

## CHAIRMAN'S LETTER

# FUELLED BY PURPOSE, POWERED BY CONFIDENCE



## Dear Shareholders,

It is a privilege to address you once again this year, as the Chairman of the Board of Directors of this esteemed organisation. In a year when my engagement with the Company increased, I have come to admire even more the organisation's strong legacy, its undiminished potential for continued leadership of the industry as well as the unfailing support of our stakeholders.

I have also witnessed the resolute alignment of all stakeholders with the Asian Paints Charter, an embodiment of our purpose and values. The

values represented in the Charter are not just referenced but lived, day in and day out, by each and every member of the Asian Paints family. They shape how we think, how we operate and how we engage with all our stakeholders.

## A Year of challenges

The global landscape continued to be volatile, strained with rising voices for higher protectionism and continuing geopolitical conflicts. On the macro-economic front, the year started with a strong tailwind of expected policy rate cuts across major economies to unwind from the steep rate hike

cycle that was warranted by spiralling inflation in the previous couple of years. The actual policy easing, however, has been shallower with rising prospects of global trade war muddling the outlook and this has played out adversely on consumption. Even in India, while the overall economic activity kept pace, the coatings and the larger home décor sector witnessed tepid demand conditions as subdued sentiments weighed down on consumption, contributing to the revenue decline for our consolidated business for the year.

Despite these headwinds, the competitive landscape intensified, with both new entrants and established players adopting more aggressive, often short-term strategies.

There have been many learnings from these challenges and the changed environment. I am glad that the Company has utilised these learnings to further sharpen the competitive skills and competences in order to forge ahead with renewed vigour and purpose.

As a leading paint Company, we responded with a balanced and strategic approach, prioritising long-term, sustainable value creation for all stakeholders. In this context, we enhanced our focus on value-driven offerings. Our Neo Bharat range—featuring advanced polymer technology—and the Sparc portfolio

under the Tractor and Ace brands, provided compelling choices for value-conscious consumers. Simultaneously, we continued to elevate our premium and luxury segments with standout products like Royale Glitz and Nilaya Arc, delivering exceptional features and experiences.

Our vast and expanding dealer network and the dedicated applicator community remain vital pillars of strength for our leadership and we have reinvigorated our efforts to engage and deliver value to these stakeholders through increased investments in training, retailing enhancements and assisting lead generation. Our vision and intent to transition to an integrated home décor player, being a preferred choice in our customers' 'home décor journey' to create their 'Beautiful Home', remains relevant and valid. Despite adverse business performance, impacted by softer discretionary spends and other challenges, we believe that being an integrated home décor player, is a strong differentiator, adding to our unique brand value. Our Beautiful Homes Stores network is now a 72-store-strong network allowing our customers to experience all our products and services under one roof with cutting-edge visualisation tools and customisation opportunities.

## ESG woven into the business

Our commitment to Environmental, Social and Governance (ESG) principles continues to be a cornerstone of our strategic direction. Whether through our water stewardship programmes, sustainable operational practices, or initiatives that promote inclusive growth, we are proud of the tangible and far-reaching progress we have made. Guided by our ESG Charter, we have established clear, measurable targets across each of our strategic

focus areas. Over the years, we have consistently advanced toward these goals. In FY 2024–25, we undertook a comprehensive assessment of our performance against our 2025 targets. Building on this momentum, the Board is now actively steering its efforts towards achieving our long-term ESG ambitions set for 2030. Our journey is one of continuous improvement, and we remain steadfast in our resolve to create long-term value for all stakeholders while contributing meaningfully to a more sustainable and equitable future.

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## Board membership changes

During the year, Mr. Jigish Choksi stepped down from his role as a Non-Executive Director to pursue his family business and other personal interests. We express our sincere gratitude to him for his valuable contributions and dedicated service to the Board.

We were also pleased to welcome Mr. Varun Berry as an Independent Director and Mr. Ashish Choksi as an Additional and Non-Executive Director on the Board. Their extensive industry experience and strategic insights will significantly enhance the Board's collective expertise and governance capabilities as we continue to steer the Company toward long-term growth and value creation.

## Looking ahead

Our enduring priority remains to create meaningful value for all stakeholders - consistently, responsibly, and with foresight. At the heart of this pursuit is our people. We are deeply appreciative of our teams whose agility, leadership and depth of expertise have shaped a culture that is both high-performing and deeply human. Our sincere thanks are also due to their families for their support.

India is on an exciting journey of growth and transformation. With rising aspirations, bold policy reforms, and decisive implementation, the nation is poised to become the world's third-largest economy. This trajectory presents immense opportunities for those ready to evolve, innovate, and adapt. As a leading paint company, our strong brand salience positions us well to harness these opportunities. We remain focused on further strengthening this brand equity, which we believe is a key lever for sustainable growth and long-term progress. The evolving competitive landscape calls for pace, imagination and purpose. The resilience and forward-looking mindset of team Asian Paints, gives me great confidence that we will continue to strengthen our leadership as we look ahead.

I look forward to your continued support as we move ahead on this journey of growth, innovation, and value creation.

Warm regards,

**R. Seshasayee**  
Chairman

