



**INDIGO PAINTS LIMITED**

**25<sup>TH</sup> ANNUAL GENERAL MEETING**

**HELD ON**

**SATURDAY, 30<sup>TH</sup> AUGUST 2025**

**THROUGH**

**VIDEO CONFERENCE**

**AT**

**11:30 A.M. IST**

*Disclaimer: This is a memorandum of the proceedings of the 25th Annual General Meeting of Indigo Paints Limited held on Saturday, 30th August 2025 at 11:30 a.m. While we have made our best attempt to prepare a verbatim transcript of the proceedings of the meeting, however, addresses made in Hindi language have been appropriately translated in English and may not be a word-to-word reproduction.*



**Memorandum of the Proceedings / Transcript of the 25th Annual General Meeting  
of Indigo Paints Limited held on Saturday, 30th August 2025 at 11:30 a.m.**

**Mr. Hemant Jalan (Chairman):** Good morning everyone. I extend a warm welcome to one and all who have joined us for the 25th Annual General Meeting of Indigo Paints Limited.

From a single cement paint product in the year 2000 to becoming one of India's fastest-growing decorative paint companies, Indigo Paints Limited has been a vibrant partner in transforming Indian homes for a quarter of a century. This is more than just paint; it is a legacy of colours, a testament to relentless innovation and a heartfelt commitment to transforming houses into homes.

The AGM has been convened and is being conducted through Video Conference in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and SEBI. We have taken all efforts to enable the shareholders to participate through Video Conference and vote at the AGM in a seamless manner.

Participation of members through Video Conference is being reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013, as per the Circulars issued by the Ministry of Corporate Affairs. I have been informed that the requisite quorum for the meeting is present and I call this meeting to order.

Before we start the formal proceedings of the meeting, I would like to introduce my fellow directors on the Board and the auditors present.

- a) You have on the screen Mr. Parag Jalan. He is Non-Executive Director on the Board. He is also the Member of the CSR Committee. He is attending this meeting from Mumbai.
- b) We have Mrs. Ashwini Deshpande. She is a Non-Executive Independent Director on the Board. She is the Chairperson of the Stakeholders' Relationship Committee. She is also the member of the Audit Committee and Nomination and the Remuneration Committee. She is attending this meeting from Pune.
- c) We have Mr. Ravi Nigam. He is a Non-Executive Independent Director on the Board. He is the Chairperson of the Nomination and Remuneration Committee. He is also the member of the Audit Committee. He is attending this meeting from Pune.
- d) We have Mr. Sunil Goyal. He is a Non-Executive Independent Director on the Board. He is the Chairperson of the Audit Committee. He is also the Member of the Nomination and Remuneration Committee. He is attending this meeting from Mumbai.
- e) We have Mr. Praveen Tripathi. He is a Non-Executive Independent Director on the Board. He is the Member of the Audit Committee, the Nomination and Remuneration Committee, the CSR Committee and the Risk Management Committee. He is attending this meeting from Mumbai.
- f) Another Director who's not in attendance today is Mr. KV Narayanankutty. He is an Executive Director on the Board. He is the Chairperson of the Risk Management Committee. He is also the member of the Stakeholders' Relationship Committee.
- g) Another Director who could not attend today is Mr. Abhay Pandey. He is a Non-Executive Independent Director on the Board. He is the Member of the Audit Committee, the Nomination and Remuneration Committee.
- h) And finally, I am Hemant Jalan, the Chairman and Managing Director of the Company. I am the Chairperson of the CSR Committee. I am also the Member of the Audit Committee, Stakeholders' Relationship Committee and the Risk Management Committee. I am attending this meeting from our corporate head office in Pune.



We also have Mr. Neeraj Sharma, Partner at PW CA LLP, Statutory Auditors of the Company and Mr. Sushant Kulkarni, Partners at ARKS and Co. LLP, Secretarial Auditors of the Company, both attending this meeting from Pune.

From the Management team we have Mr. Chetan Humane, Chief Financial Officer and Member of the Risk Management Committee and Ms. Sayalee Yengul, Company Secretary and Compliance Officer of the Company, all attending this meeting from our head office at Pune.

I would now request Ms. Sayalee, Company Secretary to provide the general instructions for the AGM.

**Sayalee Yengul (Company Secretary):** Thank You Sir. Good morning everyone. A warm welcome to all the members and attendees of the 25th Annual General Meeting of Indigo Paints Limited. I would like to inform you about the general instructions.

- a) The Company has made available the facility to participate in the AGM through Video Conference and Other Audio Video Means in terms of circulars issued by the Ministry of Corporate Affairs and Securities Exchange Board of India.
- b) We have partnered with CDSL to provide the facility for voting through remote e-voting, e-voting during AGM and participation through VC or Other Audio Video Means facility.
- c) The Registers of Directors and KMP has been made available electronically for its inspection by members during the AGM.
- d) Since the AGM is held through the Video Conference, the facility for appointment of proxies by the members is not applicable and hence the Register of Proxy is not available for inspection.
- e) In case of any technical issues faced by the members while attending the AGM, they may contact the helpline number mentioned in the Notice of the AGM.
- f) The Company has received request from shareholders to register as speaker shareholders during the meeting. The floor of the meeting will be open for such shareholders to ask questions and express their views.
- g) The name of the speaker shareholders will be announced and the moderator of the meeting would then unmute the mic for such shareholder to speak at the AGM. The speaker shareholders are requested to limit their questions or views to a maximum of 2 questions per shareholder.
- h) The remote e-Voting period had commenced on Wednesday, 27th August, 2025 at 9.00 a.m. and ended on Friday, 29th August, 2025 at 5.00 p.m.
- i) In accordance with the provisions and Rules framed under the Companies Act, 2013 and applicable Regulations under the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015, the Company has appointed Ms. Ashwini Inamdar, Partner, M/s. Mehta & Mehta, Practicing Company Secretaries, as the scrutinizer for scrutinising the votes cast through the remote e-Voting platform and electronic voting at the AGM.
- j) The Company has provided the facility to cast the votes electronically, on all resolutions mentioned in the Notice. The shareholders who have not cast their votes and are participating in this meeting will get a chance to cast their votes during the meeting through the E-voting system provided by CDSL. The e-voting facility will remain open for 15 minutes after the proceedings of the meeting.
- k) The results of the remote e-voting and e-voting conducted at the AGM, together with the Report of the Scrutinizers thereon, will be disclosed to the Stock Exchanges and displayed on the website of the Company.

Thank you. I would now request Mr. Hemant Jalan, Chairman and Managing Director of the Company to address the Shareholders.



**Hemant Jalan:** Dear Shareholders, the financial year FY 24-25 was a year marked by tepid industry demand. I take pride in noting that Indigo Paints has continued to exemplify resilience, innovation and disciplined execution, even during the tough time. We confronted external adversities with robust profitability, operational rigour, our differentiated portfolio and a dedicated team acting as the pillar of our stability and growth. Our focus on delivering delight through purposeful innovation and curated differentiation continues to shape our journey and sets the stage for long-term value creation.

On a standalone basis, our revenue from operations stood at Rs. 1,227.19 Cr, registering a measured growth of 1.78% growth over the previous fiscal. This is a commendable outcome amid an industry landscape that remained largely stagnant. We sustained our industry-leading gross margin at 46.52%, reaffirming the inherent strength of our product architecture and disciplined cost management. EBITDA stood at Rs. 231.57 Cr, translating to a margin of 18.13% and our PAT for the year came in at Rs.143.94 Cr, yielding a PAT margin of 11.12%.

On a consolidated basis, we recorded a revenue of Rs. 1,340.67 Cr, a 2.65% increase over FY 2024-25. Despite margin pressures from an adverse product mix in our subsidiary Apple Chemie, we maintained overall EBITDA of Rs. 233.48 Cr and a PAT of Rs.142.16 Cr. During the year, elevated personnel costs and a relatively higher trade discounting weighed on our margins. However, we remain confident of a gradual recovery as macroeconomic conditions and consumer sentiment improve. Over the past 5 years, Indigo Paints top line on consolidated mode has grown at a CAGR of 16.7%, while the EBITDA and PAT has grown at a CAGR of 17.5% and 19.0% respectively.

Our advertising and promotion (A&P) spending was managed judiciously, tapering from 7.4% of revenue in FY 2023- 24 to 6.4% in FY 2024-25. We pivoted our outreach strategy to focus more on digital and below-the-line activities, enhancing cost effectiveness without compromising impact.

We continue to advance on along a growth pathway defined by the strategic pillars: innovation, geographic expansion, capacity augmentation and product portfolio diversification.

We are expediting capital deployment to broaden our manufacturing footprint. At Jodhpur, civil works are underway for two upcoming facilities. A water-based paint unit with a capacity of 90,000 KLPA and a solvent-based paint facility of 12,000 KLPA. The water-based plant is envisioned to be commissioned in the latter part of FY 2025- 26. The solvent-based plant and brownfield expansion of our putty facility remain on course for commissioning by early FY 2025-26. It is worth noting that our current capacities remain adequate to cater to the prevailing market demand.

We are also widening our presence across Tier I and Tier II cities while accelerating dealer engagement and contractor networks. By year-end our active dealer base stood at 18,371, supported by an upwards of 11,000 tinting machine installations. We are now directing our efforts towards regaining growth momentum by expanding our distribution footprint and enhancing dealer throughput through precise, data-driven interventions.

On the product front, our differentiated product portfolio remained a strong contributor, accounting for a substantial 28.2% of revenue. Our foray into the construction chemicals and waterproofing segment led by Apple Chemie and our in-house Protect Plus series continues to gather momentum. The segment under Indigo brand contributed a healthy mid-single-digit share to our revenue. While margin compression challenged Apple Chemie's performance in the initial half of the year, the second half witnessed a decisive turnaround. We are confident of sustaining this upward trend with a progressively refined product mix and sharpened strategic focus. During the financial year FY 25, we launched some new products like Stainfree Emulsion, Wallseal XT Emulsion, Dampseal XT Primer, Dampseal Interior Primers which witnessed good traction in the market.



Sustainability remains an integral thread in our growth narrative. We have operationalised rooftop solar panels at our head office in Pune and completed installation at our Cochin factory, which is currently pending regulatory clearance. These initiatives are part of our broader commitment to climate responsibility objectives.

We have also scaled our ESG & CSR initiatives significantly. Through the Indigo Seva Utsav, we repainted over 125 government schools across Tier II and III towns in India, with enthusiastic involvement from the painter community. Our enduring support for girl child education near Pune continued to make a tangible impact, benefiting more than 320 students. Our Painter Health Benefit programme now extends coverage to over 25,000 families nationwide. Further strengthening our community engagement, we have unveiled the Indigo SkillUp Programme to equip painters with soft skills and business development capabilities to nurture holistic empowerment beyond technical training.

The last year, FY 2024-25 was a period of pause and recalibration for the industry at large. Encouragingly, we are already witnessing early signs of recovery. Q1 FY 2025-26 has commenced on a more positive note and we anticipate demand to normalise by the second quarter. With input costs moderating and a clear consumer shift towards premium offerings, we foresee a steady improvement in our margins. Our conviction to grow at 2.5 to 3 times the industry average remains resolute, anchored by investments across people, products, capacity and branding.

I am also happy to inform that our Board has recommended a dividend of Rs. 3.50 per share.

As I draw this message to a close, I wish to express my sincere gratitude to every stakeholder who has stood beside us with trust and conviction. Your belief in our purpose enables us to transcend convention, to reimagine and to reinvent, year after year. As we chart the path ahead, we do so with resilience, agility and customer-centricity at our core. Together, we are painting a future where every hue tells a story of purpose, possibility and progress. Thank you.

**Hemant Jalan:** The notice to the AGM and Annual Report containing the Audited Financial Statements for the financial year ended 31st March, 2025 along with the Board's and Auditors' report and Management Discussion & Analysis Report, have already been circulated through the permitted mode to all the members and hence, with your kind permission, I take the notice convening the AGM as read. I also take the resolutions from serial number 1 to serial number 6 as read. As there are no qualifications, observations or comments or other remarks in the Statutory Audit and Secretarial Audit Reports, they are not required to be read. As informed earlier, the members who have not cast their votes through remote e-voting, can cast them during the proceedings of the AGM.

Now, I will request the moderator to unmute the mic of the speaker shareholders as I call out their names.

**Hemant Jalan:** The first speaker shareholder who has requested permission to speak and ask queries is Ms. Celestine Elizabeth Mascarenhas. Is Ms. Celestine Mascarenhas on the line?

**Moderator:** Ma'am, you are unmuted, please ask your questions.

**Ms. Celestine Elizabeth Mascarenhas (Shareholder):** Yes, thank you very much. Respected Chairman and MD, Hemant Jalan, other ED Narayanan, Venugopal, Mr. Parag Jalan, other very esteemed Directors on the Board, my dear fellow shareholders, I am Mrs. C E Mascarenhas speaking from Mumbai. First, a great thank you to Madam Sayalee and her team for helping me to join this meeting, also sending me an annual report, also reminding me about this Silver Jubilee annual meeting. Now, annual report is full of



facts and figures and pictures, also self-explanatory, adhering to all the norms of corporate governance. Our working is very good, PBT path is up and a generous dividend of Rs. 3.50/-, in spite of very tough market conditions, is really very good. And, very good market capitalization. As this is a Silver Jubilee year, I congratulate you in starting from 2020, without difficulty, one plant, and we have done very good in these 25 years. It is a time for celebration, some celebration. I look out for, a box of chocolates, you know? Now, good CSR work. Also, ESG and Sustainability Reports are also good.

Now, I come directly to the queries. We have 5 manufacturing plants. Like, 2 are in Tamil Nadu. One in Kerala, two in Rajasthan. I would like to know how much is the capacity utilization, on the average, of these plants. Second one, capex requirement for the next 3 years, especially two projects upcoming is there in Jodhpur, and further for the 3 years, organic as well as inorganic by acquisition, because now we will be going for the next 25 years. But I'm asking just 5 years, because the things are changing very fast of late with the AI and Gen AI. I would like to know how many staff is in R&D, the expenditure and also spend on AI and Gen AI and other digital tools. We have launched 10 free emulsion Wall Seal XT Emulsion, Dam Seal XT Primer Dam Seal Interior Primer. So, how much is the sale position as of now? I think 6 months are over of these launches. Next one, what is our market share? How we will face the competition from Opus, which is doing a lot of ads these days and guaranteeing that, if in one year you get any problem, they will do free of charge. Because I also saw this, ad. Then, even JSW Paints, which will be coming in a big way by the equipment after acquiring fully Akzo Noble. So, I could just like to hear, or you can send me the reply on the email, where it is sensitive matters. Future roadmap for the next 5 years, that's all.

**Hemant Jalan:** Okay, thank you, Ms. Mascarenhas. Capacity utilization varies a lot from month to month, because paint demand is somewhat seasonal. During the monsoon periods, it dips a little bit, rises very heavily in the northern part of India before Diwali, and in general, the paint demand is very heavy from December till March across India, irrespective of any festive season. So, it's difficult to define capacity utilization. Overall, if you say, for the whole year, the average capacity utilizations across all plants would be roughly in the range of about 60%. But they would go through a dip going as low as maybe 40-45% during monsoon, and a high of 80-90% when the peak months come. So basically, capacities are designed in the paint industry to cater to peak demand rather than the average capacity utilization throughout the year. Which is why we have been embarking on capacity expansion at Jodhpur. Our water-based plant, which we hope to commission by the end of this fiscal, has a total capex of about 275 crores. The solvent-based plant which is nearing completion and should start getting into trial production a month from now, has a capex of about 50 crores. And we have also initiated a doubling of our putti plant at Jodhpur at a capex of about 15 crores, which should also get commissioned sometime in September. Now, with these capex, I think we are more or less done for the next 3 to 4 years in terms of major capex requirement. There may be some minor, add-on machineries required here and there, but this should take us through till the end of FY 29, quite comfortably.

I don't readily have the figures for the number of staff in R&D department. There are people in R&D at all three locations. My rough estimate is that the combined strength across the three places would be somewhere around 15 to 20 people, but I do not have the exact numbers available right now. Sales in the new products that have been launched during the year, I'm afraid we cannot give out at a public forum as to how much sales in each product has taken place. That would be somewhat confidential and cannot be disclosed at a public forum. Our overall market share in the decorative paint industry would estimate somewhere around 2.5% or so. The future roadmap is very simple, to continue to grow at 2.5x the industry growth rate for the next 5 years, and hopefully become a much, much larger company in the years to come.

Now, you talked about competition from Birla Opus, and the acquisition of Akzo Nobel by JSW. See, Birla Opus is at the moment in, should I say, a cash burn mode. I think we will worry about tackling Birla Opus after they turn profitable and start generating decent EBITDA and PAT margins, at the moment, all of



which are usually negative. So, therefore, all these spends that are going on, and shall I say, purchasing of turnover by burning cash is not a path that we would like to follow. I don't think the rest of the paint industry has chosen to emulate what they are doing. So, they have gone for a very heavy discounting route, but everybody has held on to their profitability and their market shares by none. And as far as Akzo and JSW are concerned, both companies have existed for a very long time. We have successfully competed against both of those companies, so them coming together also does not seem to pose any new challenge as far as we are concerned. So I think we have answered almost all of the questions that you had asked. Thank you for your questions. If there is anything else that you wish to know, please reach out to Ms. Sayalee through an email, and we will try and answer your question to the best we can.

**Hemant Jalan:** The next question is from the shareholder, Mr. Jehangir Rohinton Batiwala. Can you unmute Mr. Jehangir Batiwala, please?

**Moderator:** Mr. Jehangir, you are unmuted. Please start your video and ask for questions, sir.

**Jehangir Rohinton Batiwala (Shareholder):** I was hearing your presentation, so nothing more to ask you. Just wanted to know, how do you plan to take the company ahead in the next 2 years? And, what unique specialty are you introducing so that we can face the competition in the market from Asian Paints and all the giants put together? You know, in the paint industry, it's becoming a very big thing, Aditya Birla is entered into it, JSW is entering, Asian Paints is always there. Plus, the unorganized sector is also there, Apcotex is there. So how do we plan to, you know, stand against them, sir. Best of luck for the future, and compliments of the festive season to one and all. Thank you very much, sir.

**Hemant Jalan:** Thank you. Well, the roadmap for the next two years is partially dependent on the recovery in the demand sentiment, so it's very difficult to offer a number guidance, because the last 15 to 17 months, it's been very muted consumer sentiment, not just in the paint industry, but across all consumer products in general. We are hopeful, with the improving macroeconomic situation in the country. And just today, the GDP growth numbers have come out for the first quarter. So I think, once the monsoons are over. We hope that there will be a good pent-up demand for paints, and we should see a very good bounce back. As far as the second half of this year is concerned. Now, as I said, the roadmap is very clear. We cannot control consumer sentiment, nor can we control the overall demand. As long as we grow at about two and a half times the industry growth, we would be quite satisfied. Keeping profitability intact, that is very important. We do not wish to indulge in mindless growth. With no regard to the bottom line. That has never been the focus of the company. And if you notice, even in the very tough year of last year, our gross margins remained the highest in the entire paint industry. Our EBITDA margins and our PAT margins were the second highest in the industry, just a little lower than the market leader, so that, for a company of our size, is very credible to register EBITDA margins and PAT margins higher than much larger companies, like Berger Paints, or Kansai Nerolac, or Akzo Nobel.

You've talked about paint industry getting very competitive, where the only new competition that has emerged is from Birla Opus. JSW has been around in the paint sector now for six and a half years, so it is hardly a new competitor and some of the other companies that you mentioned, like Apcotex or something, I have not heard of them in the paint sector at all. So, all the other established companies have existed in the paint sector for much longer than us. Most of them have existed for close to 100 years by now. So, compared to that, we are a much younger company. And we have been successfully competing against them. We started with zero turnover 25 years ago. And, we have reached this far of over 1,300 crores in turnover, which is a pretty credible, I would say, achievement over a 25-year period, competing against giants as they are. And I think that, that same path will continue out in the future. So, we respect our competitors. At the same time, we are not in awe of them. We think we will find our own place.



New products that we plan, yes, there are constantly new products being launched. Again, I'm afraid that which new products are proposed to be launched in the next 6-8 months is not something that I can disclose at a public forum. As and when they are launched, you will come to hear about it from the media, and I'm sure we'll continue ahead in our path of innovation. So I hope I've answered your questions, Mr. Batiwala.

**Hemant Jalan:** Can we now move on to the next, speaker, and that is Mr. Himanshu Trivedi.

**Moderator:** Mr. Himanshu Trivedi, you are, unmuted. Please ask your query.

**Himanshu Trivedi (Shareholder):** Good morning, sir. Respected Chairman, Hemant Jalan, Parag Jalan and other Board of Director, myself, Himanshu Trivedi from Baroda. First of all, I'm thankful to our Company Secretary, Sayalee Madam, who will be sending a hard copy of the AGM Report earlier, which is full of knowledge and fact, figure, and place, which is easy to follow, easy to understand. So, I'm thankful to you and your entire secretarial team. Reports nicely provides colorful, beautiful pictures and photographs of products, with excellent print in AGM report. So I don't have questions, sir, and because I have full faith on Board, and they're working. Sir, I support all the resolution items.

Still, I as a speaker I have a few questions to ask. Unfortunately, I am attending your first AGM, Sir. So, what is the employee strength in our organization, male and female, and what is the broad raw material from whom? And who is the major customer from raw material, and which brand is most profitable, sir? Good luck. Thank you, sir.

**Hemant Jalan:** So, our total, employee strength as of 31st March 2025 was 1,045. I'm afraid in the questions that you had sent earlier in writing, you had not asked for the ratio of male versus female, so I don't have those numbers on hand readily, but we believe very strongly in gender diversity. Our head office in Pune, which has a total strength of about 32 people, has at least 4 or 5 lady members. A very substantial portion of our workforce, both at, our Tamil Nadu facility, as well as at our Cochin facility, are ladies. A lot of our R&D staff and back office staff in accounts across the country are ladies, so we do believe in gender diversity, and we are trying to increase the number of women in our workforce every year, and I hope we will continue to do that.

You asked about raw materials, which are the major raw materials. The major raw materials in paint industry are, first, various kinds of acrylic emulsions. Which we sourced from a wide variety of manufacturers in India. There is sufficient overcapacity in this sector in India, and we are able to source these raw materials from a wide variety of manufacturers. That is our number one raw material. The second raw material, which is very vital in the paint industry is titanium dioxide. Most of India's titanium dioxide is imported. And we also import our titanium dioxide requirements significantly from China and a little bit from Europe. And the third most vital ingredient in the paint sector, especially in water-based paints, are plastic containers, which are used for packaging. Again, we have at least 4 manufacturers who are regularly supplying plastic containers to us. Most of them have now built facilities, right next to our manufacturing units, so that they can deliver just in time, and with negligible freight cost.

So, we have plastic can manufacturers located, right next to us in Jodhpur, and we have people quite close to our plants in southern India. So, raw material availability has never been a problem. There are no brands involved in raw material, these are all very generic raw materials, and raw material prices have been slightly softening during the last 6-8 months, which has given us breathing room in profitability. So, I think I've answered your questions, Mr. Trivedi. If there are any more, please do write to us, and we'd be happy to get back to you.



**Hemant Jalan:** The next speaker is Ms. Sushma Chanda, or Mr. Ankur Chanda, if either of them are in the meeting, can you unmute them?

**Moderator:** Yes. Ma'am, you are muted. Please ask your questions.

**Ankur Chanda (Shareholder):** Good afternoon to everyone. Sir, I just want to say that our corporate governance is too good. There is no problem in that, our management is capable of that. So no shareholder has any issues. I would like to ask you 2-4 questions that, what are the company's strategies to improve revenue growth in the coming years? How does Indigo Paints plan to improve its operation margin, especially in the face of raw material cost fluctuation? Third one is, what is the current market share of Indigo Paint compared to major competitors like Asian Paint or Berger? Fourth one is, can you share the outlook for EBITDA margin over the next two, 2-3 year? Thank you

**Hemant Jalan:** Thank you Mr. Chanda. I have previously answered your question on the market share that it is around 2.5%. If you would like to know the market share of others, Asian Paints has around 50% market share, market share of Berger Paints would be around 17-18%, Kansai Nerolac's decorative paints market share would be around 6-6.5% and Akzo Nobel would have around 3.5% market share. Now we are quite small in front of the paint giants. We hope to increase the turnover and market share of the company and we keep trying to do that.

If we talk about operating margins, gross margins then if you see the gross margins of any quarter in the last four years, then you will find that our gross margins are the highest in the industry. In fact it is higher than the market leader, Asian Paints by at least 3-4%. So our gross margins are really good. And because there is no increase in the raw material prices as of now but there is slight decrease that is why we do not foresee any issues in the operating margin. Regarding EBITDA margins, in the last two year, our EBITA margins were between 18% and 19%. Last year it should have grown but as you know and I have told earlier because of low demand and not much increase in sales EBITDA margins were under some pressure. In spite of this our EBITDA margins were higher than 18%. If market conditions are okay and sentiments are back which we hope for then as I understand our EBITDA margins should cross 19%. If the company continues to grow, then it is not impossible for the EBITDA margin to reach 20%.

The question regarding increasing the revenue, the speakers before you have asked this question and I have answered the same. However, I will say we will keep making new products, we will keep increasing our sales per dealers, we try to install more and more tinting machines, which right now is 1500 in a year, we are trying to take that to 2000 tinting machines in a year. These are our efforts which give us confidence we that our turnover will increase more than that of other paint companies.

**Hemant Jalan:** The next question is from Mr. Anil Babubhai Mehta, if you can unmute his mike.

**Moderator:** Mr. Anil Mehta, you are unmuted. Please ask the questions.

**Anil Mehta (Shareholder):** Thank you, sir. Good afternoon to all of you. This is Anil Mehta. I attend this meeting from my residence, Kandiwali in Mumbai. Question number one, looking to the trade war and the present situation with our neighbor country and also the present repo rate, how much growth can we expect in the current FY 2025-26? Second question, what is the annual average yield in our mutual fund investment? That's all the questions.



**Hemant Jalan:** Regarding the trade war, as far as the tariffs are concerned about the USA, they do not affect us in any way whatsoever. We do not have any import from and export to the USA. Hence the tariff war does not impact us. With the neighbors, like in May, there was a little war like situation with Pakistan, it did affect some of the sales for a week, the border areas like some parts of Punjab, Rajasthan, etc. there was curfew and it affected a little for 7-10 days and that was all. Hence the trade war or the border war does not impact us.

Your second question relating to mutual fund investments. So the mutual fund investments that we have, the average yield is somewhere around 5.7 to 6%. That is the average yield that we get. We only park money in very, very safe assets, in those debt mutual funds only, which invest largely in AAA rated papers. We do not believe in taking any kind of a risk with our Treasury investment, so we have zero exposure to the stock market or equities. And even when it comes to debt exposure, it is, as I said, only in those mutual funds which are very, very sound, even if the yield is 0.1% or 0.2% lower. We do not believe in investing in risky funds. I hope that answers your question.

**Hemant Jalan:** The next question is from Mr. Ram Chandra Singh.

**Moderator:** Mr. Ram Chandra Singh, you are unmuted. Please ask your question, sir.

**Ram Chandra Singh (Shareholder):** Okay, thank you, sir. Respected Chairman sir, Board of Directors, and fellow shareholders, good afternoon to all of you. Myself, Ram Chandra Singh, joining this AGM from New Delhi. So, first of all, I would like to congratulate for this silver jubilee AGM, and also wish to thank our Company Secretary for giving me the opportunity to express my views on this platform.

Sir, my questions to the management are that what is our Capex plan for next 2 to 3 years? And how many legal cases are on our company, and what steps have been taken to reduce them? So, next is, what is the impact of Gen AI on our business operation, and how we are using it, and how will it impact employment in our company? The last is, what is your target amount to spend on CSR activities for current financial year?

As far as the agenda of this agenda of the AGM is concerned, I support all the resolutions, along with all my family members. I also wish to convey my greetings for the upcoming festive season. Kindly consider to send some goodies as a greeting to speaker shareholders as a silver jubilee celebration. In the end, I wish a bright future for the company, and a great health for all of you. Thank you Sir, Jai Hind.

**Hemant Jalan:** Thank you, thank you, Singh Sir. The question relating to capex was asked earlier and I have answered the same that, our water-based plant has a capex of about 275 crores, the solvent-based plant has a capex of about 50 crores, and our putti plant has a capex of about 15 crores.

There are no legal cases going on against the company that I'm aware of so there is nothing, we at any point in time, have quite a few cases that we filed on some delinquent dealers who have not paid up for check bouncing, etc. but that is a routine matter that goes on, but there are no legal cases, from anyone as far as the company is concerned.

There is, at the moment, does not seem to be any impact on Gen AI on our workforce. We are trying to see in what ways we can use artificial intelligence and their agents as and when they develop. In further automating our various processes. We have done a lot of data analytics and information automation and process automation at the back end. And as time progresses, we will try and see what best we can utilize Gen AI to further automate some of those things.



As far as the CSR targets are concerned. The CSR target for the current year is roughly about 3.5 crores. These are statutory determined by the Government of India as a percentage of what profits the company has made during the last few years. And, this, number goes on steadily increasing every year. So, this year, if it is 3.5 crores, you can safely assume that next year, it'll be probably in the range of about 4 crores or something.

As far as sending goodies are concerned, unfortunately, laws prohibit us from sending any kind of a goodie to speaker shareholders or any select form of shareholders. But, if you come to Pune and visit our Head Office we will welcome you from the bottom of hearts. SEBI norms do not allow us to give a gift to any shareholder so I apologize for the same.

**Hemant Jalan:** And finally, we have the last speaker, Mr. Manoj Gupta. Can we unmute Mr. Manoj Gupta, please?

**Moderator:** Mr. Manoj, you are unmuted. Please ask your question, sir.

**Manoj Kumar Gupta (Shareholder):** Namaste, Respected Chairman, I am Manoj Kumar Gupta, from Kolkata, your shareholder. First of all, I would like to thank you and your Secretarial department for a good result of FY 24-25. You have given a good result under your supervision. And Company Secretary has done a good job by a opportunity to small shareholders like us to interact with you. My first request to you is to continue with the VC meeting as this is the vision of our Hon'ble Prime Minister that he is inspiring and promoting digitalization and making it a success. It is because of him that we are able to talk to you and interact with you through VC, you are in Pune and I am in Kolkata and that is a big thing.

And I had suggested last year also that you collect all the questions and then answer all of them. This way you will know what the shareholders have in mind. Collective questions will save your and shareholders time. I suggested this two years ago in Procter & Gamble and the Chairman said it's a good suggestion, we will follow it and they are following it henceforth. You may consider the same as it will save your and shareholders time, specially your time as you are running the company.

And you have talked about the competition but the competition is very big, some players and JSW have disrupted the playing field. The distributors of Asian Paints and Berger have now left them and joined JSW. Either margin or commission is going. What is your future outlook on this, how this will be in the market because many dealers have left their dealership for Opus and JSW? Opus has money, it's under Grasim which has money, Aditya Birla group has at least 2 lakh crore cash surplus, in the entire group. Today they have activities for cement and other products. And JSW has purchased Akzo Nobel in 1300 crores. Both have money so how we will survive in the competition. Please tell us how will be our future growth. Akzo has 3.5% and Berger has 9.5% and Asian Paints has 55% market share, they are moving ahead and many things are happening in Berger.

How you will reward the investor? You said the SEBI restricts you, SEBI does restricts you in a lot of things but as this is the 25th year and you are very lucky, you chairing the 25th AGM and I wish that you chair our 50th AGM also, we wish to God for your healthy and prosperous, safe, long life to run the company smoothly and take the company to new heights. But do think for the employees and shareholders for this 25th year. The person who does the secretarial audit, scrutinizer report does not need to do anything but sign. NSDL and CDSL gives the entire data, how many shareholders came, how many have voted against and in favour, so there is no point in giving money to them.



And sir, you have money in the balance sheet, how you will utilize it either green field or brown field. You are doing quite good CSR activities as per the slides presented, in Pune, in health (Cancer). Please think about it, Jalan family has a big contribution in Kolkata, please explore and consider to conduct activities in health and education in Kolkata as there are a lot of your dealers, stockists, consumers.

And I have already said to conduct VC meetings. Now market capitalization is 5300 crore which was 9000 crore, so when we will reach 10,000 crore market capitalization. Our share price which is now Rs. 1300/- should be in the range of Rs. 2000/- and Rs. 2500/- as per our performance and balance sheet. Why is the balance sheet performance not reflected in the stock market? Either we do not inform the media about our working and performance, but please keep informing the media about it every two months. You have investors shareholders 19.29%, FII 11.79%, public at 12-13%. So everyone taken together 45% is with other shareholder. So if once or twice in a year you tell the investor through call, then they will have confidence, they will buy the shares and our market cap and share price both will become twice of what it is now.

Now the crude price is fluctuating a lot due to tariff war or due to geopolitical reasons. Our main raw material is crude so please tell us how it will impact. In eastern parts like Bengal, Bihar, Jharkhand, Odisha, please put a plant there, this will save transportation cost and other expenses, rather than supplying from Pune, Kerala, Tamil Nadu. All companies are now coming here and establishing their industries here in Assam, Bengal, Jharkhand, you can focus on that and I strongly support you.

I reiterate once again that SEBI says do not distribute gifts but it does not prohibit from giving discount coupon and please arrange for a plant visit so that we can see how our plants are. I once again thank our Company Secretary and her team. She has called 3 times after receiving my request, please keep a team like this, it is a very efficient team and please continue it. Thank you.

**Hemant Jalan:** Thank you Mr. Gupta. It felt good that someone has joined from Kolkata, I was also brought up in Kolkata and my in-laws are also from Kolkata. So I am quite connected with the city. You suggested that we collect all questions, club them together and then answer them. If we do this, then how will we be able to interact one-on-one with you. At least this way we are able to see you and hear from you directly. If this takes half an hour more and few questions are repeated, that is completely alright. This way we have direct interaction with shareholders.

As far as capex is concerned, I have answered 2-3 times about how much we have spent in capex and I do not think there is a need to repeat it. I have also answered to the question regarding competition in the previous shareholders' questions.

Regarding the market cap and not doing the investor call, we do have investor call after every quarterly financial results meeting, either on the same day or on the next day. In this call around 125-150 investors participate. Media also call us for television interview and we do participate in that. We always present our activities and performance with the investors. Many investors visit our Head Office and we meet them. At times we also go for road shows in Mumbai, Singapore, Hong Kong, London so that we keep meeting investors and tell them about our strengths, future plans. This process keeps on happening.

Now why the market cap is at current level and why is not more is something on which I cannot comment because it is not up to the management to control the price. It is in the hands of shareholders. If you show more interest in the company, then more shares will be bought and share price will increase automatically. Our job is to give results. We strive to keep sale and profitability increasing and if this happens, the price of shares will increase automatically as investors get confident.



You had mentioned about the crude oil. Crude oil does not have much linkage with our raw materials. In the last 6-8 months there are not much changes in the crude oil. It is fluctuating in a stable range. Raw material of paints and crude oil does not have much connection. That is why we are not focusing on this matter.

We have a good market in eastern India. Assam, Bengal, Bihar, Jharkhand, Odisha, Chhattisgarh are some of the strong markets. Why don't we put a plant there? As I understand the location of a plant is more dependent on where raw materials are available rather than where the market is. The raw materials required to manufacture paint are not readily available in eastern India. That is why we set up a plant where source of raw material is next to the plant so that the manufacturing cost reduces. This is more beneficial for us even if we have to transport the finished goods at different locations.

Lastly, you talked about discount coupon. We cannot provide a general gift but I do assure you Mr. Gupta, if you want to paint your house then please get in touch with our Company Secretary. We will do our best to provide you a good discount. Thank you.

I'd like to thank all the speaker shareholders for asking a very good set of questions and keeping the proceedings of the meeting very lively and alive. I would also like to thank all our employees once again for their commitment. I express my appreciation to our fellow Directors for their constant support and guidance. And finally, I offer my thanks to our consumers, business partners, suppliers, shareholders and all other stakeholders for their continued trust in our company.

At Indigo Paints, which is still a young brand, your company is energized about its potential and is driven to script a powerful story. I look forward to the years ahead as we work towards building an inspiring company that benefits all stakeholders. Thank you very much.

Thereafter, e-voting on the CDSL platform continued to be available for the next 15 minutes. The Annual General Meeting concluded at 12.57 pm.

