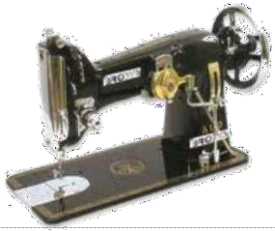
Decorative Range: Enamels, Distemper, Emulsions, Primers, Putty, Wood finishes

Automotive Coatings



Automotive : Leadership with Full system (Primer+ Top Coat + Clear Coat, including plastic paints)

General Industrial Coatings



Sewing Machine



Drums & Barrel



Gas Cylinder



Helmet Coating



Security Equipment



Zip



Electrical Equipments



Agricultural Equipment



Generator Sets



Pre Engineering Building

General Industrial : Market leader with wide range to cater to a variety of Industries

High Performance Coatings



Petroleum / Petrochemical



Metal Industries



Fertilizer Industries



Infra



Cement Industry



Railways

High Protective Coatings: Wide range to tackle corrosion protection

Powder Coatings



Light Fixtures



Electrical Equipments



Fans



Auto Ancillary



Refrigerators



Washing Machine



Air Conditioner



Microwaves

Powder Coatings: Leadership through a variety of products

Selective List of Customers



Automotive Coatings

And many more...

Selective List of Customers



General Industrial Coating



High Performance Coating



Powder Coating

And many more...

Floor Coatings



Rebar Coatings



Construction Chemicals



Railway Coatings



New/Emerging
Business
Markets



Adhesives



Coil Coatings



Subsidiaries

Nepal

- Operations Started in 2012
- Fastest growing company
- 3rd biggest player in Nepal

Amt NPR Mn	On Acquisition	March 2018	March 2019
Turnover	250.0	1027.8	1348.5
PBT	(10.0)	145	224.2

Sri Lanka

- Operations Started in 2017
- Tie-up with one of the largest conglomerates in Lanka

Amt LKR Mn	March 2018	March 2019
Turnover	203.7	306.1
PBT	(172.6)	(275)

Subsidiaries

Bangladesh

- Acquired in 2018-19
- Diverse range of products in Decorative and Protective coating

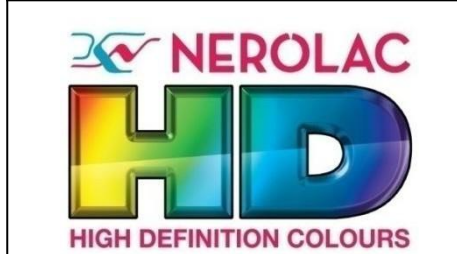
Amt BDT Mn	March 2019
Turnover	1100
PBT	(104)

Marpol

- Acquired in 2018-19

Amt Rs Mn	March 2019
Turnover	620.3
PBT	19.3

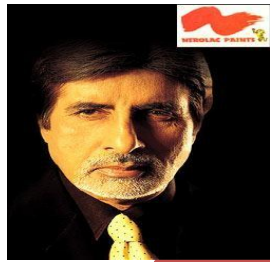
Known for Innovation - Branding



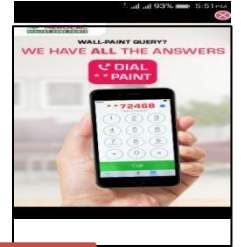
Products



Pioneering concepts (Lead free, Low VOC, Healthy Home Paints)



Celebrity Endorsement



Use of Social, Digital & Mobile



Use of Sports for Endorsement



Modern Retail

Known for Innovation - Technology

Technology from
Kansai Paints Japan
Technical Collaboration with
Oshima Kogyo Co. Ltd, Japan
Cashew Co. Ltd, Japan
Protech Chemicals Ltd, Canada

Collaborations

In – House R&D
R&D Spend : Rs 25 Cr (0.5% of Sale)
Number of R&D personnel:
176

R&D Prowess

Innovative products
3C-1B Paints
Medium Solid Paints
Acrylic CED
Mar Resistant Clear
Multi metal Primer
Low bake & Fine film powders

Technology Innovations

Innovative Products
Eco Clean (zero smell and VOC)
Little Master (economical emulsion
Anti-Dust fan coating
Self Leveling floor coating
Nerotuff Powder

Technology Innovations

Known for Innovation - IT

ERP

Supply Chain

CRM

Dealer Portal

Ariba

Vendor Portal

EHS

HR

Analytics Engine

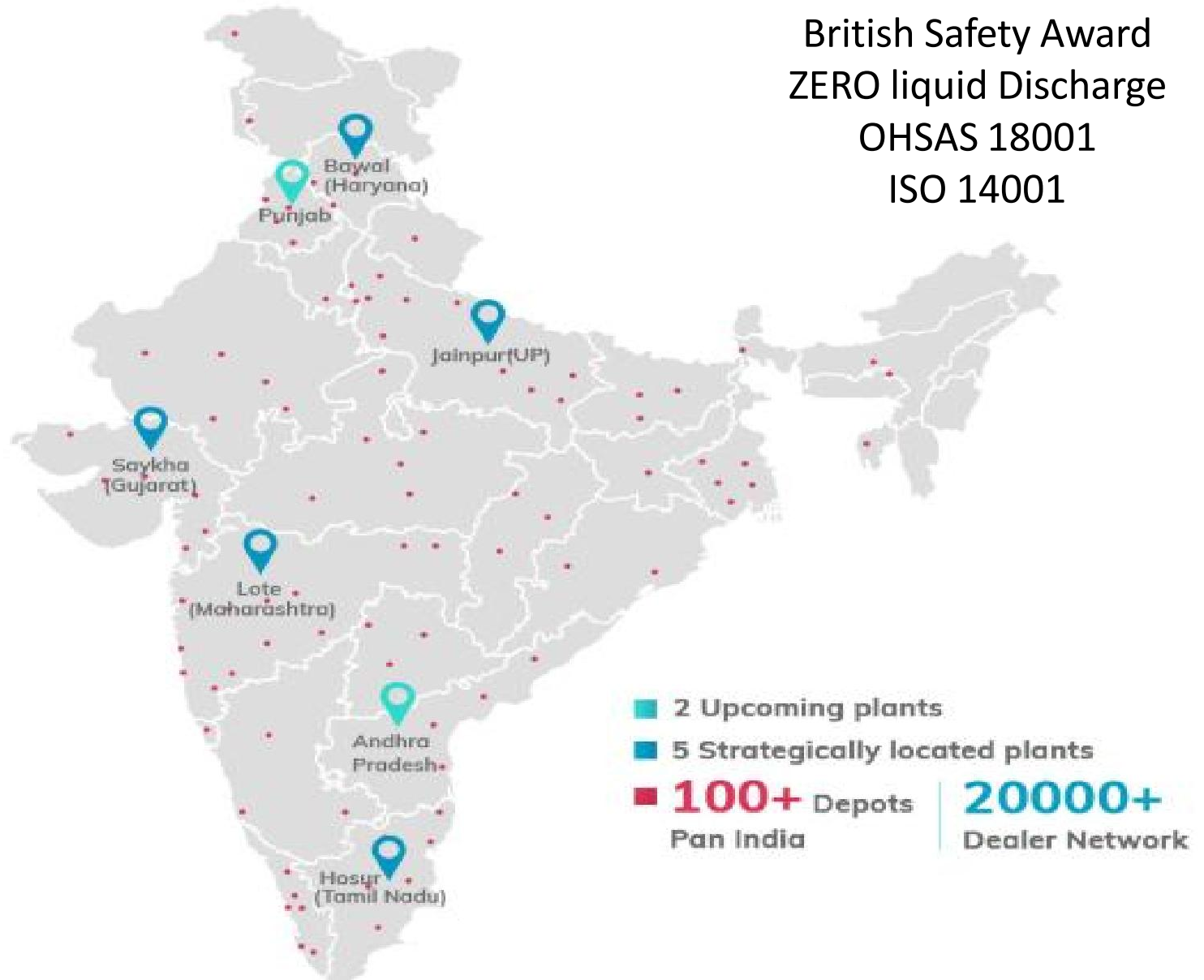
IoT, Predictive analytics, ML(SAP Leonardo), RPA

Completely IT Enabled Business running on SAP HANA
(Early Adopters of New Technology)



Distribution

British Safety Award
ZERO liquid Discharge
OHSAS 18001
ISO 14001



Capacity

	Year	Annual Capacity in KL/MT
Existing	2017-18	4,10,000
	2018-19	4,50,000
Current	2019-20	5,10,000
Planned	2020-21	5,25,000

1 Green field Project in Pipeline

Environmental Initiatives

Publishing Report since 2005.
Sustainability report as per GRI
guidelines since 2012

Implemented SAP EHS in 2011

Water and Carbon Foot print
tracking

Zero Liquid discharge at all
manufacturing facilities

Products meeting VOC regulation
Reduction in Co2 emissions
Green Program with vendors

People Initiatives

Young Vibrant organization with
average age of organization 35

Professionally run & managed

Core Values & Competency
Framework defined

Transparent Performance
Management System



Our CSR Activities



Strength of the Nerolac brand



BRANDEQUITY

Where Do They Stand?

TRUST BY CATEGORY: HOW BRANDS STACK UP IN THEIR RESPECTIVE TERRITORIES

Airlines

- 1 Air India
- 2 Jet Airways
- 3 Indigo Airlines
- 4 Spicejet
- 5 GoAir



Apparel

- 1 Raymond
- 2 Lee



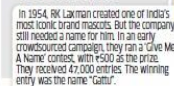
Consumer Durables

- 1 Samsung
- 2 Sony
- 3 LG
- 4 Usha
- 5 Philips
- 6 Whirlpool
- 7 Godrej Appliances
- 8 Videocon



Paints

- 1 Asian Paints
- 2 Nerolac Paints
- 3 Berger Paints
- 4 Dulux Paints



OTC

Edible Oils (Refined)

- 1 Saffola
- 2 Fortune
- 3 Sundrop
- 4 Ruchi Gold
- 5 Gemini



Footwear

- 1 Bata



One of India's most trusted Brands

Some Important Awards

Institute of Company Secretaries :
Corporate Governance - 2007
Golden Peacock : Corporate Governance –
2005
Best Managed Company : Business Today –
2005

Corporate

Best Supplier Award – HMSI - 2016
Best Supplier Award Toyota -2017
Best Vendor Award – Suzuki - 2017
Best Vendor Award for Cost – Toyota -2016
Best Vendor Award – MSIL – 2016

Customer

Certified Great Place to Work by GPTW -
2019
'Best Brands' by Economic Times – 2018
40 Most Valuable Brands – Interbrand - 2018
Trusted Brand Gold Awards – Readers Digest
Product of the year Award – 2017

Brand

Best media Innovation-Emvies 2007(4 Awards)
Bronze at Cannes-2008
Silver Trophy Best Ad-2006
Design Award for Ambient Media category-
Kyoorious Design Awards-2015
Best CMO –Pitch CMO summit 2017

Marketing

Some Important Awards

Asian Manufacturing Excellence Award-Frost & Sullivan-2010
Certificate of merit-Lote(Zero Accident Frequency)-National safety council
Maharashtra(3 years)-2012,2014,2017
Safety Excellence Award-FICCI

Manufacturing

National Energy Conservation (Jainpur)-
Ministry of Power GOI-2006
Environmental Excellence Gold Award-Lote
Greentech Environment excellence-2009
Environment Management Award-Golden
Peacock 2010

Environment

Innovative Product/Service-Golden
Peacock -2010,2011
Most Proactive contribution through new
development in Powder- Godrej,2010
Most Innovative Product of the year award
Nerolac Impression HD-Consumer Survey
of product innovation-Nilesen

Product

Some Important Awards

ACE Awards,SAP-2012,2014,2016
SAP Awards Indus-2014
Best APO Implementation-PC Quest 2008
Hall of fame-CTO forum 2008
Gold CIO of the year-Data quest of the magazine 2005
Best CTO in manufacturing-CTO forum 2005

Information Technology

Among the top 50 CEO's-Entrepreneur Magazine-2014
Best CEO in chemicals category-Business Today-2017
Asia Pacific Entrepreneurship Award in Chemicals and Plastics-Enterprise Asia
1st Non Japanese to be on the board of Kansai Paints Japan

Leadership

CSR Report Gold Trophy-ABCI Award 2007
Karmayog 2008 Rating 4/5
Associations of Business Communicators of India-Gold-2009

Reports

18-19 Key Achievements

Sustainable growth

- Double digit growth in Decorative, with Market Share gain in All Industrial segments
- Inorganic growth via M&A in international and niche markets

Branding

- Mr. Ranveer Singh signed up as new face of Nerolac brand
- Continued sponsorship & branding in sports

18-19 Key Achievements

Technology

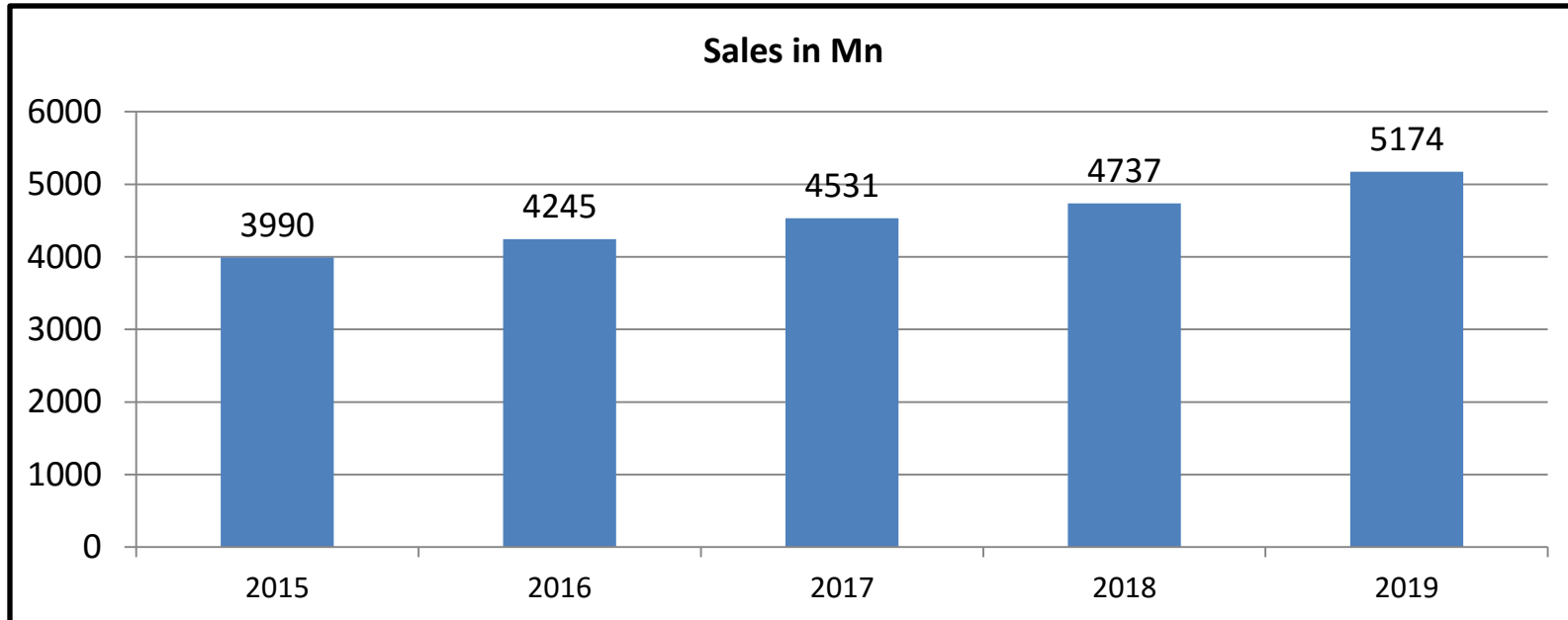
- MonoCoat and Common Painting system launched resulting in 50% reduction in energy for consumers
- Product launched which captures indoor air Pollutants and free Formaldehyde, making the air cleaner

Recognition

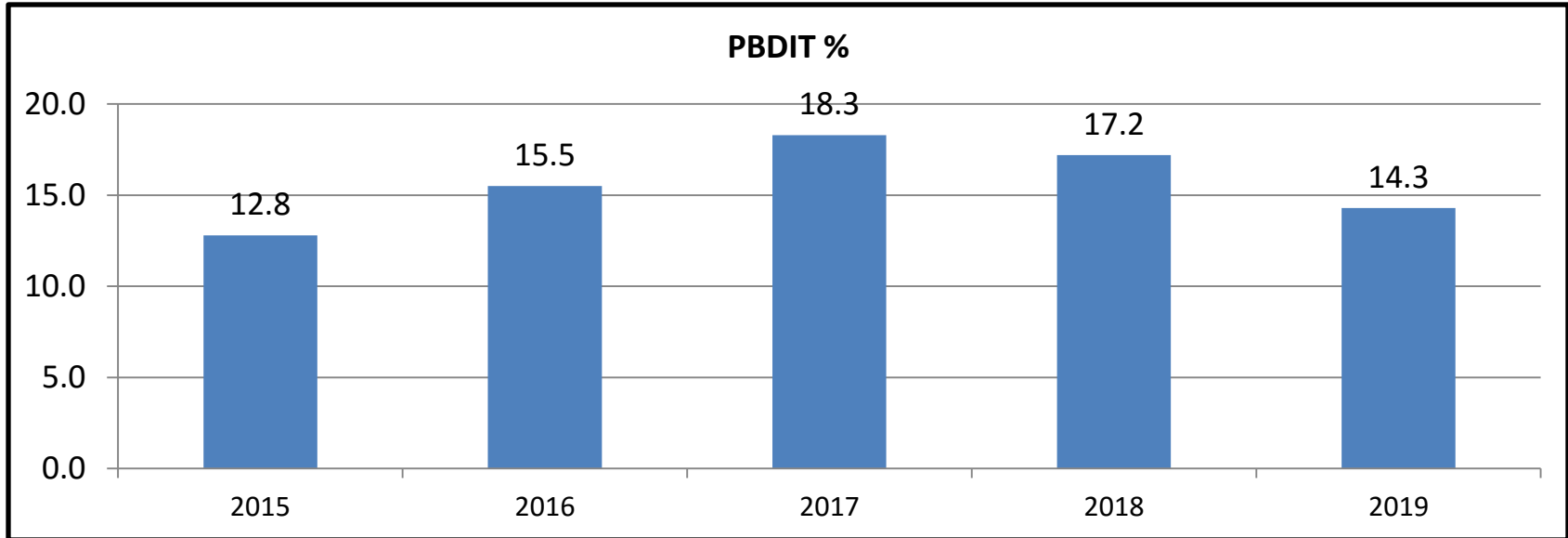
- Vendor Award by Honda & BHEL
- Lote and Bawal plant received certificate of Merit and Appreciation
- Nerolac recognized as one of the Best & Valuable Brands for 2018-19 by organizations – Economic Times and Interbrand

FINANCIALS

Financials

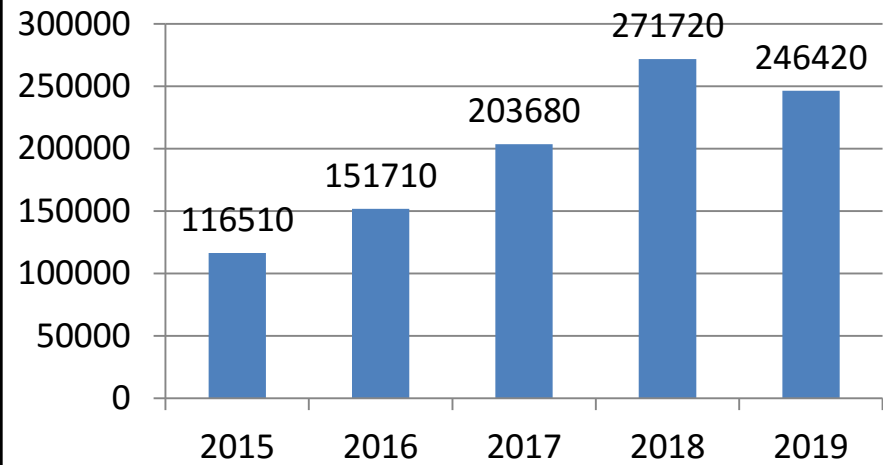


Financials

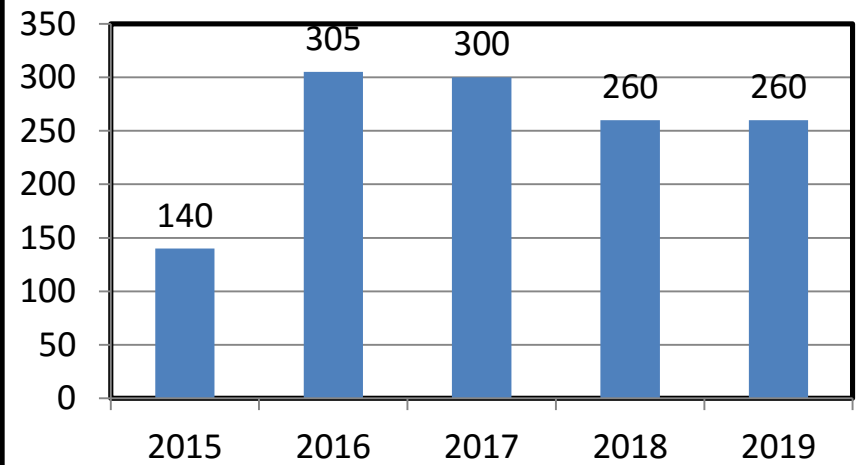


Financials

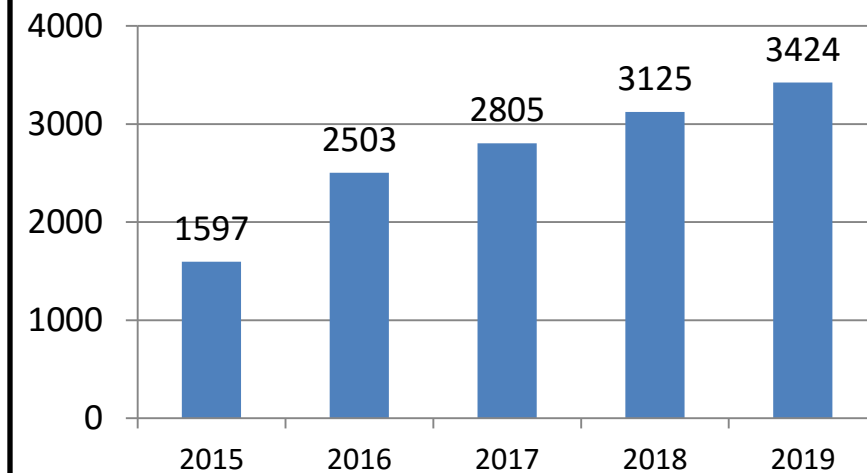
Market Capitalisation (In Mn)



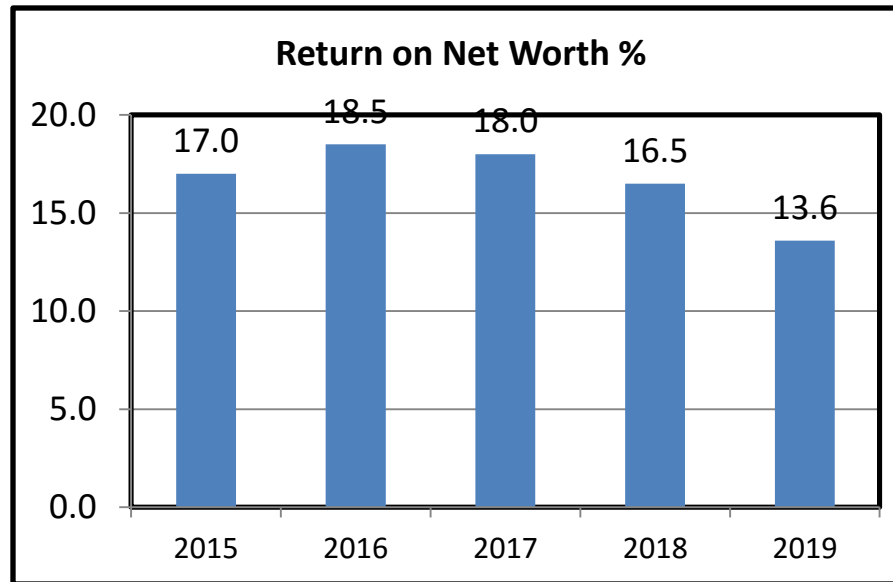
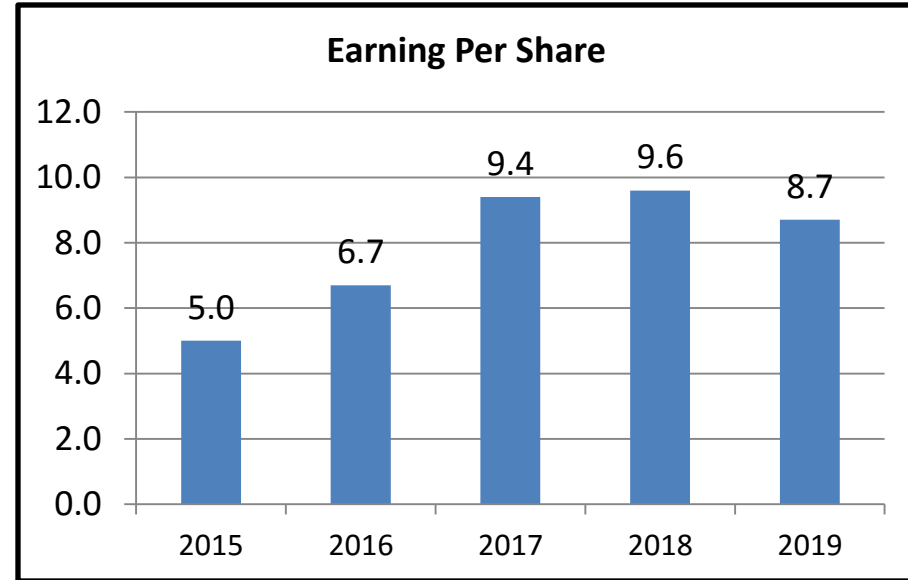
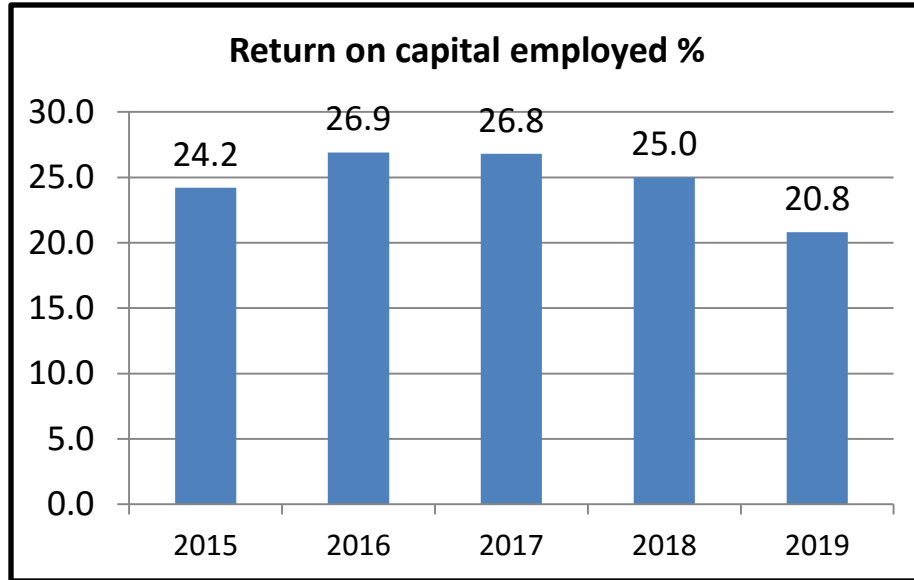
Dividend %



Shareholders fund (In Rs Mn)



Financial Ratios



Standalone Snap Shot

	FY 2001	FY 2019	CAGR from 2001
Sales Rs. mn.	6830	51736	12
PBDIT Rs. mn.	480	7420	16.4
PBT Rs. mn.	330	7134	19
EPS Rs	0.44	8.7	19 times
Market Capitalization Rs Mn	1380	247094	179 times

Consolidated Snapshot

	FY 2001	FY 2019	CAGR from 2001
Sales Rs. mn.	6830	54243	12
PBDIT Rs. mn.	480	8129	17
PBT Rs. mn.	330	6967	18

Thank You