

25th October, 2021

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| <p>1. Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.</p> | <p>2. Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.</p> |
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Sub.: Outcome of the Board Meeting of Kansai Nerolac Paints Limited held on 25th October, 2021.

- Ref.: 1. Regulation 30 (read with Schedule III - Part A), Regulation 33 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**
- 2. Scrip Codes: BSE - 500165, NSE - KANSAINER**

Dear Sirs,

This is to inform you that the Board of Directors of Kansai Nerolac Paints Limited (“Company”) has, in its meeting held today i.e. on Monday, 25th October, 2021 (“Board Meeting”), *inter alia* considered and approved:

- (i) The Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and six months ended 30th September, 2021 (“Unaudited Financial Results”).
- (ii) Payment of interim dividend of Rs. 1.25 (125%) per equity share of the face value of Re. 1 each for the financial year ending 31st March, 2022. The interim dividend will be paid to the members whose names appear in the Register of Members as on the ‘Record Date’, viz. 9th November, 2021 on or after 22nd November, 2021.

The Board Meeting commenced at 11.50 a.m. and concluded at 3.30 p.m.

Further, pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), please find enclosed herewith:

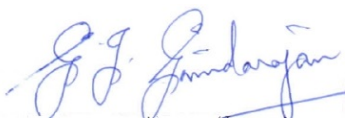
- (i) the Unaudited Financial Results for the quarter and six months ended 30th September, 2021; and
- (ii) Limited Review Report dated 25th October, 2021, issued by the Statutory Auditors of the Company with respect to the Unaudited Financial Results and taken on record by the Board of Directors of the Company.

A press release on the Unaudited Financial Results is also enclosed herewith.

In reference to the Circular bearing Ref. No. SEBI/HO/CFD/CMD1/ CIR/P/2020/84 issued by the Securities and Exchange Board of India on 25th May, 2020 about the impact of COVID-19, we wish to inform you that Note No. 4 of the Unaudited Financial Results (both Standalone and Consolidated) provides further update on impact of COVID-19 pandemic on the Company.

Necessary arrangements have been made for publishing the Unaudited Financial Results in the newspapers, in the prescribed formats, in terms of Regulation 47 of SEBI Listing Regulations.

For **KANSAI NEROLAC PAINTS LIMITED**



G. T. GOVINDARAJAN
COMPANY SECRETARY

Encl.: As above.

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone 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
Kansai Nerolac Paints Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Kansai Nerolac 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.

For S R B C & C O L L P
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Anil Jobanputra
Partner
Membership No.: 110759

UDIN: 21110759AAAAGI6924

Place: Mumbai
Date: October 25, 2021



KANSAI NEROLAC PAINTS LIMITED

Registered Office: Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013

Tel: +91-22-24934001; Fax: +91-22-24973704; e-mail: investor@nerolac.com

Website: www.nerolac.com CIN: L24202MH1920PLC000825

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2021

Sr. No.	Particulars	For the quarter ended			For the six months ended		For the year ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		(Unaudited)	(Unaudited) Refer Note 5	(Unaudited) Refer Note 5	(Unaudited)	(Unaudited) Refer Note 5	(Audited) Refer Note 5
							₹ in Crores
1	Income						
	Revenue from Operations	1520.74	1321.63	1308.91	2842.37	1917.06	4770.90
	Other Income	6.23	9.71	4.37	15.94	12.34	38.85
	Total Income	1526.97	1331.34	1313.28	2858.31	1929.40	4809.75
2	Expenses						
a.	Cost of Materials Consumed	1097.57	772.01	749.65	1869.58	983.50	2741.58
b.	Purchase of Stock-in-Trade	108.81	83.33	87.49	192.14	130.96	315.33
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(125.36)	12.56	(43.21)	(112.80)	34.37	(99.47)
d.	Employee Benefits Expense	69.34	72.06	66.36	141.40	133.20	268.62
e.	Finance Costs	2.29	2.68	1.38	4.97	3.01	8.48
f.	Depreciation and Amortisation Expense	38.01	37.74	35.59	75.75	69.91	149.01
g.	Other Expenses	205.71	191.94	185.80	397.65	291.89	701.31
	Total Expenses	1396.37	1172.32	1083.06	2568.69	1646.84	4084.86
3	Profit before exceptional items and tax	130.60	159.02	230.22	289.62	282.56	724.89
4	Exceptional item	-	-	(10.82)	-	(10.82)	(10.82)
5	Profit before tax	130.60	159.02	219.40	289.62	271.74	714.07
6	Tax Expense						
a.	Current Tax	31.71	39.70	57.19	71.41	71.45	181.93
b.	Deferred Tax	0.35	0.44	2.93	0.79	0.88	1.54
	Total Tax Expense	32.06	40.14	60.12	72.20	72.33	183.47
7	Profit for the Period	98.54	118.88	159.28	217.42	199.41	530.60
8	Other Comprehensive Income						
	(i) Items that will not be reclassified to Statement of Profit and Loss	(0.25)	(0.25)	(0.60)	(0.50)	(1.20)	0.34
	(ii) Income tax on item that will not be reclassified to Statement of Profit and Loss	0.07	0.06	0.15	0.13	0.30	(0.07)
9	Other Comprehensive Income (net of tax)	(0.18)	(0.19)	(0.45)	(0.37)	(0.90)	0.27
10	Total Comprehensive Income	98.36	118.69	158.83	217.05	198.51	530.87
11	Paid up Equity Share Capital (Face value of ₹ 1 each)	53.89	53.89	53.89	53.89	53.89	53.89
12	Other Equity						4023.13
13	Earnings Per Equity Share (of ₹ 1 each) (not annualised)						
a.	Basic	1.83	2.21	2.96	4.03	3.70	9.85
b.	Diluted	1.83	2.21	2.96	4.03	3.70	9.85



		As at			
		30.09.2021		31.03.2021	
		(Unaudited)		(Audited) Refer Note 5	
A	ASSETS				
1	Non-current Assets				
	Property, Plant and Equipment	1614.44		1611.00	
	Capital Work-in-progress	212.66		205.83	
	Right of Use Assets (ROU)	161.20		150.55	
	Investment Property	0.18		0.18	
	Goodwill	0.20		0.20	
	Other Intangible Assets	11.61		14.81	
			2000.29		1982.57
	Financial Assets:				
	Investments	102.30		102.12	
	Other Financial Assets	14.07		14.72	
			116.37		116.84
	Non-Current Tax Assets (Net)		114.35		113.92
	Other Non-current Assets		81.60		90.17
	Total Non-current Assets		2312.61		2303.50
2	Current Assets				
	Inventories		1313.94		1111.81
	Financial Assets:				
	Investments	445.15		668.06	
	Trade Receivables	1052.04		846.50	
	Cash and Cash Equivalents	70.50		80.30	
	Bank Balances other than Cash and Cash Equivalents	4.97		3.01	
	Other Financial Assets	35.34		61.81	
			1608.00		1659.68
	Other Current assets		126.48		163.19
	Total Current Assets		3048.42		2934.68
	Total Assets		5361.03		5238.18
B	EQUITY AND LIABILITIES				
1	Equity				
	Equity Share Capital	53.89		53.89	
	Other Equity	4024.61		4023.13	
	Total Equity		4078.50		4077.02
	Liabilities				
2	Non-current Liabilities				
	Financial Liabilities:				
	Lease Liabilities	82.24		72.69	
	Provisions	0.41		0.41	
	Deferred Tax Liabilities (Net)	96.93		96.27	
	Total Non-current Liabilities		179.58		169.37
3	Current Liabilities				
	Financial Liabilities:				
	Borrowings	8.65		8.34	
	Lease Liabilities	20.98		17.41	
	Trade Payables:				
	Total Outstanding dues of Micro Enterprises and Small Enterprises	106.81		90.95	
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	791.00		731.94	
		897.81		822.89	
	Other Financial Liabilities	88.29		94.92	
		1015.73		943.56	
	Other Current Liabilities	51.72		22.49	
	Provisions	21.04		20.75	
	Current Tax Liabilities (Net)	14.46		4.99	
	Total Current Liabilities		1102.95		991.79
	Total Liabilities		1282.53		1161.16
	Total Equity and Liabilities		5361.03		5238.18



Notes:

- 1 The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 25th October 2021. These standalone results have been subjected to "limited review" by the statutory auditors of the Company. Limited review report does not contain any qualification. The review report has been filed with stock exchange and is available on the Company's website.
- 2 The Standalone financial results are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 3 As the Management Committee monitors the business activity of the Company as a single segment viz. 'Paints' and the sales substantially being in the domestic market, the financial results are reflective of the disclosure requirements of Ind AS 108 - Operating Segments.
- 4 The Company has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Despite reduced cases of COVID-19 being reported in the country, there have been massive disruptions in supply chain especially from global. Accordingly, the Company will continue to monitor any material changes to future economic conditions.
- 5 The National Company Law Tribunal, Mumbai Bench and Ahmedabad Bench have approved the Scheme of Amalgamation ("the Scheme") of Marpol Private Limited and Perma Construction Aids Private Limited ("Transferor Companies"), wholly owned subsidiaries, with the Company ("Transferee Company"). Pursuant to necessary filings with the concerned Registrar of Companies, the Scheme has become effective from 21st October, 2021. The appointed date of the Scheme is 1st July, 2019. Accordingly, the amalgamation has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations under common control' and comparatives have been restated to give effect of the amalgamation from the beginning of the previous year. The impact of amalgamation is not material to the standalone financial results of the Company.
- 6 The Board of Directors have approved a payment of interim dividend of 125% (₹ 1.25 per equity share) of the face value of ₹ 1 each for the financial year ending 31 March, 2022.
- 7 Previous period figures have been re-grouped / re-classified, wherever necessary, to conform to current period's classifications in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April, 2021.



For KANSAI NEROLAC PAINTS LIMITED

H. M. BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai
Date: 25 October 2021

Particulars	Six months ended 30.09.2021 (Unaudited)	Six months ended 30.09.2020 (Unaudited) Refer Note 5
Cash Flow From Operating Activities		
Profit Before Tax	289.62	271.74
Adjustments for:		
Depreciation and Amortisation Expenses	75.75	69.91
Fair Value Gain on Financial Instruments recognised through FVTPL	(0.66)	(4.82)
Unrealised Foreign Exchange Gain (Net)	(0.57)	(1.80)
Profit on Sale of Current Investments (Net)	(8.73)	(0.88)
Interest Income	(0.49)	(2.86)
Profit on Sale of Property, Plant and Equipment (Net)	(0.04)	(0.44)
Finance Cost	4.97	3.01
Impairment loss allowance on trade receivables	2.74	3.95
Provision / liabilities no longer required written back	(6.79)	(8.23)
Impairment of non-current investment	-	10.82
	66.18	68.66
Operating Profit Before Working Capital Changes	355.80	340.40
(Increase) in Trade and Other Receivables	(142.28)	(142.86)
(Increase) / Decrease in Inventories	(202.13)	19.59
Increase in Trade Payables, Other Financial Liabilities and Provisions	105.26	138.71
	(239.15)	15.44
Cash Generated from Operations	116.65	355.84
Direct Taxes Paid (Net of Refunds)	(62.36)	(57.88)
Net Cash Flows generated from Operating Activities	54.29	297.96
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Other Intangible Assets (including Adjustments on Account of Capital Work-in-progress, Capital Creditors and Capital Advances)	(63.72)	(40.53)
Proceeds from Sale of Property, Plant and Equipment	0.06	0.47
Purchase of Current Investments	(1693.00)	(1795.00)
Proceeds from Sale/Redemption of Current Investments	1925.12	1843.61
Interest Received	0.49	2.86
Proceeds from / (Investments in) fixed deposits	(2.05)	-
Net Cash Flows generated from Investing Activities	166.90	11.41
Cash Flows from Financing Activities		
Repayment of long-term Borrowings	-	(7.52)
Payment of Lease Liabilities	(15.39)	(7.92)
Interest Paid	(0.34)	(0.58)
Dividend Paid	(215.57)	(169.76)
Net Cash Flows (used in) Financing Activities	(231.30)	(185.78)
Net (Decrease) / Increase in Cash and Cash Equivalents	(10.11)	123.59
Cash and Cash Equivalents at beginning of the period, the components being:		
Cash on Hand	0.08	0.10
Cheques on hand	16.78	3.55
Balances with Banks	62.47	36.86
Bank Overdrafts and Cash Credit	(8.34)	-
Deposit with Banks with less than 3 months maturity	-	125.13
Effect of exchange rate fluctuation	0.97	0.84
	71.96	166.48
Cash and Cash Equivalents at end of the period, the components being:		
Cash on Hand	0.10	0.10
Cheques on hand	13.57	13.47
Balances with Banks	55.86	32.48
Bank Overdrafts and Cash Credit	(8.65)	-
Deposit with Banks with less than 3 months maturity	-	243.18
Effect of exchange rate fluctuation	0.97	0.84
	61.85	290.07
Net (Decrease) / Increase as disclosed above	(10.11)	123.59

Notes:

The above Cash Flow Statement is prepared under the "Indirect Method" as set out in the Indian Accounting Standards (Ind AS-7) – Statement of Cash Flows



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated 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
Kansai Nerolac Paints Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Kansai Nerolac Paints Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), 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 Holding 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 Holding Company's Management and approved by the Holding 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Holding Company

- Kansai Nerolac Paints Limited

Subsidiary Companies

- i. KNP Japan Private Limited
 - ii. Kansai Paints Lanka (Private) Limited
 - iii. Kansai Nerolac Paints (Bangladesh) Limited
 - iv. Nerofix Private Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with 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.
 6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of 3 subsidiaries, whose unaudited interim financial results include total assets



SRBC & COLLP

Chartered Accountants

Kansai Nerolac Paints Limited

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of Rs. 319.03 Crores as at September 30, 2021, total revenues of Rs. 78.99 Crores and Rs. 149.05 Crores, total net loss after tax of Rs. 8.68 Crores and Rs. 12.73 Crores, total comprehensive loss of Rs. 7.51 Crores and Rs. 12.49 Crores, for the quarter ended September 30, 2021 and the period ended on that date respectively, and net cash outflows of Rs. 28.73 Crores for the period from April 01, 2021 to September 30, 2021, as considered in the Statement which have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. Certain of these subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion on the Statement in respect of matters stated in para 6 and 7 is not modified with respect to our reliance on the work done and the reports of the other auditors.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Anil Jobanputra

Partner

Membership No.: 110759

UDIN: 21110759AAAAGH3892

Place: Mumbai

Date: October 25, 2021



KANSAI NEROLAC PAINTS LIMITED
Registered Office: Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013
Tel: +91-22-24934001; Fax: +91-22-24973704; e-mail: investor@nerolac.com
Website: www.nerolac.com CIN: L24202MH1920PLC000825

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2021

Sr. No.	Particulars	For the quarter ended			For the six months ended		₹ in Crores
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	For the year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2021 (Audited)
1	Income						
	Revenue from Operations	1619.64	1402.76	1383.21	3022.40	2022.13	5074.25
	Other Income	6.48	9.94	4.81	16.42	12.97	38.21
	Total Income	1626.12	1412.70	1388.02	3038.82	2035.10	5112.46
2	Expenses						
a.	Cost of Materials Consumed	1178.77	832.16	791.91	2010.93	1042.60	2935.79
b.	Purchase of Stock-in-Trade	109.99	84.69	88.29	194.68	132.10	317.21
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(137.40)	6.15	(40.60)	(131.25)	38.97	(106.47)
d.	Employee Benefits Expense	80.08	82.05	75.24	162.13	150.05	304.68
e.	Finance Costs	6.85	6.68	5.42	13.51	10.93	23.74
f.	Depreciation and Amortisation Expense	42.06	41.72	39.30	83.78	77.22	165.30
g.	Other Expenses	225.45	207.19	199.80	432.64	313.02	759.76
	Total Expenses	1505.80	1260.62	1159.36	2766.42	1764.89	4400.01
3	Profit before tax	120.32	152.08	228.66	272.40	270.21	712.45
4	Tax Expense						
a.	Current Tax	32.97	40.57	58.14	73.54	72.53	186.02
b.	Deferred Tax	0.07	0.13	2.56	0.20	0.08	0.71
	Total Tax Expense	33.04	40.70	60.70	73.74	72.61	186.73
5	Profit for the Period	87.28	111.38	167.96	198.66	197.60	525.72
6	Other Comprehensive Income						
a.	(i) Items that will not be reclassified to Statement of Profit and Loss	(0.25)	(0.25)	(0.60)	(0.50)	(1.20)	0.20
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss	0.07	0.06	0.15	0.13	0.30	(0.07)
b.	(i) Items that will be reclassified to Statement of Profit and Loss	1.16	(0.93)	1.21	0.23	0.34	(0.22)
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss	-	-	-	-	-	-
	Total Other Comprehensive Income	0.98	(1.12)	0.76	(0.14)	(0.56)	(0.09)
7	Total Comprehensive Income	88.26	110.26	168.72	198.52	197.04	525.63
8	Profit for the period attributable to:						
	Owners of the Company	92.01	114.09	168.20	206.10	201.67	529.74
	Non-controlling interests	(4.73)	(2.71)	(0.24)	(7.44)	(4.07)	(4.02)
	Total	87.28	111.38	167.96	198.66	197.60	525.72
9	Other Comprehensive Income attributable to:						
	Owners of the Company	0.98	(1.12)	0.76	(0.14)	(0.56)	(0.02)
	Non-controlling interests	-	-	-	-	-	(0.07)
	Total	0.98	(1.12)	0.76	(0.14)	(0.56)	(0.09)
10	Total Comprehensive Income attributable to:						
	Owners of the Company	92.99	112.97	168.96	205.96	201.11	529.72
	Non-controlling interests	(4.73)	(2.71)	(0.24)	(7.44)	(4.07)	(4.09)
	Total	88.26	110.26	168.72	198.52	197.04	525.63
11	Paid up Equity Share Capital (Face value of ₹ 1 each)	53.89	53.89	53.89	53.89	53.89	53.89
12	Other Equity						3999.01
13	Earnings Per Equity Share (of ₹ 1 each) (not annualised)						
a.	Basic	1.71	2.12	3.12	3.82	3.74	9.83
b.	Diluted	1.71	2.12	3.12	3.82	3.74	9.83



		As at			
		30.09.2021		31.03.2021	
		(Unaudited)		(Audited)	
A	ASSETS				
1	Non-current Assets				
	Property, Plant and Equipment	1674.07		1691.50	
	Capital Work-in-progress	213.83		206.85	
	Right of Use Assets (ROU)	191.70		160.71	
	Investment Property	0.18		0.18	
	Goodwill	19.78		19.78	
	Other Intangible Assets	32.45		40.02	
			2132.01		2119.04
	Financial Assets:				
	Investments	1.13		0.95	
	Other Financial Assets	14.21		14.84	
			15.34		15.79
	Non-Current Tax Assets (Net)		135.31		130.47
	Other Non-current Assets		81.62		90.19
	Total Non-current Assets		2364.28		2355.49
2	Current Assets				
	Inventories		1438.70		1197.93
	Financial Assets:				
	Investments	445.15		668.06	
	Trade Receivables	1171.28		956.35	
	Cash and Cash Equivalents	78.32		102.94	
	Bank Balances other than Cash and Cash Equivalents	19.78		21.59	
	Other Financial Assets	35.87		60.19	
			1750.40		1809.13
	Other Current assets		143.27		170.80
	Total Current Assets		3332.37		3177.86
	Total Assets		5696.65		5533.35
B	EQUITY AND LIABILITIES				
1	Equity				
	Equity Share Capital	53.89		53.89	
	Other Equity	3989.43		3999.01	
			4043.32		4052.90
	Non-controlling Interest		28.85		36.28
	Total Equity		4072.17		4089.18
	Liabilities				
2	Non-current Liabilities				
	Financial Liabilities:				
	Borrowings	14.06		17.19	
	Lease Liabilities	86.91		77.12	
	Provisions	0.48		0.45	
	Deferred Tax Liabilities (Net)	108.96		108.89	
	Total Non-current Liabilities		210.41		203.65
3.	Current Liabilities				
	Financial Liabilities:				
	Borrowings	198.33		155.91	
	Lease Liabilities	22.64		18.78	
	Trade Payables:				
	Total Outstanding dues of Micro Enterprises and Small Enterprises	109.04		93.64	
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	893.39		813.18	
		1002.43		906.82	
	Other Financial Liabilities	89.88		94.20	
		1313.28		1175.71	
	Other Current Liabilities	63.23		37.69	
	Provisions	23.10		22.21	
	Current Tax Liabilities (Net)	14.46		4.91	
	Total Current Liabilities		1414.07		1240.52
	Total Liabilities		1624.48		1444.17
	Total Equity and Liabilities		5696.65		5533.35



Notes:

- 1 The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 25th October 2021. These consolidated results have been subjected to "limited review" by the statutory auditors of the Holding Company. Limited review report does not contain any qualification. The review report has been filed with stock exchange and is available on the Holding Company's website.
- 2 The Consolidated financial results are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 3 As the Management Committee monitors the business activity consisting of paints and other related products of the Group as a single segment viz. 'Paints' and the sales substantially being in the domestic market, the financial results are reflective of the disclosure requirements of Ind AS 108 - Operating Segments.
- 4 The Group has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Despite reduced cases of COVID-19 being reported, there have been massive disruptions in supply chain especially from global. Accordingly, the Group will continue to monitor any material changes to future economic conditions.
- 5 The National Company Law Tribunal, Mumbai Bench and Ahmedabad Bench have approved the Scheme of Amalgamation ("the Scheme") of Marpol Private Limited and Perma Construction Aids Private Limited ('Transferor Companies'), wholly owned subsidiaries, with the Holding Company ('Transferee Company'). Pursuant to necessary filings with the concerned Registrar of Companies, the Scheme has become effective from 21st October, 2021. The appointed date of the Scheme is 1st July, 2019. There is no impact of the amalgamation on the consolidated financial results.
- 6 Previous period figures have been re-grouped / re-classified, wherever necessary, to conform to current period's classifications in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April, 2021.



For KANSAI NEROLAC PAINTS LIMITED


H. M. BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai
Date: 25 October 2021

Particulars	Six months ended 30.09.2021 (Unaudited)	Six months ended 30.09.2020 (Unaudited)
Cash Flow From Operating Activities		
Profit Before Tax	272.40	270.21
Adjustments for:		
Depreciation and Amortisation Expenses	83.78	77.22
Fair Value Gain on Financial Instruments recognised through FVTPL	(0.66)	(4.82)
Unrealised Foreign Exchange Gain (Net)	(0.57)	(1.80)
Profit on Sale of Current Investments (Net)	(8.73)	(0.88)
Interest Income	(0.94)	(3.24)
Profit on Sale of Property, Plant and Equipment (Net)	(0.10)	(0.44)
Finance Cost	13.51	10.93
Impairment loss allowance on trade receivables	3.20	4.54
Provision / liabilities no longer required written back	(6.79)	(8.23)
	82.70	73.28
Operating Profit Before Working Capital Changes	355.10	343.49
(Increase) in Trade and Other Receivables	(166.67)	(135.98)
(Increase) / Decrease in Inventories	(240.76)	21.00
Increase in Trade Payables, Other Financial Liabilities and Provisions	128.44	129.48
	(278.99)	14.50
Cash Generated from Operations	76.11	357.99
Direct Taxes Paid (Net of Refunds)	(68.91)	(61.85)
Net Cash Flows generated from Operating Activities	7.20	296.14
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Other Intangible Assets (including Adjustments on Account of Capital Work-in-progress, Capital Creditors and Capital Advances)	(65.60)	(42.21)
Proceeds from Sale of Property, Plant and Equipment	0.22	0.47
Purchase of Current Investments	(1693.00)	(1795.00)
Proceeds from Sale/Redemption of Current Investments	1925.13	1843.61
Interest Received	0.94	3.24
Investments in fixed deposits	1.72	(1.95)
Net Cash Flows generated from Investing Activities	169.41	8.16
Cash Flows from Financing Activities		
(Repayment) of/ Proceeds from Long-term Borrowings	(3.13)	(3.40)
(Repayment) of/ Proceeds from Current Borrowings	28.21	(9.40)
Payment of lease liabilities	(16.34)	(7.92)
Interest Paid	(8.62)	(8.39)
Dividend Paid	(215.57)	(169.76)
Net Cash Flows (used in) Financing Activities	(215.45)	(198.87)
Net (Decrease) / Increase in Cash and Cash Equivalents	(38.84)	105.43
Cash and Cash Equivalents at beginning of the period, the components being:		
Cash on Hand	0.30	1.03
Cheques on hand	16.78	3.55
Balances with Banks	84.88	49.67
Deposit with Banks with less than 3 months maturity	-	125.13
Bank Overdrafts and Cash Credit	(79.00)	(75.26)
Effect of exchange rate fluctuation	0.98	0.84
	23.94	104.96
Cash and Cash Equivalents at end of the period, the components being:		
Cash on Hand	0.26	1.21
Cheques on hand	13.57	13.47
Balances with Banks	63.51	43.04
Deposit with Banks with less than 3 months maturity	-	243.18
Bank Overdrafts and Cash Credit	(93.22)	(91.35)
Effect of exchange rate fluctuation	0.98	0.84
	(14.90)	210.39
Net (Decrease) / Increase as disclosed above	(38.84)	105.43

Notes:

The above Cash Flow Statement is prepared under the "Indirect Method" as set out in the Indian Accounting Standards (Ind AS-7) – Statement of Cash Flows



KANSAI NEROLAC PAINTS LIMITED

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Website: www.nerolac.com CIN: L24202MH1920PLC000825

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2021

₹ in Crores

Particulars	Standalone						Consolidated					
	For the quarter ended			For the six months ended		For the year ended	For the quarter ended			For the six months ended		For the year ended
	30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021	30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	1520.74	1321.63	1308.91	2842.37	1917.06	4770.90	1619.64	1402.76	1383.21	3022.40	2022.13	5074.25
Net Profit for the Period (before Tax and Exceptional items)	130.60	159.02	230.22	289.62	282.56	724.89	120.32	152.08	228.66	272.40	270.21	712.45
Net Profit for the Period before tax (after Exceptional items)	130.60	159.02	219.40	289.62	271.74	714.07	120.32	152.08	228.66	272.40	270.21	712.45
Net Profit for the Period after tax (after Exceptional items)	98.54	118.88	159.28	217.42	199.41	530.60	87.28	111.38	167.96	198.66	197.60	525.72
Total Comprehensive Income for the Period	98.36	118.69	158.83	217.05	198.51	530.87	88.26	110.26	168.72	198.52	197.04	525.63
Equity Share Capital	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89
Other Equity						4023.13						3999.01
Earnings Per Equity Share (of ₹ 1/- each) (not annualised)												
Basic	1.83	2.21	2.96	4.03	3.70	9.85	1.71	2.12	3.12	3.82	3.74	9.83
Diluted	1.83	2.21	2.96	4.03	3.70	9.85	1.71	2.12	3.12	3.82	3.74	9.83

Note: The above is an extract of the detailed format of Statement of Unaudited Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of Statement of Unaudited Financial Results are available on the websites of Stock Exchanges at <https://www.bseindia.com> and <https://www.nseindia.com> and also on the Company's website at <https://www.nerolac.com>. The auditors have expressed an unqualified review report on the financial results for the quarter and six months ended 30 September, 2021.

Place: Mumbai
Date: 25 October 2021



For KANSAI NEROLAC PAINTS LIMITED
[Handwritten Signature]

H. M. BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

Press Release

Mumbai, Oct 25, 2021

Kansai Nerolac Paints Ltd Announces Q2 Results FY 2021-2022

Mumbai, October 25, 2021: Kansai Nerolac Paints Limited (**KNPL**), one of the leading Paint companies in India, today at the Board meeting announced its unaudited results for the second quarter of financial year 2021-22. For the quarter, the company declared Net revenue of Rs.1521 Crores, a growth of 16.2% over the corresponding quarter of the previous year.

EBIDTA was at Rs.165 Crores, a de-growth of 37.3% over the same quarter of the previous year. PAT was at Rs 99 Crores, a de-growth of 38.1% over the same quarter of the previous year.

For the half year net revenue was Rs 2842 Crores, growth of 48.3% over the same period of the previous year. EBIDTA was at Rs.354 Crores, a growth of 3.3% over the same period of the previous year. PAT was at Rs 217 Crores, a growth of 9.0% over the same period of the previous year.

The National Company Law Tribunal, Mumbai and Ahmedabad Bench have approved the Scheme of Amalgamation of Marpol Pvt. Ltd and Perma Construction Aids Pvt Ltd, wholly owned subsidiaries, with the Holding Company KNPL. Scheme is effective from 21st October 2021. The appointed date of the Scheme is 1st July,2019. Accordingly, the amalgamation has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations under common control' and comparatives have been restated to give effect of the amalgamation from the beginning of the previous year. The impact of amalgamation is not material to the standalone financial results of the Company.

Commenting on the results, **Mr. H. M. Bharuka, Vice Chairman and Managing Director, Kansai Nerolac Paints Ltd said**, "The quarter witnessed good demand in Decorative. Automotive production was hampered due to the unavailability of semiconductor chips. Inflationary trend has further intensified during the quarter and has reached unprecedented levels. Inflation is more severe in Industrial. Numerous force majeure across the globe have created supply chain issues. Forex markets continued to be volatile. Given the circumstances, the effort of the company has been to strike a balance between topline and bottom-line. Keeping in mind the sentiments in the market, the company has been able to partly pass on the inflationary effect in both Decorative and Industrial. Sustained efforts continue to obtain further price increases to offset the impact of inflation.

The company focused on selling a better product mix as well as aggressive cost controls along with judicious management of overheads.

Looking forward, factors like good monsoon, buoyancy of the economy on account of containment of COVID due to the vaccination program should keep demand healthy."

Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at around Rs. 55000 crores as of March 2021. The good growth in infrastructure, core sector as well as automobile and real estate is likely to have a positive effect on the overall demand of paint for the industry in the long run.

About Kansai Nerolac Paints Ltd:

Kansai Nerolac Paints now in its 101st year has been at the forefront of paint manufacturing pioneering a wide spectrum of quality paints. Kansai Nerolac is one of the leading paint company in India and is the leader in Industrial paints. The company has strategically located manufacturing units all over India and a strong dealer network across the country. The company manufactures a diversified range of products ranging from decorative paints coatings for homes, offices, hospitals, and hotels to sophisticated industrial coatings for most of the industries. Please visit www.nerolac.com .