ASIAN PAINTS LTD

(ASIANPAINT | BSE Code: 500820

INR 3076.45

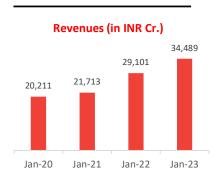
52 Week (High - INR 3568 & Low - 2685)

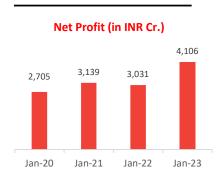


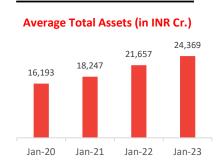
About the Company

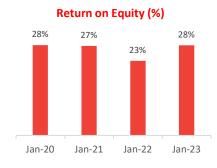
Asian Paints Ltd is an Indian multinational paint company, headquartered in Mumbai, Maharashtra, India. The company is engaged in the business of manufacturing, selling, and distribution of paints, coatings, products related to home décor, bath fittings and providing related services.

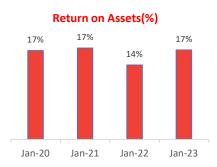
Financial Summary

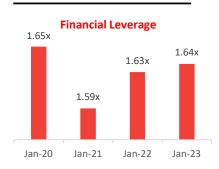












- Q2 FY2024 saw moderation in top line due to weak consumer sentiment, but volume growth was 6% over double-digit in Q2 FY23.
- Innovation remains a focus, with new products contributing 11% to overall revenue. New products include the Nilaya Naturals Top-Coat and the Whites and Ivories collection.
- The CAGR has been very strong at about 15% over a four-year period.
- Overall financials show improvement in gross margins, PBDIT margins, and PBT growth.
- Dividend of Rs. 5.15 per share has been declared.

Dupont Analysis - Return on Equity

Return on Equity (ROE)							
	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
Net Profit	1,939.4	2,038.9	2,155.9	2,705.2	3,139.3	3,030.6	4,106.5
Average Shareholder Equity	7,064.4	8,007.1	8,940.4	9,800.4	11,468.2	13,308.9	14,901.9
Return on Equity	27.45%	25.46%	24.11%	27.60%	27.37%	22.77%	27.56%
		Dupont Equ					
	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
Net Profit	1,939.4	2,038.9	2,155.9	2,705.2	3,139.3	3,030.6	4,106.5
Revenue	15,062.0	16,824.6	19,240.1	20,211.3	21,712.8	29,101.3	34,488.6
Net Profit Margin (A)	12.88%	12.12%	11.21%	13.38%	14.46%	10.41%	11.91%
Revenue	15,062.0	16,824.6	19,240.1	20,211.3	21,712.8	29,101.3	34,488.6
Average Total Asset	11,482.1	13,084.3	15,006.2	16,193.4	18,246.7	21,656.9	24,368.9
Asset Turnover Ratio (B)	1.3x	1.3x	1.3x	1.2x	1.2x	1.3x	1.4x
	44 400 4	40.004.0	45.006.0	46 400 4	40.046.7	24 55 6 2	040000
Average Total Asset	11,482.1	13,084.3	15,006.2	16,193.4	18,246.7	21,656.9	24,368.9
Average Shareholder Equity	7,064.4	8,007.1	8,940.4	9,800.4	11,468.2	13,308.9	14,901.9
Equity Multiplier (C)	1.63x	1.63x	1.68x	1.65x	1.59x	1.63x	1.64x
Return on Equity (A*B*C)	27.45%	25.46%	24.11%	27.60%	27.37%	22.77%	27.56%
Return on Equity (A*B*C)	27.45%	25.46%	24.11%	27.60%	27.37%	22.77%	27.56%
Return on Equity (A*B*C)		25.46% turn on Ass		27.60%	27.37%	22.77%	27.56%
Return on Equity (A*B*C)				27.60% Mar-20	27.37% Mar-21	22.77% Mar-22	27.56% Mar-23
Return on Equity (A*B*C) Net Profit	Ret	turn on Ass	set				
	Ret Mar-17	turn on Ass Mar-18	set Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
Net Profit	Ret Mar-17 1,939.4	turn on Ass Mar-18 2,038.9	Mar-19 2,155.9	Mar-20 2,705.2	Mar-21 3,139.3	Mar-22 3,030.6	Mar-23 4,106.5
Net Profit Average Total Asset	Ret Mar-17 1,939.4 11,482.1	turn on Ass Mar-18 2,038.9 13,084.3	Mar-19 2,155.9 15,006.2	Mar-20 2,705.2 16,193.4	Mar-21 3,139.3 18,246.7	Mar-22 3,030.6 21,656.9	Mar-23 4,106.5 24,368.9
Net Profit Average Total Asset	Ret Mar-17 1,939.4 11,482.1 16.89%	turn on Ass Mar-18 2,038.9 13,084.3	Mar-19 2,155.9 15,006.2 14.37%	Mar-20 2,705.2 16,193.4	Mar-21 3,139.3 18,246.7	Mar-22 3,030.6 21,656.9	Mar-23 4,106.5 24,368.9
Net Profit Average Total Asset	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ	Mar-19 2,155.9 15,006.2 14.37% vation Mar-19	Mar-20 2,705.2 16,193.4 16.71%	Mar-21 3,139.3 18,246.7 17.20%	Mar-22 3,030.6 21,656.9 13.99%	Mar-23 4,106.5 24,368.9 16.85%
Net Profit Average Total Asset	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9	Mar-19 2,155.9 15,006.2 14.37% Mar-19 2,155.9	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2	Mar-21 3,139.3 18,246.7 17.20%	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5
Net Profit Average Total Asset Return on Asset Net Profit Revenue	Red Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4 15,062.0	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9 16,824.6	Mar-19 2,155.9 15,006.2 14.37% Mar-19 2,155.9 19,240.1	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2 20,211.3	Mar-21 3,139.3 18,246.7 17.20% Mar-21 3,139.3 21,712.8	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6 29,101.3	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5 34,488.6
Net Profit Average Total Asset Return on Asset Net Profit	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9	Mar-19 2,155.9 15,006.2 14.37% Mar-19 2,155.9	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2	Mar-21 3,139.3 18,246.7 17.20% Mar-21 3,139.3	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5
Net Profit Average Total Asset Return on Asset Net Profit Revenue Net Profit Margin (A)	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4 15,062.0 12.88%	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9 16,824.6 12.12%	Mar-19 2,155.9 15,006.2 14.37% vation Mar-19 2,155.9 19,240.1 11.21%	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2 20,211.3 13.38%	Mar-21 3,139.3 18,246.7 17.20% Mar-21 3,139.3 21,712.8 14.46%	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6 29,101.3 10.41%	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5 34,488.6 11.91%
Net Profit Average Total Asset Return on Asset Net Profit Revenue Net Profit Margin (A) Revenue	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4 15,062.0 12.88%	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9 16,824.6 12.12%	Mar-19 2,155.9 15,006.2 14.37% Mar-19 2,155.9 19,240.1 11.21%	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2 20,211.3 13.38%	Mar-21 3,139.3 18,246.7 17.20% Mar-21 3,139.3 21,712.8 14.46%	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6 29,101.3 10.41%	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5 34,488.6 11.91%
Net Profit Average Total Asset Return on Asset Net Profit Revenue Net Profit Margin (A) Revenue Average Total Asset	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4 15,062.0 12.88%	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9 16,824.6 12.12% 16,824.6 13,084.3	Mar-19 2,155.9 15,006.2 14.37% Mar-19 2,155.9 19,240.1 11.21% 19,240.1 15,006.2	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2 20,211.3 13.38% 20,211.3 16,193.4	Mar-21 3,139.3 18,246.7 17.20% Mar-21 3,139.3 21,712.8 14.46% 21,712.8 18,246.7	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6 29,101.3 10.41% 29,101.3 21,656.9	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5 34,488.6 11.91% 34,488.6 24,368.9
Net Profit Average Total Asset Return on Asset Net Profit Revenue Net Profit Margin (A) Revenue	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4 15,062.0 12.88%	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9 16,824.6 12.12%	Mar-19 2,155.9 15,006.2 14.37% Mar-19 2,155.9 19,240.1 11.21%	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2 20,211.3 13.38%	Mar-21 3,139.3 18,246.7 17.20% Mar-21 3,139.3 21,712.8 14.46%	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6 29,101.3 10.41%	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5 34,488.6 11.91%
Net Profit Average Total Asset Return on Asset Net Profit Revenue Net Profit Margin (A) Revenue Average Total Asset	Ref Mar-17 1,939.4 11,482.1 16.89% ROA - Mar-17 1,939.4 15,062.0 12.88%	Mar-18 2,038.9 13,084.3 15.58% Dupont Equ Mar-18 2,038.9 16,824.6 12.12% 16,824.6 13,084.3	Mar-19 2,155.9 15,006.2 14.37% Mar-19 2,155.9 19,240.1 11.21% 19,240.1 15,006.2	Mar-20 2,705.2 16,193.4 16.71% Mar-20 2,705.2 20,211.3 13.38% 20,211.3 16,193.4	Mar-21 3,139.3 18,246.7 17.20% Mar-21 3,139.3 21,712.8 14.46% 21,712.8 18,246.7	Mar-22 3,030.6 21,656.9 13.99% Mar-22 3,030.6 29,101.3 10.41% 29,101.3 21,656.9	Mar-23 4,106.5 24,368.9 16.85% Mar-23 4,106.5 34,488.6 11.91% 34,488.6 24,368.9

Dupont Analysis Sumamry:

- ROE of Asian Paints saw a breakdown in FY2022 ro 22.77% from from staying constant near 27.5%, which has now again rose back to 27.56% and has been forecasted to remain steady for FY2024.
- Asset Turnover ratio has been consistantly rising at a constant rate, the reason for instability in the ROE is due to inconsistent Finacial Leverage ranging fro 1.68x to 1.53x.
- ROA of Asian Paints saw a breakdown in FY2022 ro 13.99 from from staying constant near 16.7% which has now again rose back to 16.85% and has been forecasted to remain steady for FY2024.
- Asset Turnover ratio has been consistantly rising at a constant rate, which is due to consistent rise in the Revenues and Net Profit for the company.

Disclaimer: This report is made as a part of educational assignment and is meant for education purpose only. The author of the report is not liable for any losses due to the actions taken based on this report. It is advisable for you to SEBI registered SEBI analyst