



INDIGO

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Date: October 29, 2021

To, BSE Limited Corporate Relationship Department 25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 543258	To National Stock Exchange of India Limited Exchange Plaza, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai -400051 NSE Symbol: INDIGOPNTS
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Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on October 29, 2021

In compliance with Regulation 30 read with Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we would like to inform you that the Board of Directors of the Company at its meeting held on October 29, 2021 approved the Unaudited Financial Results for the Quarter and Half year ended September 30, 2021 and took on record Limited Review report by the Statutory Auditor thereon.

In this regard, please find enclosed the following:

- Unaudited Financial Results for the Quarter and Half year ended September 30, 2021.
- Limited Review report issued by the Statutory Auditor for the Quarter and Half year ended September 30, 2021.
- The Press Release on the financial results for the Quarter and Half year ended September 30, 2021.

The Board meeting commenced at 13.00 hrs (IST) and concluded at 14.40 hrs (IST).

The above information will also be made available on the website of the company www.indigopaints.com/investors

You are requested to take note of the same.

Thanking you,

For Indigo Paints Limited

(formerly known as Indigo Paints Private Limited)

Sujoy Sudipta Bose
Company Secretary & Compliance Officer



Encl: A/a

Indigo Paints Limited (formerly known as "Indigo Paints Private Limited")
Registered Office: Indigo Tower, Street-5, Palod Farm-2, Baner Road, Pune, Maharashtra- 411045
Corporate Identity Number: L24114PN2000PLC014669
Statement of unaudited financial results for the quarter and six months ended September 30, 2021
(All amounts in rupees lakhs, unless otherwise stated)

Sr. No	Particulars	Quarter ended			Six months ended		Year ended
		Sep 30, 2021	Jun 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020	Mar 31, 2021
		(Unaudited)	(Unaudited)	(Refer note 6)	(Unaudited)	(Audited)	(Audited)
1	Income:						
(a)	Revenue from operations	19,611.00	15,602.42	15,483.88	35,213.42	25,941.91	72,332.47
(b)	Other income	304.92	302.24	64.12	607.16	82.34	359.37
	Total Income	19,915.92	15,904.66	15,548.00	35,820.58	26,024.25	72,691.84
2	Expenses:						
(a)	Cost of raw materials and components consumed	12,118.90	8,601.50	7,599.93	20,720.40	12,381.86	36,394.68
(b)	Purchase of traded goods	468.73	400.46	363.42	869.19	535.72	1,783.48
(c)	Changes in inventories of finished goods and traded goods	(1,159.31)	(501.93)	(250.47)	(1,661.24)	603.11	(526.46)
(d)	Employee benefits expense	1,384.53	1,359.04	1,195.01	2,743.57	2,204.26	4,831.28
(e)	Finance cost	25.66	25.27	105.10	50.93	247.26	381.31
(f)	Depreciation and amortisation expense	770.34	735.36	566.51	1,505.70	1,121.51	2,438.95
(g)	Other expenses	4,460.50	3,726.96	3,667.53	8,187.46	5,408.04	17,597.88
	Total Expenses	18,069.35	14,346.66	13,247.03	32,416.01	22,501.76	62,901.12
3	Profit before exceptional items and tax	1,846.57	1,558.00	2,300.97	3,404.57	3,522.49	9,790.72
4	Exceptional Items	-	-	-	-	-	-
5	Profit before tax	1,846.57	1,558.00	2,300.97	3,404.57	3,522.49	9,790.72
6	Tax expense						
(a)	Current tax	467.06	383.74	624.79	850.80	927.84	2,555.37
(b)	Adjustment of tax relating to earlier periods	-	-	-	-	-	(84.85)
(c)	Deferred tax	24.70	13.51	(204.41)	38.21	(125.85)	235.19
	Total tax expense	491.76	397.25	420.38	889.01	801.99	2,705.71
7	Net Profit for the period	1,354.81	1,160.75	1,880.59	2,515.56	2,720.50	7,085.01
8	Other Comprehensive Income, net of tax						
(a)	Items that will not be reclassified to profit or loss in subsequent periods	(2.72)	(2.72)	(1.13)	(5.44)	(1.13)	(10.87)
	Total Other comprehensive income for the period	(2.72)	(2.72)	(1.13)	(5.44)	(1.13)	(10.87)
9	Total Comprehensive Income for the period	1,352.09	1,158.03	1,879.46	2,510.12	2,719.37	7,074.14
10	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	4,756.90	4,756.90	2,902.22	4,756.90	2,902.22	4,756.90
11	Other equity						51,592.07
12	Earnings Per Share (in Rupees) (not annualised)						
	Basic	2.85	2.44	4.17	5.29	6.03	15.55
	Diluted	2.84	2.44	4.13	5.28	5.97	15.54
	See accompanying notes to the financial results						



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Statement of unaudited financial results for the quarter and six months ended September 30, 2021
(All amounts in rupees lakhs, unless otherwise stated)

Statement of Assets and Liabilities as at September 30, 2021

Particulars		Sep 30, 2021	Mar 31, 2021
		(Unaudited)	(Audited)
A	ASSETS		
I.	Non-current assets		
	Property, plant and equipment	18,911.19	18,822.99
	Capital work-in-progress	952.29	311.54
	Right-of-use assets	2,993.83	3,009.14
	Goodwill	3,055.20	3,055.20
	Other intangible assets	42.24	46.10
	Financial assets		
	Other non-current financial assets	79.54	1,597.11
	Income tax assets (net)	494.05	-
	Other non-current assets	2,813.00	34.41
		29,341.34	26,876.49
II.	Current assets		
	Inventories	10,820.10	9,467.47
	Financial assets		
	(a) Investments	11,074.27	4,967.93
	(b) Trade receivables	10,665.48	12,119.16
	(c) Cash and cash equivalents	4,246.16	4,479.89
	(d) Bank balances other than cash and cash equivalents	13,811.31	21,351.16
	(e) Other financial assets	371.19	1,091.64
	Other current assets	618.18	762.58
		51,606.69	54,239.83
	Total Assets	80,948.03	81,116.32
B	EQUITY AND LIABILITIES		
I.	Equity		
	Equity share capital	4,756.90	4,756.90
	Other equity	54,126.39	51,592.07
		58,883.29	56,348.97
II.	Liabilities		
	Non-current liabilities		
	Financial liabilities		
	Lease liabilities	456.11	549.58
	Other non-current liabilities	443.99	429.65
	Provisions	422.96	252.53
	Deferred tax liabilities (net)	731.61	695.22
		2,054.67	1,926.98
	Current liabilities		
	Financial liabilities		
	(a) Borrowings	0.01	3.28
	(b) Lease liabilities	423.19	325.13
	(c) Trade payables - total outstanding dues of:		
	-micro and small enterprises	5,148.18	5,039.65
	-creditors other than micro and small enterprises	11,097.40	13,517.46
	(d) Other current financial liabilities	887.87	1,520.96
	Other current liabilities	1,156.63	1,191.29
	Provisions	222.12	167.93
	Liabilities for income tax (net)	1,074.67	1,074.67
		20,010.07	22,840.37
	Total Equity and Liabilities	80,948.03	81,116.32



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Statement of unaudited financial results for the quarter and six months ended September 30, 2021
(All amounts in rupees lakhs, unless otherwise stated)

Note to the financial results:

- 1 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- 2 The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 29, 2021.

3 Statement of cash flows for the six months ended September 30, 2021

Particulars		Sep 30, 2021 (Unaudited)	Sep 30, 2020 (Audited)
A.	Cash flow from operating activities		
	Profit before tax	3,404.57	3,522.49
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortization expense	1,505.70	1,121.51
	Employee stock option expenses	24.20	12.55
	(Reversal)/ Provision for impairment of financial assets (net)	(2.37)	43.49
	Finance costs	50.93	247.26
	Fair value gain on financial instruments at fair value through profit or loss	(206.34)	(48.76)
	Interest income	(386.37)	(9.15)
	Operating profit before working capital changes	4,390.32	4,889.39
	Working capital adjustments		
	(Decrease) in trade payables and other financial liabilities	(2,758.04)	(1,948.38)
	(Decrease)/Increase in other liabilities	(20.32)	255.71
	Increase in provisions	210.62	165.45
	Decrease in trade receivables	1,456.05	1,846.95
	(Increase)/Decrease in inventories	(1,352.63)	950.18
	Decrease in other assets	144.40	91.96
	Decrease/(Increase) in other financial assets	729.85	(55.95)
	Cash generated from operating activities	2,800.25	6,195.31
	Direct taxes paid (net of refunds)	(1,344.85)	(879.55)
	Net cash flow from operating activities (A)	1,455.40	5,315.76
B.	Cash flows (used in) investing activities		
	Purchase of property, plant and equipment and intangible assets including movement in CWIP, capital advances and capital creditors	(4,972.39)	(1,345.72)
	Proceeds from sale of property, plant and equipment	1.05	-
	Investments in bank deposits (having original maturity of more than three months)	(9,445.88)	-
	Proceeds from maturity of bank deposits (having original maturity of more than three months)	18,442.71	-
	Proceeds from sale of short term investments	-	2,073.18
	Purchase of short term investments	(5,900.00)	(3,000.00)
	Interest received	437.57	1.12
	Net cash flow (used in) investing activities (B)	(1,436.94)	(2,271.42)
C.	Cash flows from / (used in) financing activities		
	(Repayment of) short-term borrowings (net)	(3.27)	(1,452.91)
	Repayment of long-term borrowings	-	(540.74)
	Payment of principal portion of lease liabilities	(248.86)	(180.33)
	Interest paid	(0.06)	(224.03)
	Net cash flow from / (used in) financing activities (C)	(252.19)	(2,398.01)
	Net (decrease)/increase in cash and cash equivalents (A + B + C)	(233.73)	646.33
	Cash and cash equivalents at the beginning of the period	4,479.89	568.43
	Cash and cash equivalents at the end of the period	4,246.16	1,214.76
	Components of cash and cash equivalents		
	Cash on hand	9.62	5.41
	Balances with banks		
	- on current accounts	927.81	487.33
	- on cash credit accounts (surplus)	-	722.02
	- deposits with original maturity of less than three months	3,308.73	-
	Total cash and cash equivalents	4,246.16	1,214.76



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Statement of unaudited financial results for the quarter and six months ended September 30, 2021
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- 4 The Company is engaged in manufacture and sale of decorative paints. As the Company's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, there is no separate reportable segments as per Ind AS 108 "Operating Segments".
- 5 Management has taken into account the possible impact of Covid-19 in preparation of the financial results, including assessment of recoverability of its assets based on the internal and external information upto the date of approval of the results. The Company will continue to monitor any material changes to future economic conditions.
- 6 The financial results for the quarter ended September 30, 2020 have not been reviewed by the Statutory auditor of the Company, however the management has exercised necessary due diligence to ensure that the financial results for the period provide a true and fair view of the Company's affairs.
- 7 During the previous year ended March 31, 2021, the Company had completed the Initial Public Offering (IPO) and details of utilisation of IPO Proceeds of Rs. 28,711.21 lakhs (adjusted with final share of Company's share issue expenses), are as follows:

Objects of the issue	IPO proceeds	(Amount in lakhs)	
		Utilized upto September 30, 2021	Un-utilized as on September 30, 2021
Funding capital expenditure for the Proposed expansion	15,000.00	3,569.30	11,430.70
Purchase of tinting machines and gyroshakers	5,000.00	1,084.17	3,915.83
Repayment/prepayment of certain borrowings of Company	2,500.00	2,500.00	-
General corporate purposes@	6,211.21	4,711.21	1,500.00
Total	28,711.21	11,864.68	16,846.53

@ Adjusted based on the final share of the Company's issue expenses
 IPO proceeds which were unutilised as at September 30, 2021 were temporarily retained in monitoring account and fixed deposits.

- 8 Previous year / quarter figures have been regrouped and reclassified wherever necessary.

Place : Pune
 Date : October 29, 2021



For Indigo Paints Limited

Hemant Jalan
 Chairman & Managing Director

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Indigo Paints Limited
(Formerly known as Indigo Paints Private Limited)**

1. We have reviewed the accompanying statement of unaudited financial results of Indigo Paints Limited (the "Company") for the quarter ended September 30, 2021 and year to date from April 01, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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SRBC & CO LLP

Chartered Accountants

5. The comparative financial information of the Company for the quarter ended September 30, 2020, as reported in the Statement, have been approved by the Board of Directors, but have not been subjected to review by us.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per **Tridevlal Khandelwal**

Partner

Membership No.: 501160

UDIN: 21501160 AAAADJ 5498

Place: Pune

Date: October 29, 2021





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Press Release

Financial Results for the quarter ended 30th September 2021.

Highlights of the Results:

Quarter Ended September 30, 2021

- a. Net Revenue from Operations for the quarter ended September 30, 2021 was Rs 196.11 crores as against Rs. 154.84 crores in the corresponding quarter of the last year representing an increase of 26.65% over Q2 FY21 and 52.37% over Q2 FY20.
- b. EBIDTA (excluding other income) for the quarter ended September 30, 2021 was Rs. 23.38 crores as against Rs. 29.08 crores in the corresponding quarter of the last year representing a decrease of 19.61%.
- c. Net profit for the quarter ended September 30, 2021 was Rs. 13.55 crores as against Rs. 18.81 crores in the corresponding quarter of last year representing a decrease of 27.95 %. The higher contraction in net profits is mainly due to deferred tax adjustments in the corresponding period of the previous year

During the quarter, despite delayed monsoon withdrawal and heavy rainfall witnessed by the Country in September, the Company's revenue has grown by 26.65% over Q2 FY21 and above 52.37% over Q2 FY20 (pre-covid period). Due to unprecedented escalation in the price of raw materials, the entire industry is witnessing a steep contraction in the gross margins and Indigo Paints was also adversely affected. However, due to proactive price increases, the effect on Indigo Paints was relative lower and the Company closed the quarter with an industry leading gross margin of 41.72%. The Company, in line with the brand building strategy had increased the Advertisement & Promotion (A&P) spends targeting the IPL. The contraction in Gross Margins along with the increased A&P spends resulted in a lower EBITDA margin of 11.92%.

Six Months Ended September 30, 2021

- a. Net Revenue from Operations for the six months ended September 30, 2021 was Rs 352.13 crores as against Rs. 259.42 crores in the corresponding period of previous year representing an increase of 35.74% over H1 FY21 and 29.16% over H1 FY20.
- b. EBIDTA (excluding other income) for the six months ended September 30, 2021 was Rs. 43.53 crores as against Rs. 48.09 crores in the corresponding period of the previous year representing an decrease of 9.47%.





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c. Net profit for the for the six months ended September 30, 2021 was Rs. 25.16 crores as against Rs. 27.21 crores in the corresponding period of the previous year representing a decrease of 7.52 %.

Revenue from Operations in the first half of the year (H1 FY22) has been higher at 35.74% over H1 FY21 and 29.16% over H1 FY20 (pre-Covid). For the first half of the year, the Gross Margins of the Company stood at 43.41% against 47.88% in the corresponding period of the previous year (H1 FY21). The EBITDA Margins contracted to 12.36% (H1 FY22) from 18.54% (H1 FY21), primarily due to the near doubling of A&P expenses from Rs. 15.77 Cr in H1 FY21 to Rs. 31.47 Cr in H1 FY22. While the PBT of the Company contracted by 3.36% due to the impact to the operating margins, the Net Profit contracted by a sharper 7.52% compared to H1 FY 21 due to the deferred tax adjustments in the corresponding period of the previous year (H1 FY 20).

For and on Behalf of
Indigo Paints Limited
(formerly Indigo Paints Private Limited)

Chetan Bhalchandra Humane
Chief Financial Officer

