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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 a 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

