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ASIAN PAINTS DELIVERS A STRONG QUARTER : Profit Surges 43% In Q2

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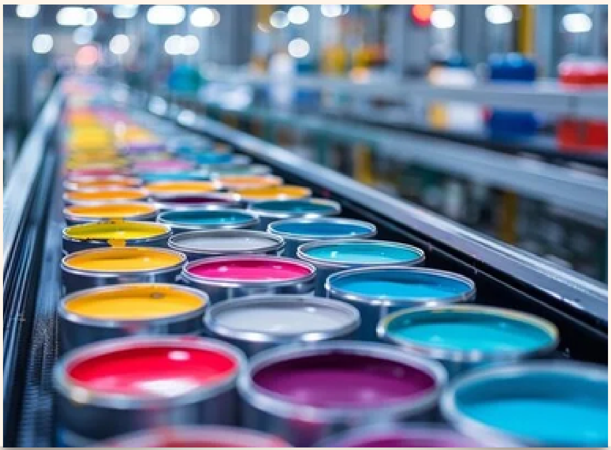
ASIAN PAINTS DELIVERS A STRONG QUARTER : PROFIT SURGES 43% IN Q2

Asian Paints surprised the street with a sharp turnaround this quarter. The company posted a consolidated net profit of ₹993.59 crore for Q2FY26, a solid 43% jump from last year. This comes despite a tough macro environment and an early, prolonged monsoon. Total income rose 6.45% to ₹8,729.91 crore, helped by healthy volume growth across key markets.

Below is a simple breakdown of how each part of the business performed and what's driving the recovery.



KEY BUSINESS HIGHLIGHTS

International Business

International operations stood out this quarter. Sales grew 9.9% to ₹846 crore, supported by strong traction in Asian markets, the UAE and Egypt. In constant currency terms, growth was even stronger at 10.6%. Profit nearly doubled to ₹76.4 crore, showing clear operational leverage.

Bath Fittings

Sales slipped 4.7% to ₹79.3 crore. Demand remained soft in this segment.

Kitchen Business

The kitchen portfolio also saw pressure, with sales down 7.2% to ₹97.7 crore.

White Teak & Weatherseal

A mixed quarter. White Teak reported a 15.2% decline to ₹26.4 crore, but Weatherseal recorded a sharp 56.9% rise to ₹20.7 crore, indicating selective pockets of strong demand.

Industrial Business – JV Performance

Both joint ventures with PPG Industries delivered strong numbers:

- **PPG Asian Paints :** Sales up 13.3% to ₹594.3 crore. PBT rose to ₹102.8 crore from ₹82.5 crore.
- **Asian Paints PPG :** Sales up 10.2% to ₹265.5 crore. PBT climbed to ₹25.9 crore from ₹18.5 crore.

FINANCIAL PERFORMANCE SNAPSHOT

- **Revenue from Operations :** Revenue grew 6.28% to ₹8,531.27 crore. Other income also increased 14.46% to ₹198.64 crore.

- **EBITDA & Margins :** EBITDA rose 21.39% to ₹1,503.38 crore. EBITDA margin moved up to 17.62% from 15.44%, helped by lower input costs and better cost control.

- **Expenses:** Total expenses increased 4% to ₹7,376.69 crore, but the cost mix improved.

  - Material costs dropped 7.87%, providing a strong lift to profitability.
  - Finance cost fell sharply by 30.38%.
  - Depreciation & other expenses rose due to continued investments in business expansion.

STANDALONE Q2 PERFORMANCE

Standalone profit surged nearly 60% to ₹955.56 crore. Income grew 6.16% to ₹7,588.25 crore. The domestic decorative business, which is the biggest growth engine, delivered 10.9% volume growth despite weather-related disruptions.

MANAGEMENT'S COMMENTARY

MD & CEO Amit Syngle highlighted that the quarter was driven by focused innovation, stronger execution and region-specific initiatives. The company managed to generate demand across both urban and rural India even through a prolonged monsoon. Automotive and industrial coatings strengthened the performance further, while international markets delivered double-digit growth.

Home Decor remains under pressure, but the Beautiful Homes experience stores are tracking well. Cost efficiency initiatives helped expand margins even as the company continued investing in brand building.

OUR VIEW

This quarter tells an important story. Asian Paints is showing the benefits of a well-diversified business model. Decorative paints remain the backbone, but the strength in industrial coatings and international markets is adding stability. The fall in raw material costs has clearly helped margins, but the real takeaway is their ability to keep demand intact in a disrupted quarter.

Segments like Bath Fittings, Kitchens and White Teak still need work, but they are too small to impact the overall picture in a meaningful way. The big positive is the consistent volume momentum in the core domestic business, which matters far more for long-term investors.

Overall, this looks like a steady and confident quarter. Not flashy, but solid. The company is moving in the right direction, and the fundamentals remain intact.

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