

Assignment 4

ASIAN PAINTS LTD.

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

Founders

- Champaklal Choksey
- Chimanlal Choksi
- Suryakant Dani
- Arvind Vakil

Headquarters: Mumbai, Maharashtra, India

FUNDAMENTALS:

52 Week Low / High (₹) 2601.00 / 3588.05

PE ratio- 84.21

Sector PE-11.36

Market cap- 255218cr

Dividend yield-0.72%

Debt to equity-0.11

PROS:

- Company is almost debt free.
- Company is expected to give good quarter
- Company has a good return on equity (ROE) track record: 3 Years ROE 25.75%
- Company has been maintaining a healthy dividend payout of 52.57% ●

Over the last 5 years, net income has averaged 12.7%, vs industry avg of 8.64%

- ASIANPAINT has increased dividends consistently over the last 5 years

CONS:

- Stock is trading at 18.48 times its book value
- Over the last 5 years, revenue growth has averaged 6.1%, vs industry avg of 6.85%

Return on Equity

10 Years: 27%

5 Years: 25%

3 Years: 26%

Last Year: 23%

Compounded Profit Growth

10 Years: 12%

5 Years: 10%

3 Years: 13%

TTM: -1%