

Muted urban/festival demand impacted Q3 sales

APNT's Q3FY25 print was below our estimates; consol. revenue/EBITDA/PAT declined by 6.1%/20.4%/24.2% (5-year value/volume CAGR at 10%/12%). Management cited weak performance (volume grew 1.6%) due to (1) sluggish demand during festive season, (2) muted consumer sentiments especially in urban market, (3) impact on seasonal markets, and (4) competitive pressure resulting in consumer down trading. Industrial decorative business performed well led by Builder project. Industrial JVs PPG-AP grew 6% driven by Auto OEMs, though AP-PPG remain flat. International business grew 5.0% on back of improved macro-economic conditions in Sri Lanka, Bangladesh and Nepal, yet offset by currency devaluation. Gross margin declined to 42.4% (-116bps) whilst EBITDA margin down to 19.1% (-344bps). Management is cautiously optimistic on demand in next 6 months and expect recovery post 1HFY26 on the back of healthy monsoon and elevated government spending. Further, APNT aspires to retain margins at ~18-20%. Considering weak 9MFY25, we cut our earnings and change rating from BUY to ADD, with a revised DCF-based TP of Rs2,500 (implied 49.0x on 27E EPS).

Weak festive season and multiple external headwinds affected volume/value growth in Q3
APNT's Q3FY25 consol. revenues at Rs85.5bn declined by 6.1% YoY while volume grew by 1.6% due to weak festive season and subdued consumer sentiments especially in urban market, though rural markets outperformed. The projects/institutional business performed well in factories/Builder segment, though Govt. & Construction Project grew slower. Kitchen/bath segment grew 2.6%/2.7%, yet 'White Teak' and 'Weatherseal' sales decline by 22.8%/14.1%. APNT launched 'Beautiful Homes' store in Mumbai/Surat. International business grew 5.0% on back of improved macro-economic conditions in Sri Lanka, Bangladesh and Nepal, yet offset by currency devaluation in Ethiopia and Egypt. Industrial JVs PPG-AP grew 6% driven by Auto OEMs, though AP-PPG remain flat. Distribution reach now expanded to 169k with a target to add 7-8k in FY25. Management stated, demand condition remain challenging in near term, given stress in urban areas, expect recovery post 1HFY26 on back of healthy monsoon and elevated government spending.

Inferior product mix, and consumer down trading impacted gross/EBITDA margin

Gross margin declined to 42.4% (-116bps) due to inferior product mix, higher rebate and consumer down trading. While EBITDA margin down to 19.1% (-344bps) due to higher Employee cost/Other expenses by 7.9%/2.5%. Adjusted PAT cut by 24.2% to Rs10.6bn. APNT executed ~0.4% price increases in Q3 and retained margin guidance at ~18-20% given lower RM prices.

Challenging environment would continue; Downgrade from BUY to ADD

We expect APNT to emerge as strong player, moving from *share of surface* to *share of space inside home* in line with its core strategy: (1) upgrade volumes using innovations in economy/luxury emulsions, (2) grow project/institutional business, (3) expand waterproofing business, (4) grow rural reach, and (5) gain volume market share, yet balance margins. We expect with revamp in packaging, innovative regional packs, strengthening 'Advanced Range' and exclusive range for Architectural and Interior application would help APNT to lift revenue momentum and profitability. Though industrial business (6% of sales) and International expect to deliver strong growth. Despite challenging demand conditions, APNT expects to deliver single digit volume growth in domestic decorative segment led by bounce back on urban demand along with NPD (~12% of sales). Further, it expects to maintain operating margins at ~18-20% band. Considering weak 9MFY25 and higher competition intensity in the sector, we cut earnings for FY25E/FY26E by 13.5%/21.4% and change rating from BUY to ADD, with a revised DCF-based TP of Rs2,500 (implied 49.0x FY27E EPS). Key risks to our call include weak demand conditions, rise in crude oil prices & rising competition.

Financial and valuation summary

YE Mar (Rs mn)	3QFY25A	3QFY24A	YoY (%)	2QFY25A	QoQ (%)	FY25E	FY26E	FY27E
Revenues	80,275	84,786	(5.3)	89,697	(10.5)	3,37,859	3,57,143	3,81,815
EBITDA	12,395	17,162	(27.8)	16,938	(26.8)	61,894	66,688	72,471
EBITDA margin (%)	15.4	20.2	(480bp)	18.9	(344bp)	18.3	18.7	19.0
Adj. Net profit	8,748	12,324	(29.0)	11,868	(26.3)	42,212	45,013	48,891
Adj. EPS (Rs)	10.9	14.5	(29.0)	13.2	(26.3)	44.0	46.9	51.0
EPS growth (%)						(24.0)	6.6	8.6
PE (x)						53.4	50.1	46.1
EV/EBITDA (x)						35.8	33.1	30.3
PBV (x)						11.2	10.4	9.7
RoE (%)						21.7	21.5	21.8
RoCE (%)						19.2	19.4	19.8

Source: Company, Centrum Broking

Please see Disclaimer for analyst certifications and all other important disclosures.

Result Update

India | Consumer

04 February, 2025

ADD

Price: Rs2,354

Target Price: Rs2,500

Forecast return: 6%

Institutional Research

Market Data

Bloomberg:	APNT IN
52 week H/L:	3,395/2,208
Market cap:	Rs2258.3bn
Shares Outstanding:	959.2mn
Free float:	45.4%
Avg. daily vol. 3mth:	15,46,424
Source:	Bloomberg

Changes in the report

Rating:	ADD from BUY
Target price:	Rs2,500 from Rs3,200
EPS:	FY25E: Rs44.0; down 13.5%
	FY26E: Rs46.9; down 21.4%
Source:	Centrum Broking

Shareholding pattern

	Dec-24	Sep-24	Jun-24	Mar-24
Promoter	52.6	52.6	52.6	52.6
FII's	13.6	15.3	15.3	15.9
DII's	14.0	13.2	12.4	11.7
Public/other	19.8	18.9	19.7	19.8

Source: BSE

Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q3FY25	Actual Q3FY25	Variance (%)
Revenue	89,210	85,494	(4.2)
EBITDA	16,530	16,367	(1.0)
EBITDA margin %	18.5	19.1	62bps
Other Income	1,594	1,430	(10.3)
Interest	(604)	(558)	(7.6)
Depreciation	(2,446)	(2,556)	4.5
PBT	15,073	14,683	(2.6)
Tax	(3,768)	(3,897)	3.4
Rep. PAT	11,305	10,786	(4.6)
Adj. PAT	11,305	10,607	(6.2)

Source: Bloomberg, Centrum Broking



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Consumer

Thesis Snapshot

Estimate revision

YE Mar (Rs mn)	FY25E New	FY25E Old	% chg	FY26E New	FY26E Old	% chg
Revenue	3,37,859	3,64,043	(7.2)	3,57,143	4,04,174	(11.6)
EBITDA	61,894	69,462	(10.9)	66,688	84,333	(20.9)
EBITDA margin %	18.3	19.1	-78bps	18.7	20.9	-223bps
Adj. PAT	42,212	48,792	(13.5)	45,013	57,229	(21.3)
Diluted EPS (Rs)	44.0	50.9	(13.5)	46.9	59.7	(21.4)

Source: Centrum Broking

Asian Paints versus NIFTY 50

	1m	6m	1 year
APNT IN	0.8	(24.2)	(19.8)
NIFTY 50	(1.1)	(4.0)	8.6

Source: Bloomberg, NSE

Key assumptions

Y/E Mar	FY25E	FY26E
Volume growth	4.0	5.0
Price/ Mix Growth	(4.0)	0.2
Gross Margin	42.1	42.6
Employee costs as % of Sales	6.2	7.0
Other expenses as % of Sales	17.6	16.9
Tax rate	25.6	25.6

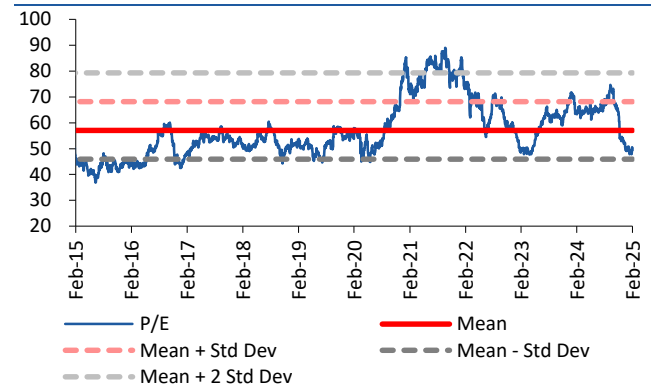
Source: Centrum Broking

Valuations

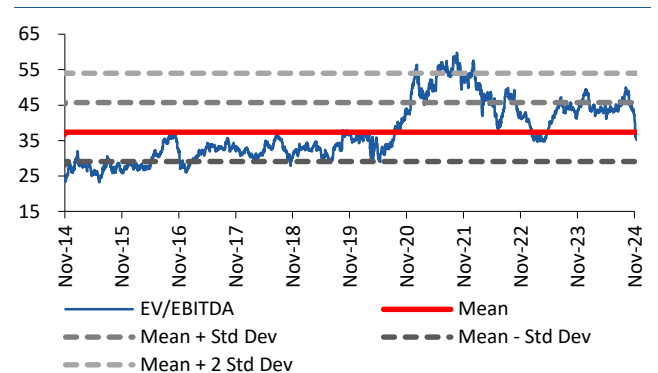
We expect APNT to emerge as strong player, moving from share of surface to share of space inside home in line with its core strategy: (1) upgrade volumes using innovations in economy/luxury emulsions, (2) grow project/institutional business, (3) expand waterproofing business, (4) grow rural reach, and (5) gain volume market share, yet balance margins. We expect with revamp in packaging, innovative regional packs, strengthening 'Advanced Range' and exclusive range for Architectural and Interior application would help APNT to lift revenue momentum and profitability. Though industrial business (6% of sales) and International expect to deliver strong growth. Despite challenging demand conditions, APNT expects to deliver single digit volume growth in domestic decorative segment led by bounce back on urban demand along with NPD (~12% of sales). Further, it expects to maintain operating margins at ~18-20% band. Considering weak 9MFY25 and higher competition intensity in the sector, we cut earnings for FY25E/FY26E by 13.5%/21.4% and change rating from BUY to ADD, with a revised DCF-based TP of Rs2,500 (implied 49.0x FY27E EPS). Key risks to our call include weak demand conditions, rise in crude oil prices & rising competition.

Valuations	Rs/share
DCF-based target price (Rs)	2,500
WACC (%)	10.6
Terminal growth (%)	5.0

P/E mean and standard deviation



EV/EBITDA mean and standard deviation



Source: Bloomberg, Centrum Broking

Peer comparison

Company	Mkt Cap	CAGR (FY24-27E)				P/E (x)			EV/EBITDA (x)			RoE		
	(Rs bn)	Sales	EBITDA	EPS	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	
Asian Paints	2,258.3	2.5	(1.5)	(4.2)	53.4	50.1	46.1	35.8	33.1	30.3	21.7	21.5	21.8	
Berger Paints India	570.6	7.8	5.7	6.7	49.1	44.1	39.4	30.8	27.9	25.1	20.4	20.2	20.1	
Kansai Nerolac Paints	200.2	6.7	5.2	3.1	30.3	26.8	24.2	18.4	16.6	15.0	11.7	12.3	13.3	
Indigo paints	61.1	14.0	11.9	11.9	38.4	33.5	28.9	24.0	20.6	17.6	15.3	15.7	16.5	

Source: Company, Centrum Broking

Conference call highlights

Overall

- APNT's consolidated net sales declined by 6.1% to Rs85.5bn impacted by weak demand during festive period, subdued demand in urban market and shift in mix
- Domestic decorative paint volume grew 1.6%, while value decline by 6.7% given weak demand scenario coupled with consumer down trading impacted consumption especially in north and central region
- The company has expanded its retail footprint through 1,69,000 retail touchpoints
- Good pickup in demand in the Projects / Institutional Business driven by Factories & Builders' segment
- The company remained its focus on product innovation as its new products contributed to about 12% of overall revenues
- Management aiming for single digit volume growth and improve product mix to deliver value growth, EBITDA margin remains in the range of 18%-20%
- During Q3 Launched new campaign for Ultima Protek, an ultra-durable exterior paint, only Lamination Paint powered by Graphene. New product contribute 12% to topline
- APNT taken price hike of ~0.4% in Q3, though material deflation at ~2.1%
- Beautiful Homes Signature Store launched in Mumbai/Surat spread across 14k/13k sqft
- Better monsoons coupled with expected boost in Government spending should continue to support rural demand
- Latex paint category has potential of 5lakh kl, initial targeting 7%-9%, focus remaining on creating awareness among customer and painters
- Management expects demand conditions remain challenging, though continue to put efforts towards leveraging brand strength, robust supply chain and distribution network to pursue growth
- Given strong capex coming to India, increase government spending and tailwind for hospitality APNT remain positive on B2B business, currently contributing ~17%

Business segment commentary

Home Décor:

- Home Décor business benefited with the progress on the network expansion journey
- White teak sales decreased by 22.8% YoY to Rs260mn and Weatherseal sales decreased by 14.1% to Rs118mn
- Bath Fittings business Sales increased in Q3 FY25 by 2.6% to Rs 876 Mn, PBDIT loss in Q3 FY25 was Rs 63 mn
- Kitchen business revenue increased in Q3 FY25 by 2.7% to Rs 1,027 mn.

Project Business:

- APPPG sales remained flat in Q3 FY25 at Rs 2,873 mn from Rs 2,880 mn. PBT in Q3 FY25 was Rs 241 mn
- PPGAP sales increased in Q3 FY25 by 5.9% to Rs 6,101 mn from Rs 5,762 mn. PBT in Q3 FY25 was Rs 1,348 mn

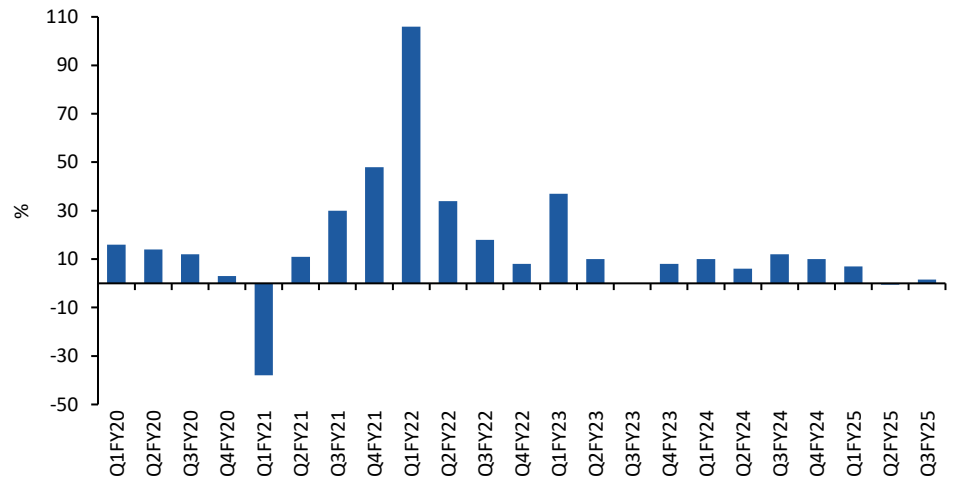
International Business:

- International business increased by 5.0% (17.1% CC) to Rs8.2bn on the back of improved macro-economic conditions in Sri Lanka, Bangladesh and Nepal offset by currency devaluation in Ethiopia and Egypt

Margin & outlook

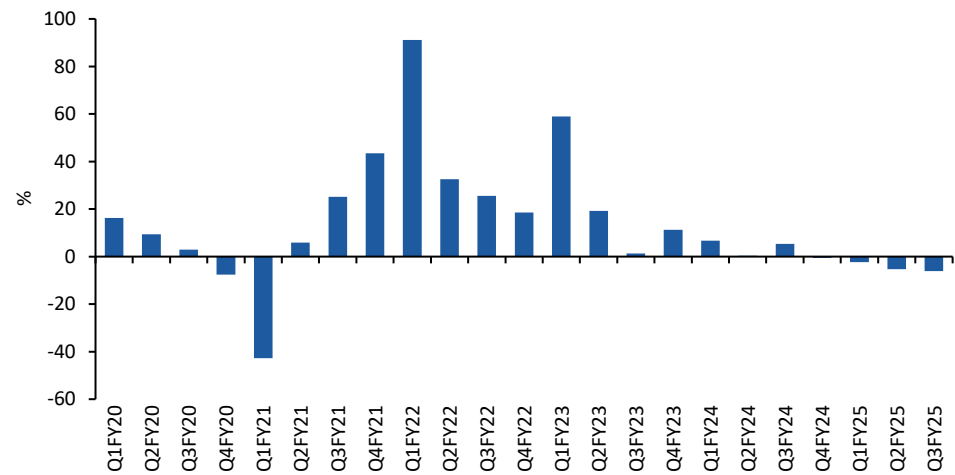
- Gross margin declined by 116bps to 42.4% on account of shift in product mix and consumer downgrading
- EBITDA declined by 20.4% to Rs16.3bn due to higher Employee cost/Other expenses by 7.9%/2.5% respectively; EBITDA Margin slipped to 19.1% (-344bps)
- Adjusted PAT cut by 24.2% to Rs10.6bn
- Management expects EBITDA margin remain in the range of 18%-20%

Exhibit 1: Quarterly volume growth trend



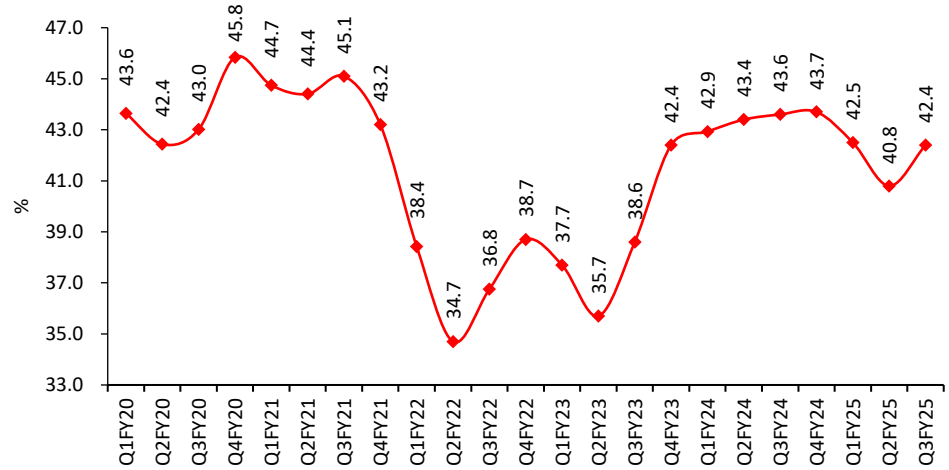
Source: Company Data, Centrum Broking

Exhibit 2: Quarterly revenue growth trend (consolidated)



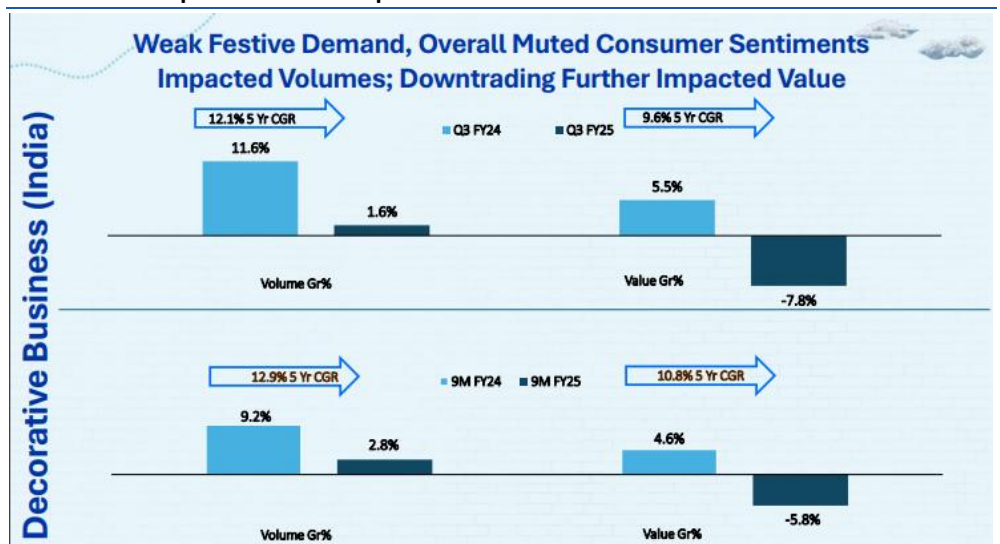
Source: Company Data, Centrum Broking

Exhibit 3: Quarterly gross margin trend



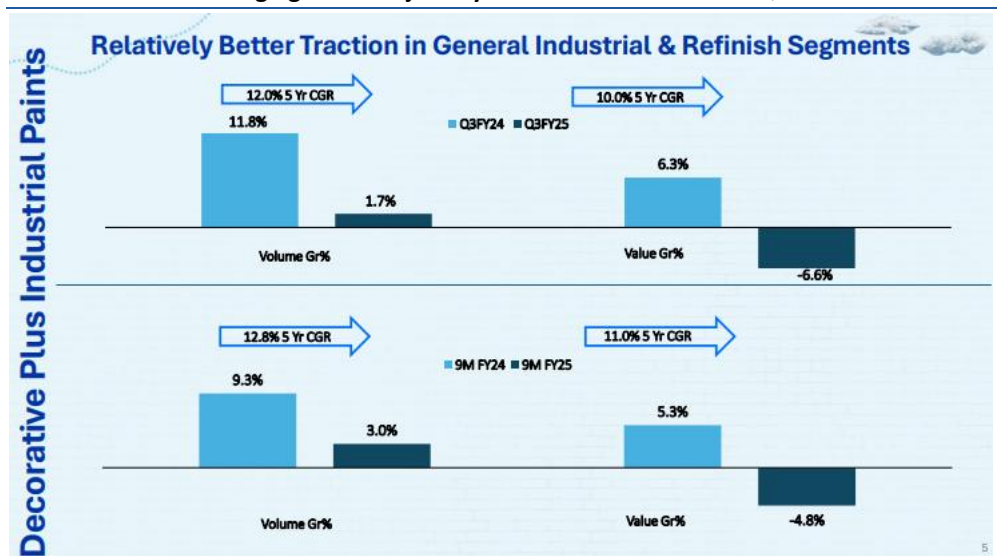
Source: Company Data, Centrum Broking

Exhibit 4: Multiple headwinds impacted volume in decorative business



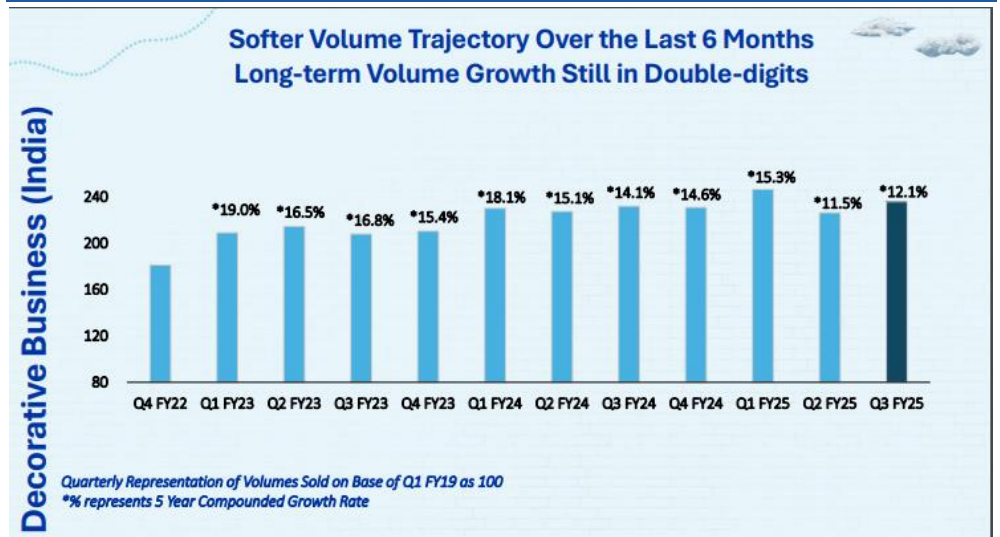
Source: Company Data, Centrum Broking

Exhibit 5: Sustained high growth trajectory in industrial business in Q3FY25



Source: Company Data, Centrum Broking

Exhibit 6: Weak Q2 Leading to Softening of the Double - Digit Trajectory



Source: Company Data, Centrum Broking

Exhibit 7: Future of Waterproofing

- Single Component PUD based fleece reinforced liquid applied coating for exposed terrace surfaces
- Highly Durable, Strong Coating with Best-in-Class Crack Bridging Ability
- Excellent Puncture Resistance & Tensile Strength
- Lifetime Warranty & Peace- Up to 25 Years* Waterproofing Warranty for terraces

Source: Company Data, Centrum Broking

Exhibit 8: The Home Décor Foray

Our Home Décor Foray

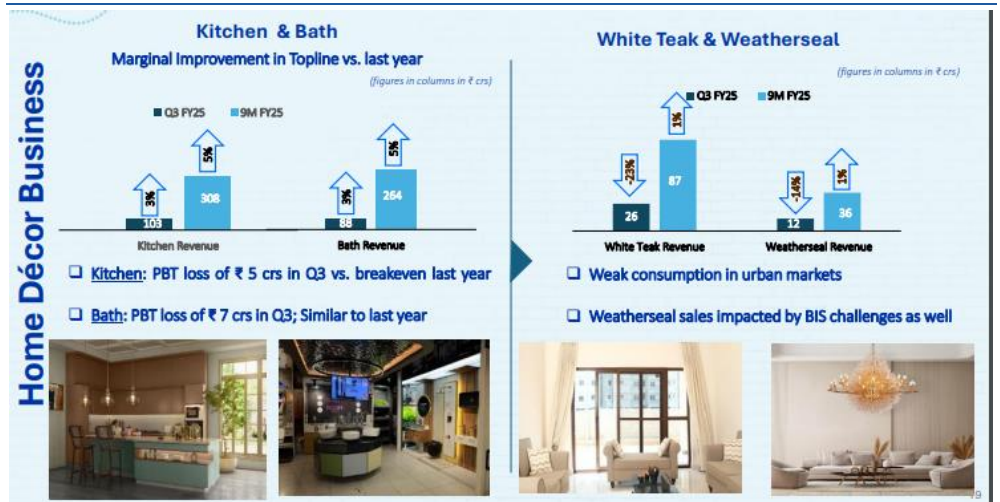
- No. 1 Integrated Home Décor Player
- No. 1 in Decorative Lighting
- No. 2 in Fabric & Furnishing
- No. 1 in Wallcoverings & Textures
- 64 Beautiful Homes Stores - One Stop Home Décor Destinations
- Collaborations with Sabyasachi, Jaipur Rugs, Sarita Handa, European designers
- ~ 4.5% of Decorative Revenue

Product categories shown:

- Modular Kitchen, Kitchen Hardware Components
- Bath Fittings & Sanitaryware
- Fabrics & Furnishings
- Wardrobes and Vanities
- Furniture
- Wall Coverings
- Decorative Lighting
- Rugs
- uPVC Windows and Doors

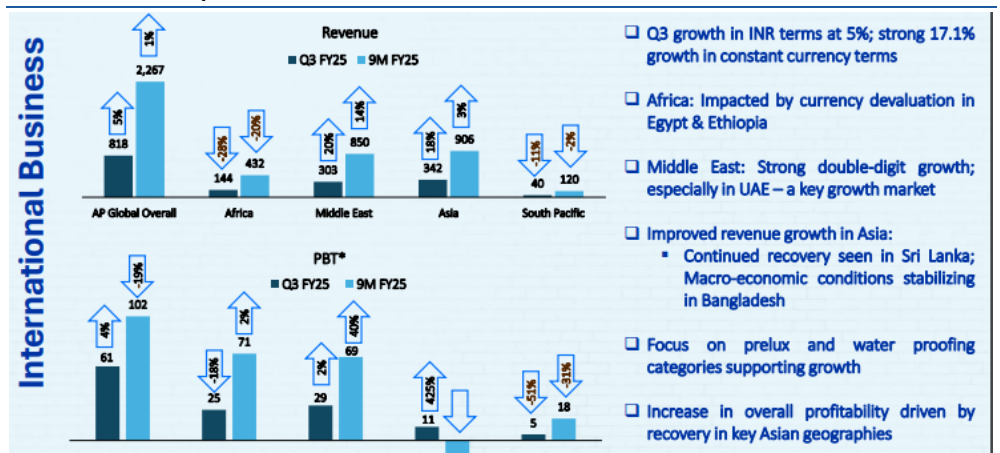
Source: Company Data, Centrum Broking

Exhibit 9: Asian paint Home Décor Business



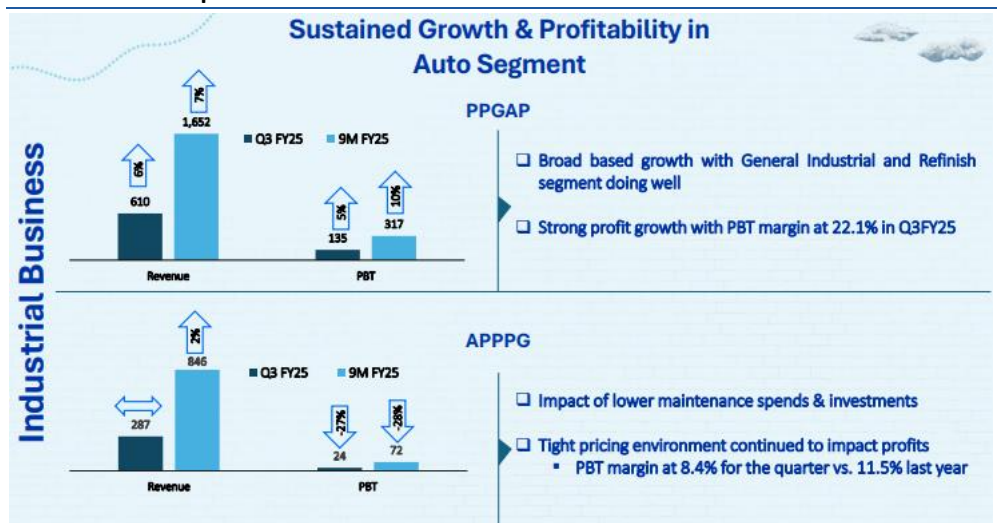
Source: Company Data, Centrum Broking

Exhibit 10: Asian paint International business



Source: Company Data, Centrum Broking

Exhibit 11: Asian paint Industrial business



Source: Company Data, Centrum Broking

Exhibit 12: Quarterly Financials - Consolidated

Particulars (Rs mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Net Sales	87,873	91,823	92,610	91,030.9	87,308	89,697	80,275	85,494
Accretion to Stocks in trade & work in progress	1,889	3,126	1,528	2,795	754	1,208	(3,346)	1,716
Raw Material Consumed	39,793	40,710	39,183	38,370	40,418	40,794	40,815	37,408
Purchase of Stock-in-Trade	8,850	8,568	10,360	10,171	9,483	9,542	10,075	10079
Employee Expenses	5,220	5,457	5,961	5,702	6,142	6,742	6765	6,151
Other Exp	13,473	12,750	13,648	13,431	15,105	14,471	13,572	13,773
Operating Profit (Core EBITDA)	18,648	21,213	17,162	20,561	16,914	16,938	12,395	16,367
Depreciation	2,202	1,983	2,087	2,203	2,256	2,277	2,420	2,556
EBIT	16,446	19,230	15,075	18,375	14,658	14,661	9,975	13,812
Interest	389	458	509	544	541	554	630	558
Other Income	1,055	1,971	1,652	13,431	1,871	1,562.1	1,736	1,430
Other Excep. Items (restructuring, asset sales etc)	-247	0	0	0	0	0	0	0
Profit Before Tax	17,112	20,743	16,218	19,199	15,988	15,669	11,081	14,683
Tax	4,514	5,301	4,186	4,926	3,488	4,168	2,654	3897
Tax rate (%)	26.8	25.6	25.4	25.6	21.8	26.6	23.9	26.5
Profit After Tax	12,351	15,442	12,033	14,273	14,273	11,500	8,427	10786
Add/(Less) - Share in the profit/(loss) of associates	234	307	291	479	253	367	321	(180)
Exceptional Item	(247)	0	0	0	0	0	(1801)	0
PAT attributable to Consolidated Group	12,584	15,748	12,324	14,752	12,753	11,868	6,946	10,607
Adjusted PAT for the group	12,584	15,748	12,324	14,752	12,753	11,868	8,748	10,607
Growth (%)								
Net Sales	11.3	6.7	0.2	5.4	(0.6)	(2.3)	(5.3)	(6.1)
EBITDA	29.2	36.3	39.8	27.6	(9.3)	(20.2)	(27.8)	(20.4)
Adj. PAT	29.6	48.5	53.3	34.5	(0.6)	(24.6)	(29.0)	(24.2)
Margin (%)								
Gross Margin	42.5	42.9	43.4	43.6	43.7	42.5	40.8	42.4
EBITDA	21.2	23.1	20.2	22.6	19.4	18.9	15.4	19.1
EBIT	18.7	20.9	17.8	20.2	16.8	16.3	12.4	16.2
PAT (reported before minority interest)	14.1	17.2	14.5	16.2	14.6	13.2	10.9	12.4

Source: Company Data, Centrum Broking

P&L					
YE Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenues	3,44,886	3,54,947	3,37,859	3,57,143	3,81,815
Operating Expense	2,11,565	2,00,902	1,95,461	2,05,070	2,18,328
Employee cost	20,281	23,262	20,947	25,000	26,498
Others	50,442	54,934	59,557	60,385	64,518
EBITDA	62,598	75,850	61,894	66,688	72,471
Depreciation & Amortisation	8,580	8,530	9,825	10,781	11,829
EBIT	54,018	67,320	52,069	55,907	60,642
Interest expenses	1,445	2,052	2,253	2,111	2,066
Other income	3,865	6,880	6,236	6,705	7,138
PBT	56,439	72,148	56,053	60,502	65,714
Taxes	14,762	17,901	14,350	15,488	16,823
Effective tax rate (%)	26.2	24.8	25.6	25.6	25.6
PAT	41,676	54,247	41,703	45,013	48,891
Minority/Associates	939	1,330	509	0	0
Recurring PAT	42,615	55,577	42,212	45,013	48,891
Extraordinary items	(489)	0	(1,801)	0	0
Reported PAT	42,126	55,577	40,411	45,013	48,891

Ratios					
YE Mar	FY23A	FY24A	FY25E	FY26E	FY27E
Growth (%)					
Revenue	18.5	2.9	(4.8)	5.7	6.9
EBITDA	30.3	21.2	(18.4)	7.7	8.7
Adj. EPS	33.2	30.4	(24.0)	6.6	8.6
Margins (%)					
Gross	38.7	43.4	42.1	42.6	42.8
EBITDA	18.2	21.4	18.3	18.7	19.0
EBIT	15.7	19.0	15.4	15.7	15.9
Adjusted PAT	12.2	15.7	12.0	12.6	12.8
Returns (%)					
ROE	28.6	32.0	21.7	21.5	21.8
ROCE	25.0	27.7	19.2	19.4	19.8
ROIC	27.7	29.8	21.1	22.6	24.1
Turnover (days)					
Gross block turnover ratio (x)	3.8	3.3	2.9	2.7	2.7
Debtors	45	49	51	47	47
Inventory	107	110	110	105	103
Creditors	67	68	70	67	68
Net working capital	103	107	126	133	136
Solvency (x)					
Net debt-equity	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)
Interest coverage ratio	43.3	37.0	27.5	31.6	35.1
Net debt/EBITDA	(0.3)	(0.2)	(0.6)	(0.7)	(0.8)
Per share (Rs)					
Adjusted EPS	44.4	57.9	44.0	46.9	51.0
BVPS	166.7	195.2	210.5	225.9	241.1
CEPS	53.4	66.8	54.3	58.2	63.3
DPS	20.2	26.6	28.2	31.5	35.8
Dividend payout (%)	46.0	45.9	67.0	67.2	70.2
Valuation (x)					
P/E	52.9	40.6	53.4	50.1	46.1
P/BV	14.1	12.0	11.2	10.4	9.7
EV/EBITDA	35.8	29.5	35.8	33.1	30.3
Dividend yield (%)	0.9	1.1	1.2	1.3	1.5

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Equity share capital	959	959	959	959	959
Reserves & surplus	1,58,963	1,86,324	2,00,950	2,15,736	2,30,284
Shareholders fund	1,59,922	1,87,283	2,01,910	2,16,695	2,31,244
Minority Interest	4,537	6,954	7,463	7,463	7,463
Total debt	19,326	24,744	23,700	23,200	22,700
Non Current Liabilities	3,163	4,976	6,538	6,911	7,388
Def tax liab. (net)	3,348	3,522	1,720	1,720	1,720
Total liabilities	1,90,296	2,27,478	2,41,330	2,55,989	2,70,514
Gross block	90,782	1,07,624	1,18,442	1,30,077	1,43,638
Less: acc. Depreciation	(35,362)	(40,349)	(50,174)	(60,955)	(72,785)
Net block	55,420	67,274	68,268	69,121	70,854
Capital WIP	10,196	26,984	26,984	26,984	26,984
Net fixed assets	67,901	98,450	99,443	1,00,297	1,02,029
Non Current Assets	6,999	9,361	8,910	9,419	10,070
Investments	15,647	13,845	13,845	13,845	13,845
Inventories	62,106	59,234	58,064	60,400	62,480
Sundry debtors	46,369	48,891	44,962	47,283	50,288
Cash & Cash Equivalents	35,408	42,874	59,070	70,778	81,691
Loans & advances	15,928	16,514	15,718	16,616	17,763
Other current assets	5,540	7,858	7,480	7,907	8,453
Trade payables	36,354	38,313	36,539	39,114	42,339
Other current liab.	30,588	32,824	31,244	33,027	35,309
Provisions	742	625	595	629	672
Net current assets	97,668	1,03,608	1,16,917	1,30,214	1,42,356
Total assets	1,90,296	2,27,478	2,41,330	2,55,989	2,70,514

Cashflow					
YE Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Profit Before Tax	56,888	73,478	54,252	60,502	65,714
Depreciation & Amortisation	8,580	8,530	9,825	10,781	11,829
Net Interest	237	352	791	503	377
Net Change – WC	(7,721)	101	4,900	(1,725)	(1,403)
Direct taxes	(14,943)	(18,351)	(14,350)	(15,488)	(16,823)
Net cash from operations	41,934	61,036	55,926	54,573	59,696
Capital expenditure	(12,734)	(21,990)	(10,818)	(11,635)	(13,562)
Acquisitions, net	0	0	0	0	0
Investments	1,448	1,907	0	0	0
Others	(3,183)	(5,093)	1,462	1,608	1,688
Net cash from investing	(14,469)	(25,176)	(9,357)	(10,027)	(11,874)
FCF	27,466	35,860	46,570	44,546	47,822
Issue of share capital	0	0	0	0	0
Increase/(decrease) in debt	785	(83)	(1,044)	(500)	(500)
Dividend paid	(19,361)	(25,509)	(27,077)	(30,228)	(34,343)
Interest paid	(3,977)	(4,762)	(2,253)	(2,111)	(2,066)
Others	1,153	528	0	0	0
Net cash from financing	(21,400)	(29,825)	(30,373)	(32,838)	(36,909)
Net change in Cash	6,065	6,035	16,196	11,708	10,913

Source: Company, Centrum Broking

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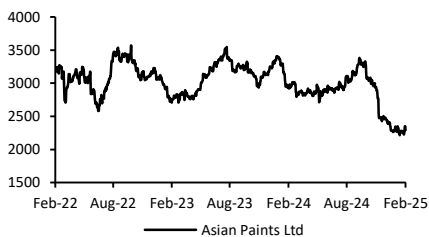
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Asian Paints



Source: Bloomberg

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