

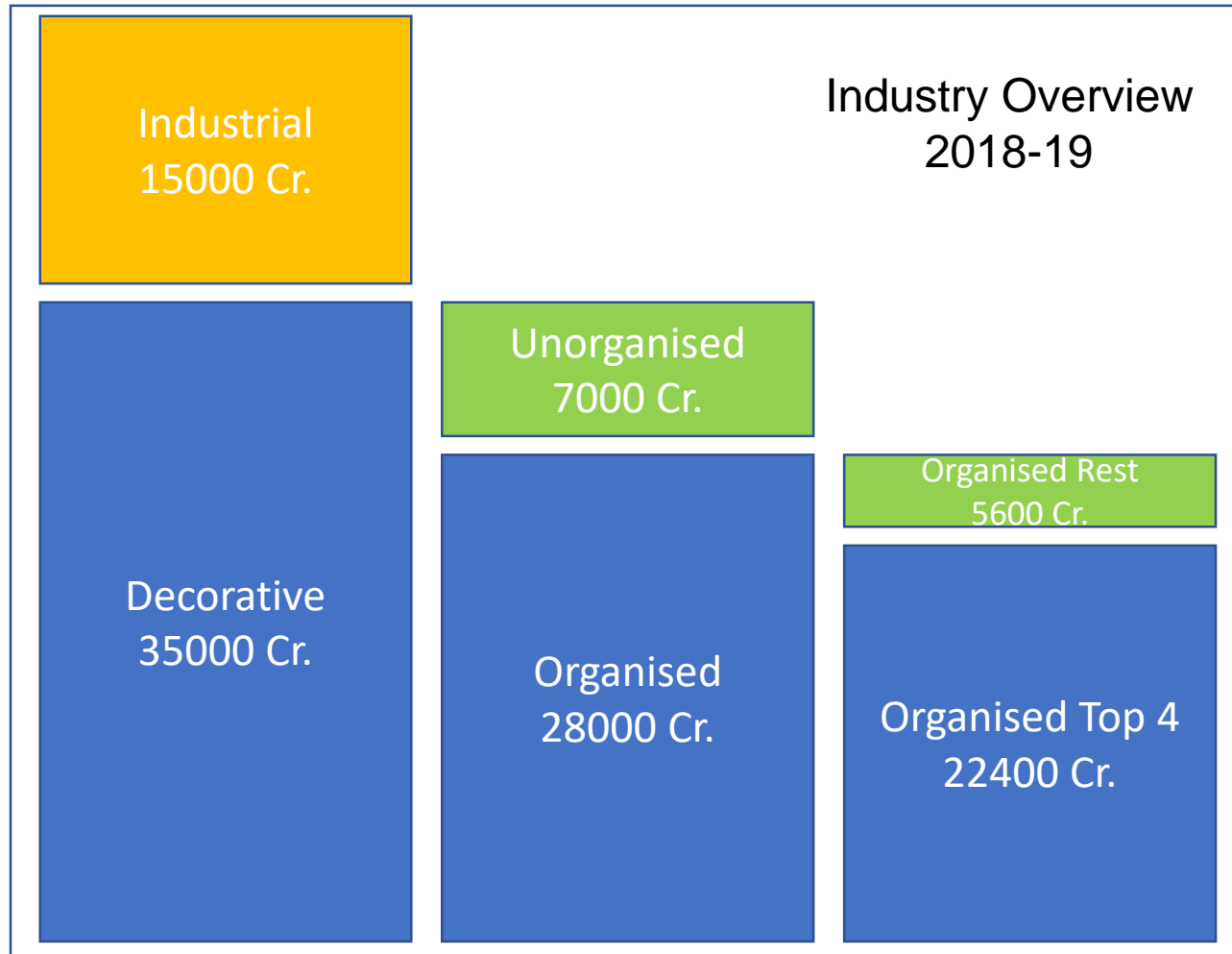
# Entry into the decorative paints market in India

Context and critical elements

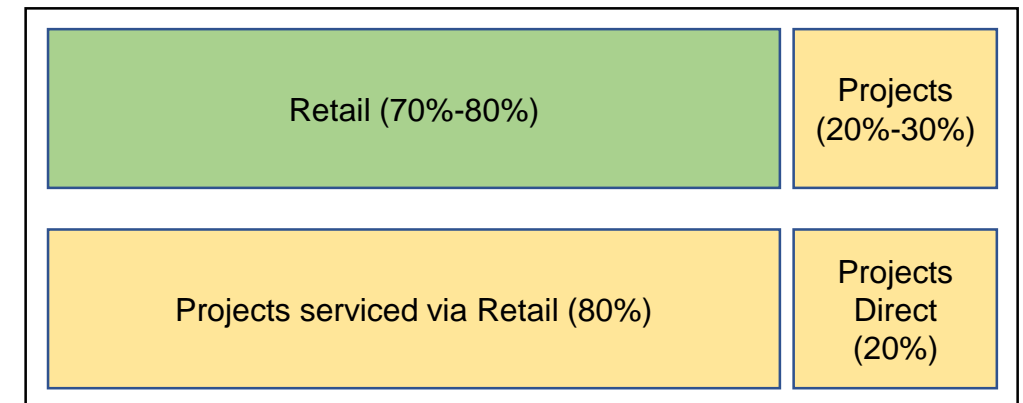
# Content

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# Context

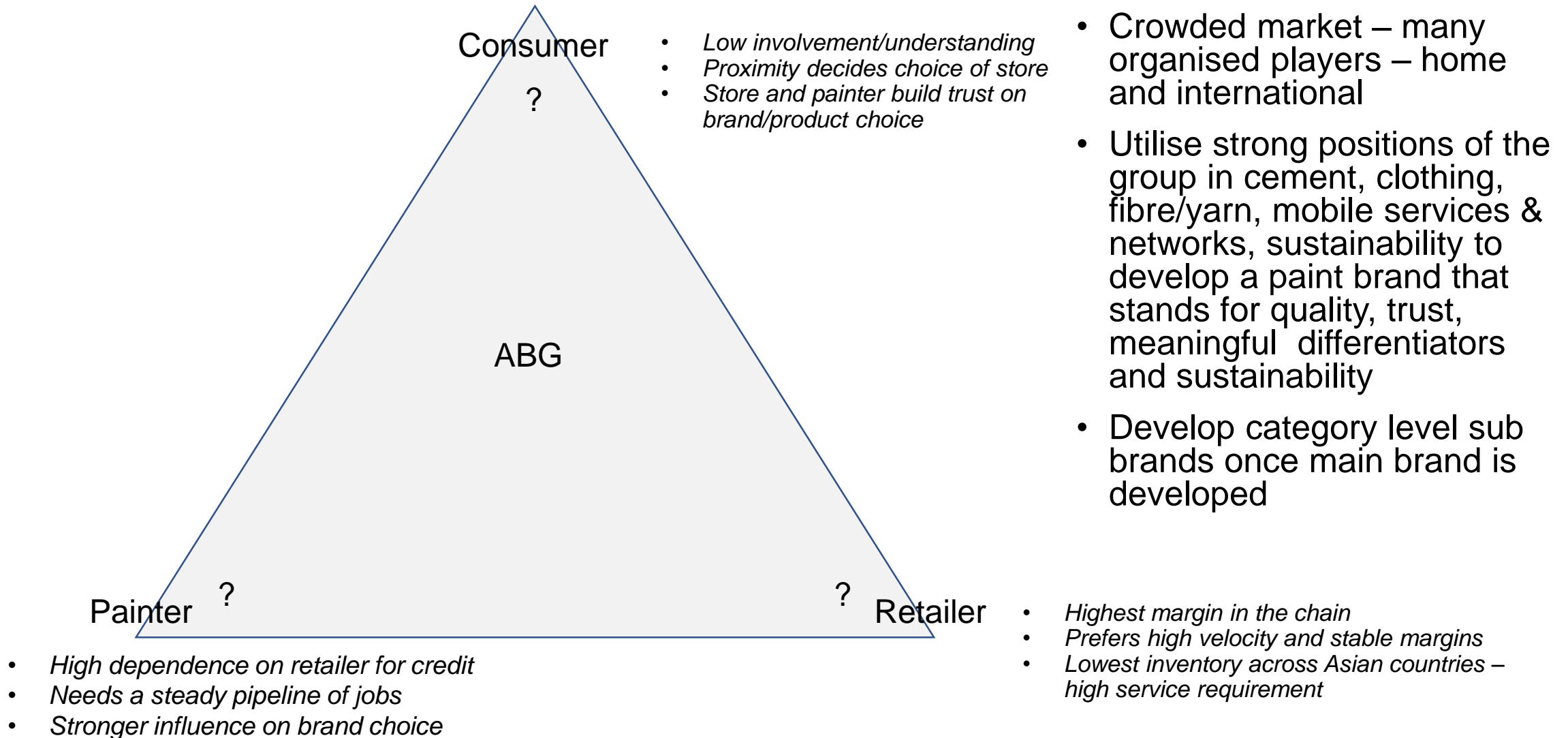


- Decorative paints industry averaging growths of 1.5x to 2.0x of GDP for the past 10 years (8% to 10%)
- Per capita paints consumption of ~4Kg is lower than that of Asia and a third that of Japan – potential for continuing strong industry growth



*^Including Cement Paint and Putties but excluding Waterproofing*

# Brand (*Critical first closure*)



# Portfolio

Super Premium	Interior Emulsion
	Exterior Emulsion
	Metal Coatings
	Wood Coatings
Premium	Interior Emulsion
	Exterior Emulsion
	Trims/Enamels
	Metal Coatings
	Wood Coatings
	Primers - interior, exterior, metal and wood
	Putties
Mass	Waterproofing
	Interior Emulsion
	Exterior Emulsion
	Wood Coatings
Economy	Waterproofing
	Interior Emulsion
	Exterior Emulsion
	Distemper (Pail/Pouch)
	Trims/Enamels
	Primers - interior, exterior, metal and wood
	Powder Putties
	Waterproofing
	Cement Paint
Others	Floor Coatings
	Concrete Coatings
	Thermal/Heat Resistant Coatings
	Roadmarking Paint
	Colourants for Tinting
	Specialist Metal Primers

- Stated ambition to be present in the full decorative paints portfolio
- Super Premium and Premium emulsions estimated to be 20% of market; Mass emulsions about 20% and Trims/Enamels about 18% (excluding waterproofing)
- Minimum launch portfolio
  - Super Premium propositions in Interior and Exterior emulsions
  - Strong functional propositions one each in Interior, Exterior emulsions, Trims/Enamels (channel connect), Primers (Exterior/Interior), Putty (work on group company synergies) and Waterproofing (?)
  - One workhorse product each in Mass Interior and Exterior emulsions and Waterproofing (?)
- Significant synergies within group
  - Waterproofing – cementitious with group cement arm
  - Aluminum cladding for exteriors with group aluminum arm

# Technology

- Hire or buy or both for launch
- Significant opportunities exist in propositions linked to health and environment, waterproofing and wood
- Tinting and associated colourant system – critical
  - Target 0% ready mixed production from launch
  - Strong local capabilities available to deliver tinting colourant solutions for water borne and solvent borne lines for launch – to be moved in-house eventually basis cost-benefit analysis
- Main brand, sub brands, launch portfolio and technology critical to commence operations



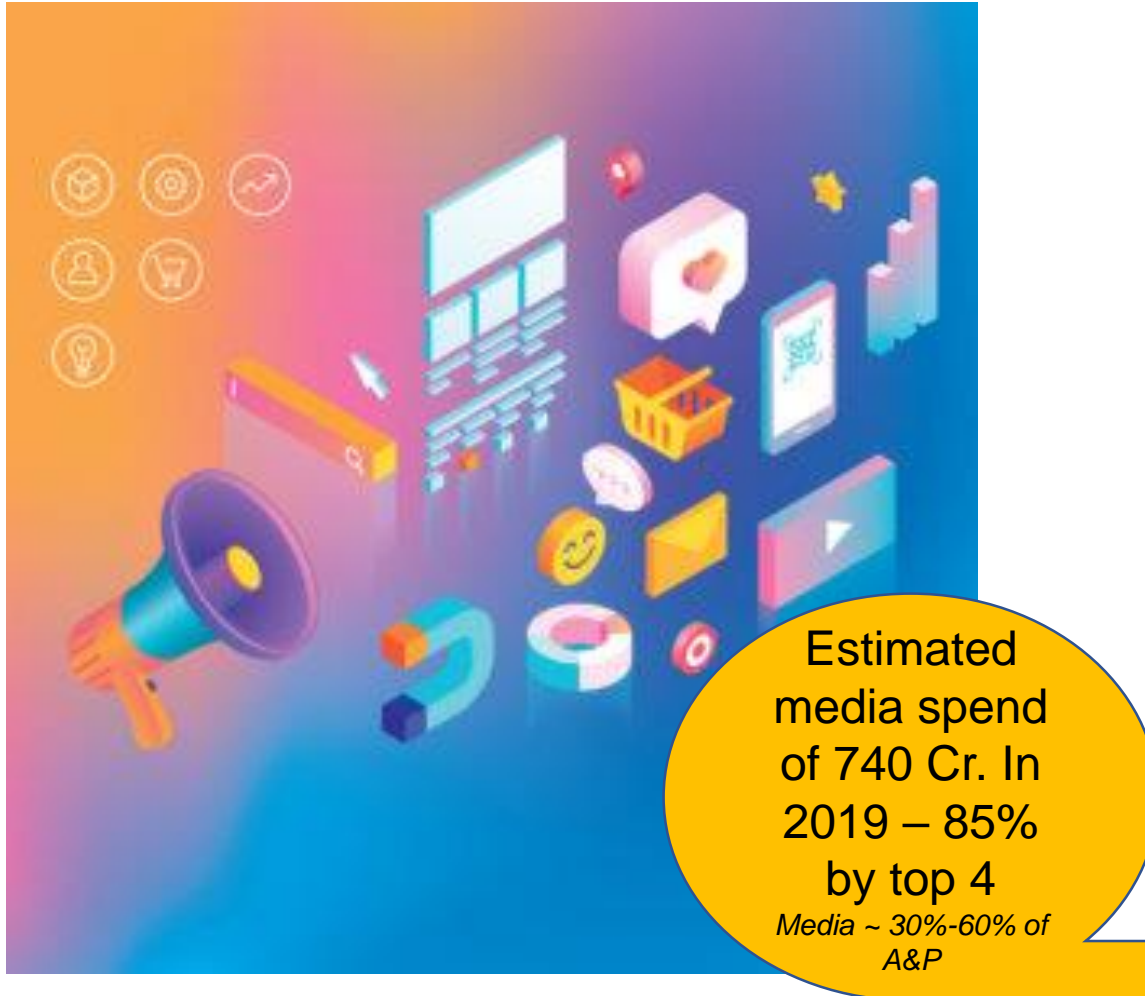
# Manufacturing & Logistics

- Uninterrupted source of potable water (70%-80% of portfolio will be waterborne)
- 50+ of critical raw materials are imported (TiO<sub>2</sub>, resins)
  - Raw material freight cost vs. market service cost and tax benefits/breaks to be considered
- Top 4 players have 4 to 8 plants each and some more being planned
  - Even with best-in-class Go-To-Market model at least 4 main plants will be required eventually
- Explore synergies with cement business to produce putty and primers (?)
- Launch with digital track & trace and loyalty for painter built into the process





# Marketing



- Pricing
- Train Sales on Product, Pricing, Promotions and FAQs vs. competition
- Roll-out brand communication – introduce brand and establish connect with group's strong credentials across cement,
  - Needs sustained exposure for 24-36 months
- Launch ATL to introduce category sub brands – Super Premium/Premium Interior and Exterior product each and one Mass market emulsion
- Focused market launches for retailers and product demo/introduction and loyalty launch for painters



# GTM, Channel, Painter & Projects

- Launch with a professional distributor  
GTM
- Develop and roll-out channel strategy
  - Segmentation and value propositions
- Develop and launch the painter engagement strategy
  - Build strong painter team and roll-out digital loyalty programme
  - Explore/utilise group cement arm team to provide leads to painters/painting contractors
  - Explore/utilise group cellular platform to efficiently transfer rewards to painters
- Large projects – new construction to be driven direct – collaborate with cement arm and aluminum arm



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