

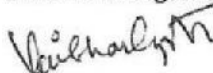
Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Indigo Paints Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Indigo Paints Limited (the "Company") for the quarter ended September 30, 2022 and year to date from April 01, 2022 to September 30, 2022 (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. The Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

**per Vaibhav Kumar Gupta**

Partner

Membership No.: 213935



UDIN: 22213935BBXLG01182

Place: Pune

Date: November 3, 2022

Indigo Paints Limited
Registered Office: Indigo Tower, Street-5, Pallod Farm-2, Baner Road, Pune, Maharashtra- 411045
Corporate Identity Number: L241114PN2000PLC014669
Statement of unaudited financial results for the quarter and six months ended September 30, 2022
(All amounts in rupees lakhs, unless otherwise stated)

Sr. No	Particulars	Quarter ended			Six months ended		Year ended
		Sep 30, 2022	Jun 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021	Mar 31, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income:						
(a)	Revenue from operations	24,260.71	22,399.21	19,611.00	46,659.92	35,213.42	90,597.48
(b)	Other income	319.04	48.66	304.92	367.46	607.16	1,089.32
	Total Income	24,579.75	22,447.87	19,915.92	47,027.38	35,820.58	91,686.80
2	Expenses:						
(a)	Cost of raw materials and components consumed	14,583.47	12,612.62	12,118.90	27,196.09	20,720.40	50,888.16
(b)	Purchase of traded goods	423.43	598.19	468.73	1,021.62	869.19	1,926.02
(c)	Changes in inventories of finished goods and traded goods	(867.53)	(933.72)	(1,159.31)	(1,801.25)	(1,661.24)	(1,461.72)
(d)	Employee benefits expense	1,752.11	1,659.94	1,384.53	3,412.05	2,743.57	5,632.91
(e)	Finance cost	26.53	42.47	25.66	69.00	50.93	133.04
(f)	Depreciation and amortisation expense	848.92	842.82	770.34	1,691.74	1,505.70	3,125.08
(g)	Other expenses	4,992.11	4,934.59	4,460.50	9,926.46	8,187.46	20,013.74
	Total Expenses	21,759.04	19,756.91	18,069.35	41,515.71	32,416.01	80,257.23
3	Profit before exceptional items and tax	2,820.71	2,690.96	1,846.57	5,511.67	3,404.57	11,429.57
4	Exceptional Items	-	-	-	-	-	-
5	Profit before tax	2,820.71	2,690.96	1,846.57	5,511.67	3,404.57	11,429.57
6	Tax expense						
(a)	Current tax	723.88	746.78	467.06	1,470.66	850.80	2,877.37
(b)	Adjustment of tax relating to earlier periods (refer note 5)	(1,632.99)	-	-	(1,632.99)	-	-
(c)	Deferred tax	21.05	(46.95)	24.70	(25.90)	38.21	147.40
	Total tax expense	(888.06)	699.83	491.76	(188.23)	889.01	3,024.77
7	Net Profit for the period	3,708.77	1,991.13	1,354.81	5,699.90	2,515.56	8,404.80
8	Other Comprehensive Income, net of tax						
(a)	Items that will not be reclassified to profit or loss in subsequent periods	3.35	3.34	(2.72)	6.69	(5.44)	13.36
	Total Other comprehensive income/(loss) for the period	3.35	3.34	(2.72)	6.69	(5.44)	13.36
9	Total Comprehensive Income for the period	3,712.12	1,994.47	1,352.09	5,706.59	2,510.12	8,418.16
10	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	4,756.90	4,756.90	4,756.90	4,756.90	4,756.90	4,756.90
11	Other equity						60,228.94
12	Earnings Per Share (in Rupees) (not annualised)						
	Basic	7.79	4.19	2.85	11.98	5.29	17.67
	Diluted	7.78	4.17	2.84	11.95	5.28	17.63
	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, 2022
(All amounts in rupees lakhs, unless otherwise stated)

Statement of Assets and Liabilities as at September 30, 2022

	Particulars	Sep 30, 2022	Mar 31, 2022
		(Unaudited)	(Audited)
A	ASSETS		
I.	Non-current assets		
	Property, plant and equipment	18,539.28	18,919.70
	Capital work-in-progress	17,500.46	5,097.27
	Right-of-use assets	4,056.73	3,320.43
	Goodwill	3,055.20	3,055.20
	Other intangible assets	34.47	38.38
	Financial assets		
	Other financial assets	162.77	155.21
	Income tax assets (net)	138.69	-
	Other assets	1,887.04	4,163.39
		45,374.64	34,749.58
II.	Current assets		
	Inventories	13,387.77	11,771.93
	Financial assets		
	(a) Investments	14,675.29	17,309.54
	(b) Trade receivables	15,100.49	17,165.25
	(c) Cash and cash equivalents	1,750.80	3,553.27
	(d) Bank balances other than cash and cash equivalents	1,038.63	6,408.85
	(e) Other financial assets	14.97	9.02
	Other assets	3,768.65	1,021.11
		49,736.60	57,238.97
	Total Assets	95,111.24	91,988.55
B	EQUITY AND LIABILITIES		
I.	Equity		
	Equity share capital	4,756.90	4,756.90
	Other equity	64,793.29	60,228.94
		69,550.19	64,985.84
II.	Liabilities		
	Non-current liabilities		
	Financial liabilities		
	Lease liabilities	725.82	774.10
	Other liabilities	486.35	484.26
	Provisions	535.61	475.04
	Deferred tax liabilities (net)	823.48	847.12
		2,571.26	2,580.52
	Current liabilities		
	Financial liabilities		
	(a) Lease liabilities	458.91	469.54
	(b) Trade payables - total outstanding dues of:		
	-micro and small enterprises	7,067.71	4,469.55
	-other than micro and small enterprises	12,644.35	15,671.47
	(c) Other financial liabilities	962.45	672.54
	Other liabilities	1,553.50	1,543.70
	Provisions	265.32	227.45
	Liabilities for income tax (net)	37.55	1,367.94
		22,989.79	24,422.19
	Total Equity and Liabilities	95,111.24	91,988.55



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(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 November 3, 2022.

3 Statement of cash flows for the six months ended September 30, 2022

	Particulars	Sep 30, 2022	Sep 30, 2021
		(Unaudited)	(Unaudited)
A.	Cash flow from operating activities		
	Profit before tax	5,511.67	3,404.57
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortization expense	1,691.74	1,505.70
	Employee stock option expenses	284.73	24.20
	(Reversal) for impairment allowances (net)	(9.26)	(2.37)
	Finance costs	69.00	50.93
	Fair value gain on financial instruments at fair value through profit or loss	(269.49)	(206.34)
	Interest income	(86.39)	(386.37)
	Operating profit before working capital changes	7,192.00	4,390.32
	Working capital adjustments		
	(Decrease) in trade payables and other financial liabilities	(420.47)	(2,758.04)
	Increase/(decrease) in other liabilities	11.89	(20.32)
	Increase in provisions	91.71	210.62
	Decrease in trade receivables	2,074.02	1,456.05
	(Increase) in inventories	(1,615.84)	(1,352.63)
	(Increase) / decrease in other assets	(2,738.60)	144.40
	Decrease/(increase) in other financial assets	(13.51)	729.85
	Cash generated from operating activities	4,581.20	2,800.25
	Direct taxes paid (net of refunds)	(1,306.75)	(1,344.85)
	Net cash flow from operating activities (A)	3,274.45	1,455.40
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	(11,708.68)	(4,972.39)
	Proceeds from sale of property, plant and equipment	2.31	1.05
	Investments in bank deposits (having original maturity of more than three months)	(1,030.10)	(9,445.88)
	Proceeds from maturity of bank deposits (having original maturity of more than three months)	6,400.32	18,442.71
	Proceeds from sale of short term investments	5,903.74	-
	Purchase of short term investments	(3,000.00)	(5,900.00)
	Interest received	86.40	437.57
	Net cash flow (used in) investing activities (B)	(3,346.01)	(1,436.94)
C.	Cash flows (used in) financing activities		
	(Repayment of) short-term borrowings (net)	-	(3.27)
	Payment of principal portion of lease liabilities	(300.17)	(248.86)
	Dividend paid to shareholders	(1,426.97)	-
	Interest paid	(3.77)	(0.06)
	Net cash flow (used in) financing activities (C)	(1,730.91)	(252.19)
	Net (decrease) in cash and cash equivalents (A + B + C)	(1,802.47)	(233.73)
	Cash and cash equivalents at the beginning of the period	3,553.27	4,479.89
	Cash and cash equivalents at the end of the period	1,750.80	4,246.16
	Components of cash and cash equivalents		
	Cash on hand	9.59	9.62
	Balances with banks		
	- on current accounts	1,450.22	927.81
	- deposits with original maturity of less than three months	290.99	3,308.73
	Total cash and cash equivalents	1,750.80	4,246.16



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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 In view of the assessment completed during the quarter, the company has reversed excess income tax provision of Rs. 1,632.99 lakhs, pertaining to earlier year.
- 6 During the 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:

(Amount in lakhs)

Objects of the issue	IPO proceeds	Utilized upto September 30, 2022	Un-utilized as on September 30, 2022
Funding capital expenditure for the Proposed expansion	15,000.00	15,000.00	-
Purchase of tinting machines and gyroshakers	5,000.00	3,680.67	1,319.33
Repayment/prepayment of certain borrowings of Company	2,500.00	2,500.00	-
General corporate purposes@	6,211.21	6,211.21	-
Total	28,711.21	27,391.88	1,319.33

@ Adjusted based on the final share of the Company's issue expenses

IPO proceeds which were unutilised as at September 30, 2022 were temporarily retained in monitoring account and fixed deposits.

Place : Cochin
Date : November 3, 2022



For Indigo Paints Limited

Hemant Jalan
Chairman & Managing Director



Press Release

Financial Results for the quarter and six month ended 30st September 2022.

Highlights of the Results:

Quarter Ended September 30, 2022

- a. Net Revenue from Operations for the quarter ended September 30, 2022 was Rs 242.61 crores as against Rs. 196.11 crores in the corresponding quarter of the last year representing an increase of 23.71% over Q2 FY22.
- b. EBIDTA (excluding other income) for the quarter ended September 30, 2022 was Rs. 33.77 crores as against Rs. 23.38 crores in the corresponding quarter of the last year representing an increase of 44.47%.
- c. Net profit for the quarter ended September 30, 2022 was Rs. 37.09 crores as against Rs. 13.55 crores in the corresponding quarter of last year representing an increase of 173.75 %.

The Company clocked a robust growth of 23.71% despite extended monsoons during the quarter. While the Gross margin was flat compared to Q2FY22, EBITDA margin and PAT margin showed a sharp uptick to 13.92% (11.92% in Q2 FY22) and 15.09% (6.80% in Q2 FY22) respectively.

Half Year Ended September 30, 2022

- a. Net Revenue from Operations for the half year ended September 30, 2022 was Rs 466.60 crores as against Rs. 352.13 crores in the corresponding period of previous year representing an increase of 32.51%.
- b. EBIDTA (excluding other income) for the half year ended September 30, 2022 was Rs. 69.05 crores as against Rs. 43.54 crores in the corresponding period of the previous year representing an increase of 58.59%.





c. Net profit for the for the half year ended September 30, 2022 was Rs. 57.00 crores as against Rs. 25.16 crores in the corresponding period of the previous year representing an increase of 126.59 %.

In the first half of FY 23, the net revenue from operations increased by a healthy 32.51% compared to H1 FY22. Despite a flat Gross margin and higher A&P spends (13.56% higher compared to H1 FY22), EBITDA margin and PAT margin expanded to 14.80% (12.36% in H1 FY22) and 12.12% (7.02% in H1 FY22) respectively.

For and on Behalf of
Indigo Paints Limited

Chetan Bhalchandra Humane
Chief Financial Officer

