

INDIGO Paints Ltd

Investor Presentation (Q3 & 9M FY25)



INDIGO
Be surprised!

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 - Standalone (Q3 FY 25 & 9M FY 25)
 - Consolidated (Q3 FY 25 & 9M FY 25)
- KPI
- Growth Drivers
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- Outlook

Revenue de-growth amidst persistent demand slowdown..

Standalone | Q3 FY25

Rs. 327.5 Cr

Revenue from Operations

-4.0% YoY Growth

11.0%

PAT Margin %

PAT Rs. 36.5 Cr
-3.3% YoY Growth

47.2%

Gross Margin %

Maintaining pole position

8.2%

A&P as % of Revenue from Ops

YoY reduction from 9.5%

17.5%

EBITDA Margin %

EBITDA Rs. 57.3 Cr
-5.9% YoY Growth



Revenue growth slowdown amidst persistent demand slowdown..

Standalone | 9M FY25

Rs. 910.0 Cr

Revenue from
Operations

2.4% YoY Growth

9.4%

PAT Margin %

PAT Rs. 87.0 Cr
-8.5% YoY Growth

46.1%

Gross Margin %

Maintaining pole position

7.0%

A&P as % of Revenue
from Ops

YoY reduction from
7.8%

16.0%

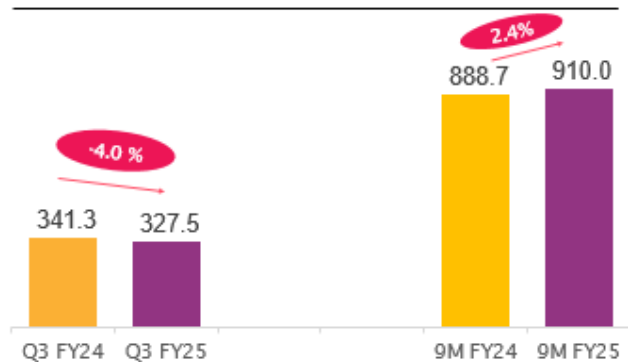
EBITDA Margin %

EBITDA Rs. 145.7 Cr
-3.1% YoY Growth

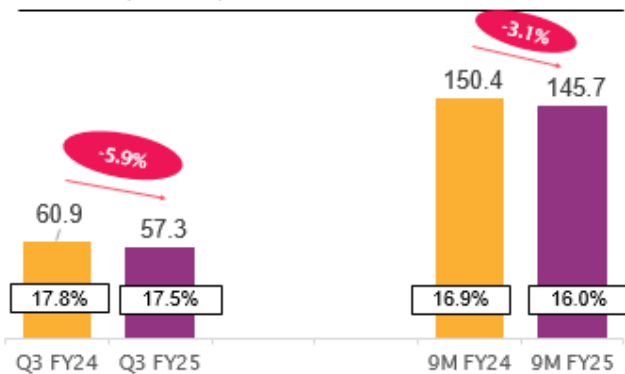
Moderate margin reduction despite muted growth

Standalone

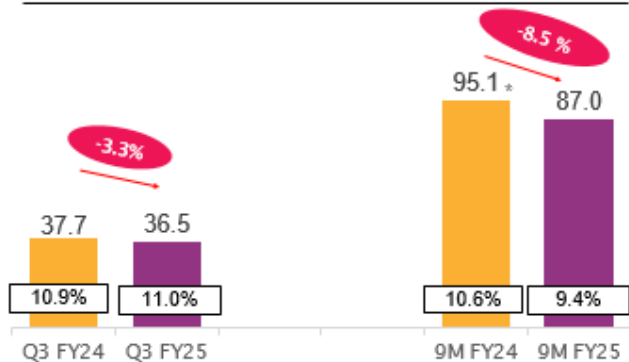
Sales (INR Cr)



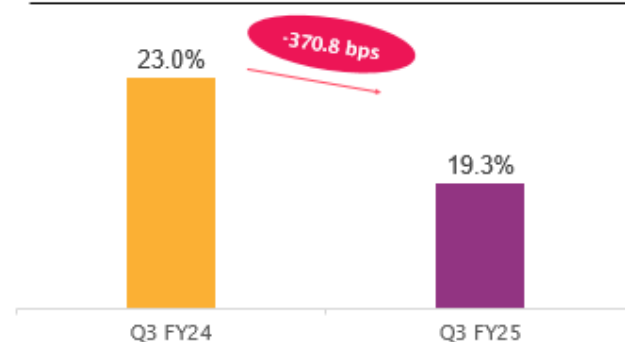
EBITDA (INR Cr)



PAT (INR Cr)



RoCE (%)



Financial Analysis

1

Company's topline de grew by 4% mirroring the persistent slowdown in the market

2

Despite tough market conditions, we continue to maintain the pole position in the terms of Gross margin (GM%).

GM% for Q3 FY25 was 47.2% compared to 48.4% in Q3 FY24.

For 9M FY25, GM% was 46.1% against 47.3% in 9M FY 24.

3

The A&P expense as a % of revenue reduced to 8.2% in Q3 FY25 as compared to 9.5% in Q3 FY24.

In Q3 FY24, A&P spends were higher on account of higher spends during the World Cup

4

The EBITDA% for the quarter was 17.5% compared to 17.8% in Q3 FY24

For the 9M FY25, EBITDA% was 16.0% as compared to 16.9% in 9M FY 24.

The margin was affected primarily due to slowdown in top line growth and exacerbated by the price cut by industry

5

The PAT% for the quarter marginally improved to 11.0% from 10.9% in Q3 FY 24.

The impact on PAT due to additional depreciation pertaining to the new plant in TN (commissioned in Sep 23) is built into the base.

6

The PAT% for the 9M FY25 was at 9.4% as compared to 10.6% in 9mFY 24.

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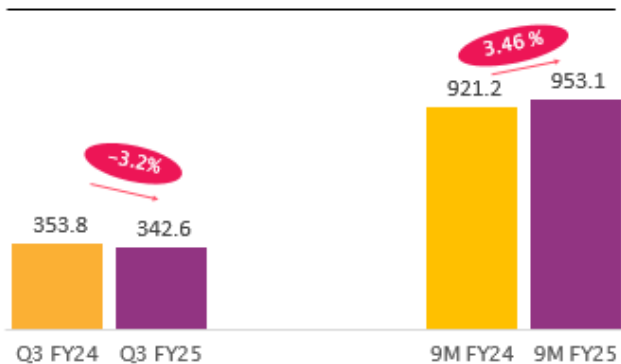


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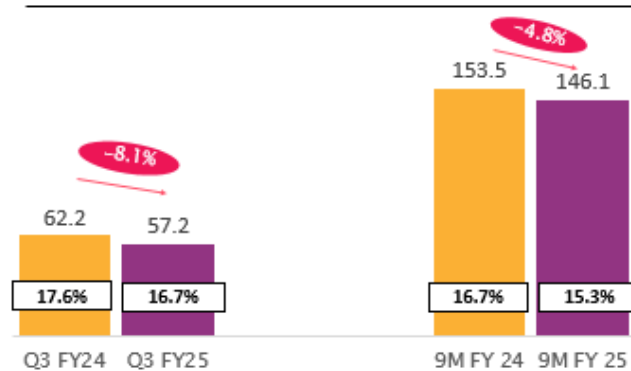
Moderate margin reduction despite muted growth

Consolidated

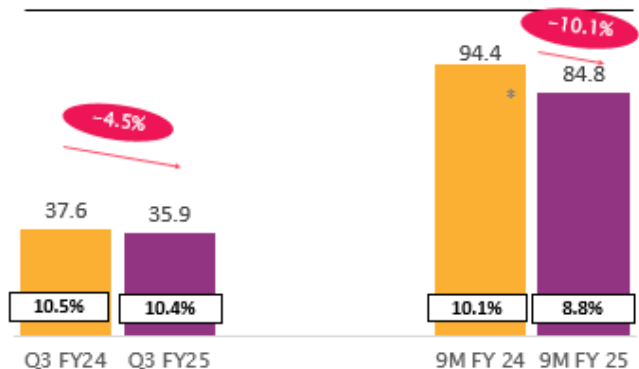
Sales (INR Cr)



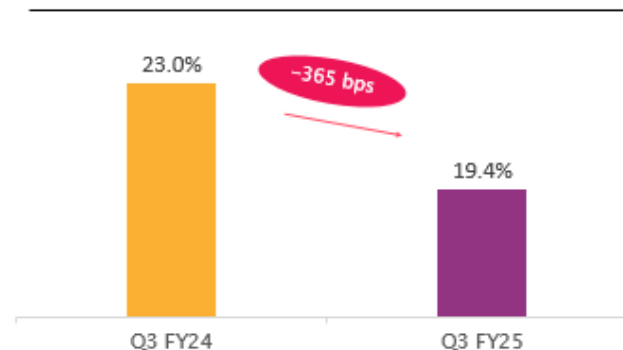
EBITDA (INR Cr)



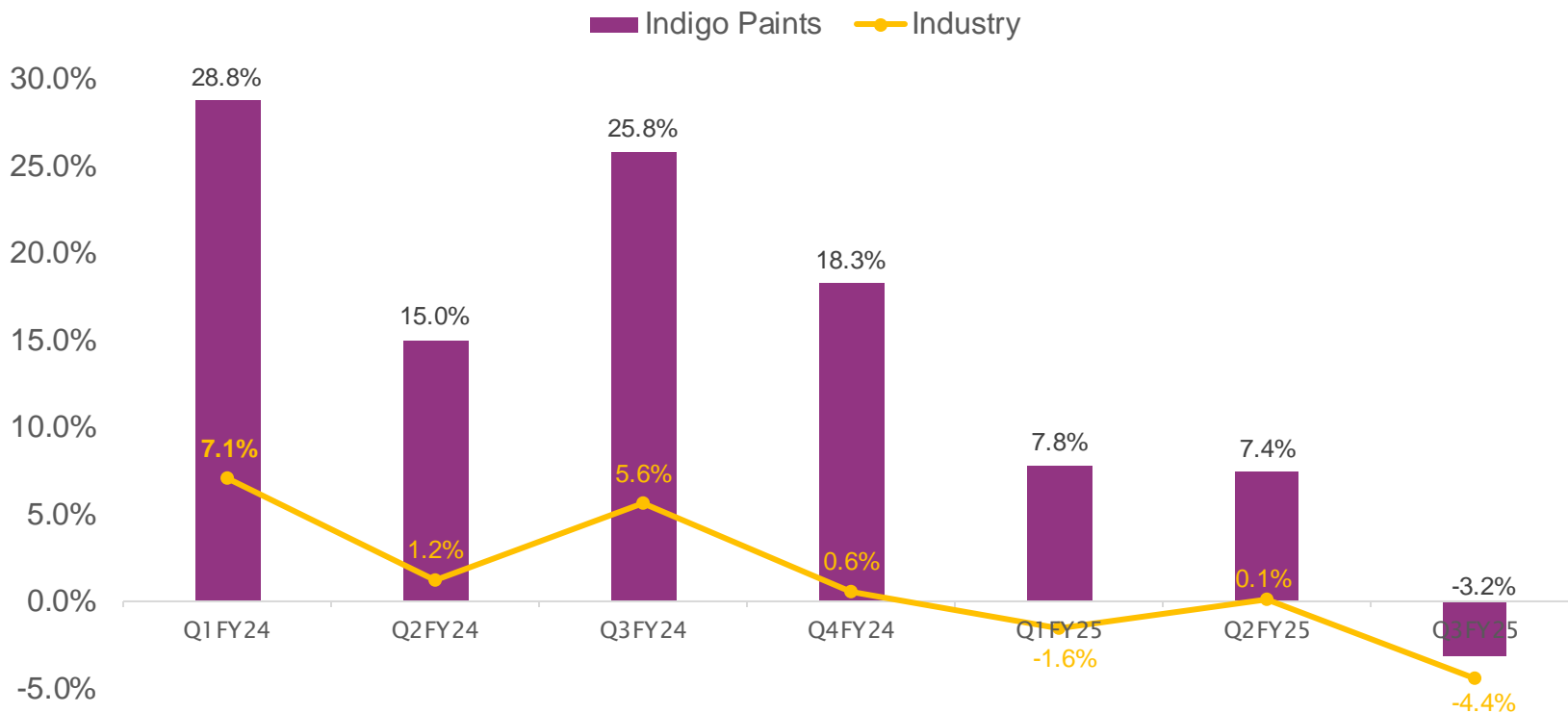
PAT (INR Cr)



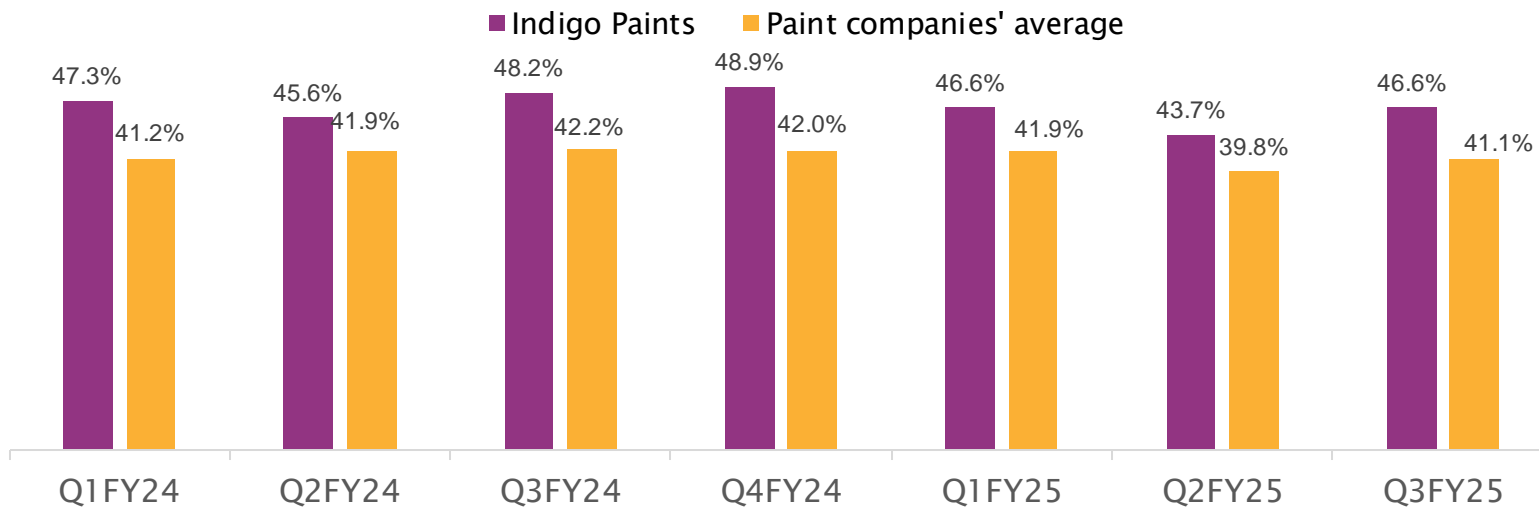
RoCE (%)



Consistently outpacing industry growth for last 7 quarters

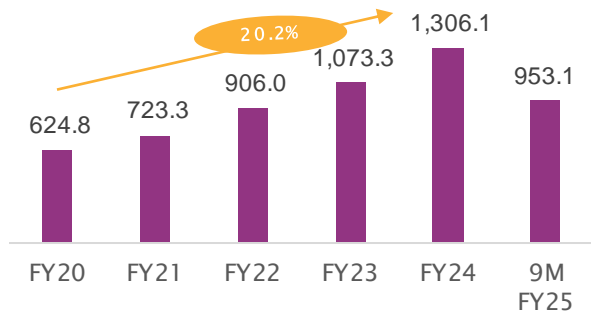


Maintaining pole position in terms of Gross Margin%

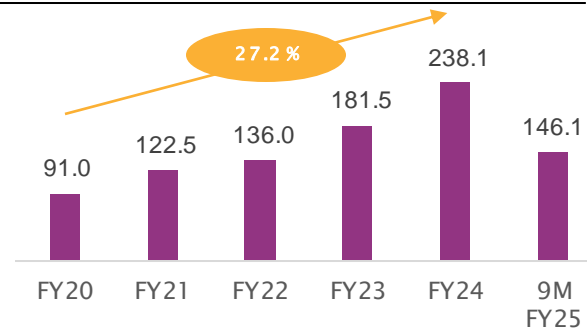


Financial snapshot for last 5 years

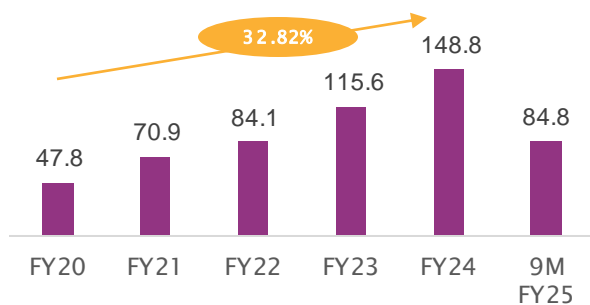
Sales (INR Cr)



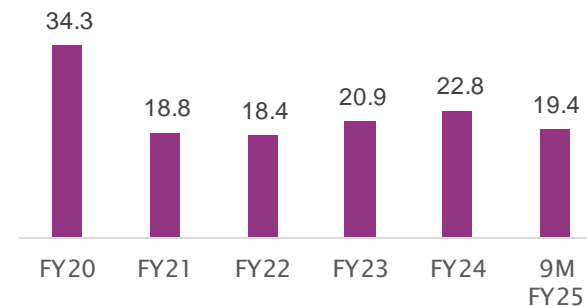
EBITDA (INR Cr)



PAT (INR Cr)



RoCE (%)



Note: Financials on a consolidated basis

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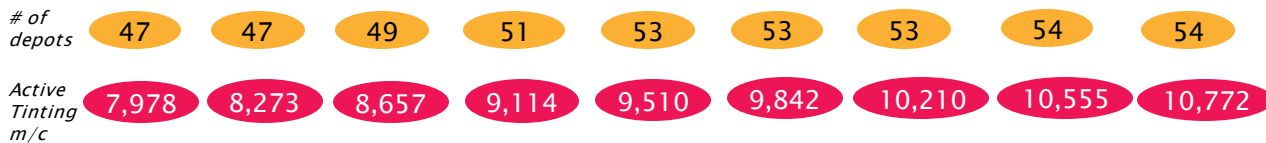
Product category snapshot for Q3 FY25

YoY growth for Q3 FY25 vs. Q3 FY24

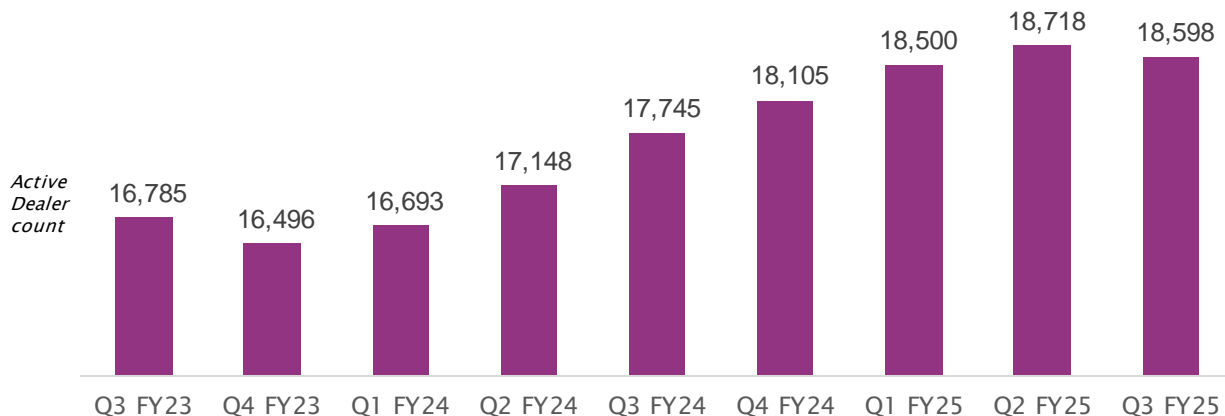
Product	Value growth (%)	Volume growth (%)
Putty + Cement Paints	-5.3%	-7.2%
Emulsions	2.8%	1.7%
Enamels and wood coatings	-11.5%	-12.6%
Primers + Distempers + Others	-0.6%	-6.0%

Continued network expansion

Active dealers and depots (#)



- Tinting machines deployed at over 10,700 outlets



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Future growth drivers – Indigo Paints 2.0 Strategy



I. Product innovation

- Develop differentiated products to grow market share
- Expand product portfolio on the back of inorganic growth initiatives



II. Geographic expansion

- Grow in Tier I and II cities
- Augment engagement with painters & contractors



III. Capacity augmentation –being future ready

- Expand in the existing strategic locations
- State of the art plant with automated material handling



IV. Brand & marketing focus

- Ramp up salesforce
- Step up brand promotion and engage with influencer community
- Increase customer engagement through digital channel

V. Expansion into adjacencies

- Expand into non decorative segment. Foray into adjacencies like construction chemicals & waterproofing.
- Tapping high growth India infrastructure segment through Apple Chemie India Ltd

Geographical Expansion | Deepening our Network

5 Manufacturing plants

28 States

54 Depots

18,598 Active dealers

10,772 Tinting machines



Fortifying our presence in Tier 3,4 cities and fast growing in Tier 1,2 cities

Capacity Augmentation | Expansion Progress



Upcoming Plant at Jodhpur

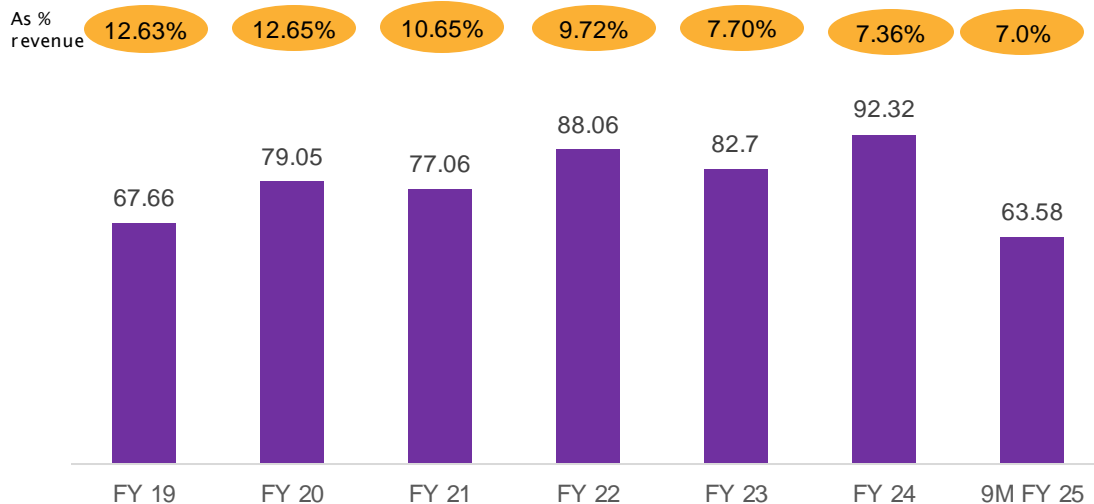
- Erection work progressing in full pace at the water based plant with capacity of 90,000 KLPA. Expect commissioning by Q3 FY26
- Erection and installation work progressing at the solvent based plant with a capacity of 12,000 KLPA. Expect commissioning by Q1 FY26
- Expected commissioning of brownfield expansion of the putty by Q1 FY26

Manufacturing Capacity

	Current	Addition	Total
Liquid Based (KLPA)	1,60,000	1,02,000	2,62,000
Powder Based (MTPA)	1,38,000	1,38,000	2,76,000

Brand Focus | Consistent focus to build a pan-India brand

Advertising & Promotional Spends (INR Cr)



- Continue to punch above weight with differentiated advertisement campaigns. A&P spends as % of revenue ~2x of industry
- Focus on both ATL & BTL marketing activities
- Intensifying engagement through digital channels





Marketing Focus | Enhancing Digital Outreach & New Advertisements

INDIGO
Be surprised!

LEAKPROOF YOUR ROOFS WITH

INDIGO LEAKPROOF EMULSION

- 8-year waterproofing warranty
- Waterproofing Champion

INDIGO
STAINFREE EMULSION

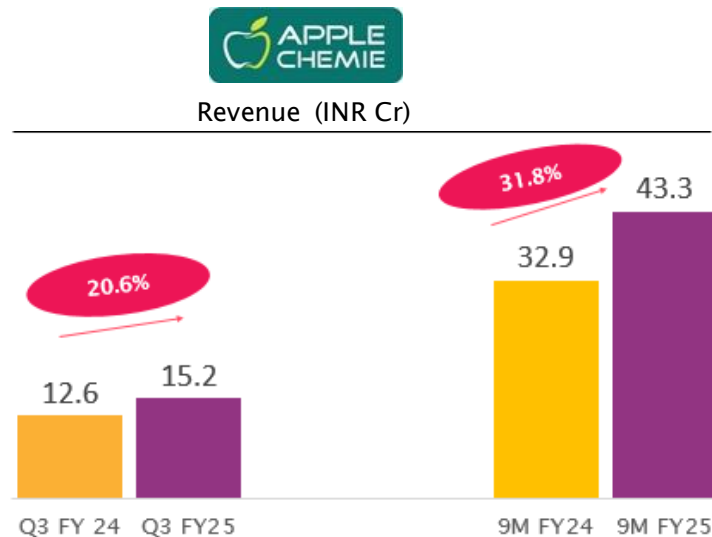
MAKE YOUR HOME FEEL NEW, EVERY SINGLE DAY!

INDIGO ACRYLIC LAMINATE

- For interior and exterior
- Highest shine ever
- 7-year performance warranty

Apple Chemie | Rapid growth, but adverse sales mix impacted profitability

- Indigo Paints acquired 51% of Apple Chemie to foray into construction chemicals & water proofing segment (WPCC)
- WPCC products for retail channel launched and marketed under Indigo brand (Protect Plus Series) while Apple Chemie continues to target the B2B, fast growing infrastructure segment.
- Apple Chemie is the first construction chemical manufacturer to get accreditation from NABL
- Strong growth in top line in 9M FY 25. Margins were impacted due to adverse product mix. Visibility of improving product mix in Q4 FY25



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ESG Updates



Transitioning to renewable energy

- Final stages of commissioning of 330 kW of solar panels at Kochi Factory



Community Service

- Unique initiative involving Painters in “Community service” to undertake painting of Government schools in Tier 2/3 towns

ESG Updates | Community Development Initiative





Education of underprivileged girls

Extending education assistance & career guidance provided to an additional 63 girls over and above the 300 girls through Payal Jalan Trust - Educare initiative



Healthcare for the underprivileged

Continuing to provide healthcare for the underprivileged through Cancure foundation near Kochi Factory



Health Benefit for the Painter Community

Extending the health benefit program for the painter community to 18 states (covered 16,000 families till now)

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Outlook

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Anticipating breakout from the year long demand slowdown in the seasonally strong Q4 FY25

2

Expecting the margins to expand with the higher growth in premium products

3

The A&P expense for the entire fiscal is expected to decline marginally as a % of revenue, despite increasing spends on digital advertising

4

EBITDA margins for the Q4 FY25 expected to improve sequentially .

5

Margin improvement anticipated in Apple Chemie with improving product mix and focus on select states

Thank You
