

January 31, 2020

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| <p>1. Corporate Relationship Department<br/><b>BSE Limited,</b><br/>Phiroze Jeejeebhoy Towers,<br/>Dalal Street,<br/>Mumbai- 400 001.</p> | <p>2. Manager – Listing<br/><b>National Stock Exchange of India Ltd.</b><br/>Exchange Plaza, C-1, Block G,<br/>Bandra Kurla Complex, Bandra (E),<br/>Mumbai – 400 051.</p> |
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**Sub.: Outcome of the Board Meeting of Kansai Nerolac Paints Limited held on January 31, 2020**

- Ref.: 1. Regulation 30 (read with Schedule III - Part A), 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 Sir/ Madam,

Kindly note that the Board of Directors of Kansai Nerolac Paints Limited (“Company”) has, in its meeting held today i.e. on Friday, January 31, 2020 (“Board Meeting”), *inter alia* considered and approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2019 (“Unaudited Financial Results”).

The Board Meeting commenced at 10.50 a.m. and concluded at 1.00 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; and
- (ii) Limited Review Report dated January 31, 2020, 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 issued with respect to the Unaudited Financial Results is also enclosed herewith.

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.

The above is for your information and record.

For **KANSAI NEROLAC PAINTS LIMITED**

  
**G. Y. GOVINDARAJAN**  
**COMPANY SECRETARY**



Encl: As above.

Head Office :  
 NEROLAC HOUSE  
 Ganpatrao Kadam Marg,  
 Lower Parel, Mumbai - 400013 India

Tel. : + 91.22.2493 4001  
 +91.22.2499 2500

CIN No.: L24202MH1920PLCOO0825

## 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 NINE MONTHS ENDED 31 DECEMBER 2019

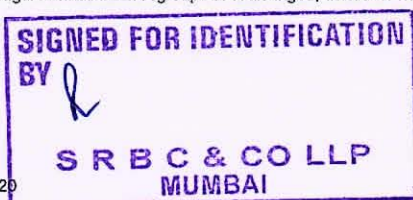
Sr. No.	Particulars	For the quarter ended			For the nine months ended		₹ in Crores
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	For the year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2019 (Audited)
	Gross Sales / Income	1391.11	1385.69	1486.19	4389.56	4414.32	5682.28
1.	Income						
a.	Revenue from Contracts with Customers (Net of Discounts and Rebates)	1240.43	1236.98	1343.64	3934.23	3996.88	5138.86
b.	Other Operating Revenues	7.71	6.54	7.02	20.90	23.58	34.76
	Total Revenue from Operations	1248.14	1243.52	1350.66	3955.13	4020.46	5173.62
	Other Income	12.42	3.94	19.84	22.87	47.43	61.88
	Total Income	1260.56	1247.46	1370.50	3978.00	4067.89	5235.50
2.	Expenses						
a.	Cost of Materials Consumed	604.18	756.84	841.84	2070.23	2469.21	3241.77
b.	Purchase of Stock-in-Trade	73.64	63.50	68.54	205.63	188.41	258.74
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	102.24	(54.22)	(26.15)	173.95	(89.95)	(197.98)
d.	Employee Benefits Expense	67.57	69.36	67.70	204.48	194.46	255.38
e.	Finance Costs	1.21	1.24	-	3.71	-	-
f.	Depreciation and Amortisation Expense	31.42	28.64	23.51	87.84	66.99	90.47
g.	Other Expenses	208.63	195.11	221.76	647.01	665.96	873.71
	Total Expenses	1088.89	1060.47	1197.20	3392.85	3495.08	4522.09
3.	Profit before Tax (1-2)	171.67	186.99	173.30	585.15	572.81	713.41
4.	Tax Expense						
a.	Current Tax	41.76	29.75	51.93	142.79	175.13	221.87
b.	Deferred Tax	7.26	(36.15)	8.67	(21.58)	23.15	24.19
	Total Tax Expense	49.02	(6.40)	60.60	121.21	198.28	246.06
5.	Profit for the Period (3-4)	122.65	193.39	112.70	463.94	374.53	467.35
6.	Other Comprehensive Income						
	(i) Items that will not be reclassified to Statement of Profit and Loss	(0.58)	(0.58)	(0.57)	(1.74)	(1.73)	1.41
	(ii) Income tax on item that will not be reclassified to Statement of Profit and Loss	0.15	0.09	0.21	0.44	0.61	(0.49)
7.	Other Comprehensive Income (net of tax)	(0.43)	(0.49)	(0.36)	(1.30)	(1.12)	0.92
8.	Total Comprehensive Income (5+7)	122.22	192.90	112.34	462.64	373.41	468.27
9.	Paid up Equity Share Capital (Face value of ₹ 1 each)	53.89	53.89	53.89	53.89	53.89	53.89
10.	Other Equity						3370.58
11.	Earnings Per Equity Share (of ₹ 1 each) (not annualised)						
a.	Basic	2.28	3.59	2.09	8.61	6.95	8.67
b.	Diluted	2.28	3.59	2.09	8.61	6.95	8.67

## Notes:

- The above unaudited standalone financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meetings held on 31 January 2020. 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.
- 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.
- As the Company's business activity falls within a single segment viz. 'Paints' and the sales substantially being in the domestic market, hence the same is reflective of the disclosure requirements of Ind AS 108 - Operating Segments.
- Effective 1 April, 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach. Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation and amortisation expense" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed. The adoption of this standard did not have any material impact on the profit and earnings per share for the quarter and nine months ended 31 December 2019. However, the impact on respective line items is set out below:

Particulars	₹ in Crores	
	Quarter ended 31.12.2019	Nine Months ended 31.12.2019
Increase in Finance cost	1.21	3.71
Increase in Depreciation and Amortisation Expense	3.50	10.25
Decrease in Other Expenses	4.46	12.51
Decrease in Profit before tax	0.25	1.45
Decrease in Tax expenses	0.05	0.36
Decrease in Profit after tax	0.20	1.09

- The Company has completed the transactions and paid for subscription of 1,20,00,000 equity shares of Rs. 10 each of Nerofix Private Limited aggregating to Rs. 12 Crores. The Company continues to hold 60% equity share capital of Nerofix Private Limited.
- Previous period figures have been regrouped / rearranged, wherever necessary, to correspond to current period's presentation.



  
For KANSAI NEROLAC PAINTS LIMITED

H. M. BHARUKA  
VICE CHAIRMAN AND MANAGING DIRECTOR

**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 December 31, 2019 and year to date from April 01, 2019 to December 31, 2019 (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.



**S R B C & CO LLP**

Chartered Accountants

Kansai Nerolac Paints Limited

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5. The comparative financial information of the Company for the corresponding quarter and period ended December 31, 2018, included in these unaudited standalone financial results, was reviewed by the predecessor auditor and the standalone Ind AS financial statements of the Company for the year ended March 31, 2019, were audited by predecessor auditor who expressed an unmodified conclusion / opinion on that financial information and those financial statements on January 29, 2019 and May 02, 2019 respectively.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Anil Jobanputra

Partner

Membership No.: 110759



UDIN: 20110759AAAAA04357

Place: Mumbai

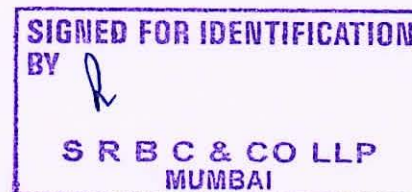
Date: January 31, 2020

## 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 NINE MONTHS ENDED 31 DECEMBER 2019

Sr. No.	Particulars	For the quarter ended			For the nine months ended		₹ in Crores
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	For the year ended
		(Unaudited)	(Unaudited)	(Unaudited) Refer Note 2	(Unaudited)	(Unaudited) Refer Note 2	(Audited)
	Gross Sales / Income	1492.45	1487.96	1576.05	4687.61	4627.83	5984.72
1.	Income						
a.	Revenue from Contracts with Customers (Net of Discounts and Rebates)	1324.81	1319.57	1421.62	4177.68	4180.44	5388.47
b.	Other Operating Revenues	7.13	5.98	6.45	22.22	22.65	35.85
	Total Revenue from Operations	1331.94	1325.55	1428.07	4199.90	4203.09	5424.32
	Other Income	10.59	4.33	20.08	21.69	47.89	60.52
	Total Income	1342.53	1329.88	1448.15	4221.59	4250.98	5484.84
2.	Expenses						
a.	Cost of Materials Consumed	654.63	809.60	895.57	2219.05	2590.24	3404.80
b.	Purchase of Stock-in-Trade	74.51	63.93	68.54	208.47	188.41	258.74
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	101.08	(57.05)	(27.19)	171.80	(94.75)	(201.78)
d.	Employee Benefits Expense	78.92	79.27	76.17	235.53	214.25	283.41
e.	Finance Costs	5.26	4.83	3.36	14.72	6.72	9.97
f.	Depreciation and Amortisation Expense	36.90	33.84	28.06	103.76	77.82	106.28
g.	Other Expenses	225.13	210.92	234.18	694.80	704.91	926.63
	Total Expenses	1176.43	1145.34	1278.69	3648.13	3687.60	4788.05
3.	Profit before Tax (1-2)	166.10	184.54	169.46	573.46	563.38	696.79
4.	Tax Expense						
a.	Current Tax	43.02	31.27	52.26	146.81	177.79	225.54
b.	Deferred Tax	7.27	(36.65)	10.96	(23.77)	23.34	23.59
	Total Tax Expense	50.29	(5.38)	63.22	123.04	201.13	249.13
5.	Profit for the Period (3-4)	115.81	189.92	106.24	450.42	362.25	447.66
6.	Other Comprehensive Income						
a.	(i) Items that will not be reclassified to Statement of Profit and Loss	(0.58)	(0.67)	(0.57)	(1.83)	(1.73)	1.51
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss	0.14	0.11	0.20	0.45	0.60	(0.51)
b.	(i) Items that will be reclassified to Statement of Profit and Loss	0.34	4.48	4.05	0.56	2.18	(0.79)
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss	-	-	-	-	-	-
	Total Other Comprehensive Income	(0.10)	3.92	3.68	(0.82)	1.05	0.21
7.	Total Comprehensive Income (5+6)	115.71	193.84	109.92	449.60	363.30	447.87
8.	Profit for the period attributable to:						
	Owners of the Company	117.00	190.77	107.25	453.79	365.55	452.75
	Non-controlling interests	(1.19)	(0.85)	(1.01)	(3.37)	(3.30)	(5.09)
		115.81	189.92	106.24	450.42	362.25	447.66
9.	Other Comprehensive Income attributable to:						
	Owners of the Company	(0.10)	3.95	3.68	(0.79)	1.05	0.18
	Non-controlling interests	-	(0.03)	-	(0.03)	-	0.03
		(0.10)	3.92	3.68	(0.82)	1.05	0.21
10.	Total Comprehensive Income attributable to:						
	Owners of the Company	116.90	194.72	110.93	453.00	366.60	452.93
	Non-controlling interests	(1.19)	(0.88)	(1.01)	(3.40)	(3.30)	(5.06)
		115.71	193.84	109.92	449.60	363.30	447.87
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						3362.44
13.	Earnings Per Equity Share (of ₹ 1 each) (not annualised)						
a.	Basic	2.17	3.54	1.99	8.42	6.78	8.40
b.	Diluted	2.17	3.54	1.99	8.42	6.78	8.40



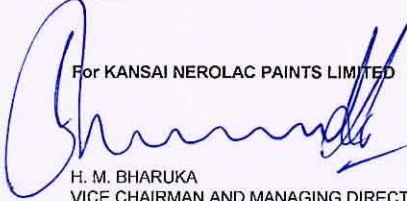
Notes:

1. The above unaudited consolidated financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meetings held on 31 January 2020. 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 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 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. Comparative figures of consolidated results for the quarter and nine months ended 31 December 2018 have been compiled by the Management and have not been subjected to review.
3. As the Group's business activity falls within a single segment viz. 'Paints' and the sales substantially being in the domestic market, hence the same is reflective of the disclosure requirements of Ind AS 108 - Operating Segments.
4. Effective 1 April, 2019, the Holding Company has adopted Ind AS 116 "Leases" using modified retrospective approach. Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation and amortisation expense" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed. The adoption of this standard did not have any material impact on the profit and earnings per share for the quarter and nine months ended 31 December 2019. However, the impact on respective line items is set out below:

Particulars	₹ in Crores	
	Quarter ended 31.12.2019	Nine Months ended 31.12.2019
Increase in Finance cost	1.21	3.71
Increase in Depreciation and Amortisation Expense	3.50	10.25
Decrease in Other Expenses	4.46	12.51
Decrease in Profit before tax	0.25	1.45
Decrease in Tax expenses	0.05	0.36
Decrease in Profit after tax	0.20	1.09

5. Nerofix Private Limited (subsidiary company) has completed the transactions contemplated in the Business Transfer Agreement ('BTA') entered by Nerofix Private Limited, Polygel Industries Private Limited and Promoters of Polygel.
6. Previous period figures have been regrouped / rearranged, wherever necessary, to correspond to current period's presentation.



For KANSAI NEROLAC PAINTS LIMITED  
  
 H. M. BHARUKA  
 VICE CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai  
 Date: 31 January 2020

**SIGNED FOR IDENTIFICATION**  
 BY   
**S R B C & CO LLP**  
**MUMBAI**

**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 December 31, 2019 and year to date from April 01, 2019 to December 31, 2019 (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"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter and nine months ended December 31, 2018, as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors but have not been subjected to review.
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.



**S R B C & CO LLP**

Chartered Accountants

Kansai Nerolac Paints Limited

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## 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) RAK Paints Limited
  - iv) Marpol Private Limited
  - v) Perma Construction Aids Private Limited
  - vi) 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 unaudited interim financial results and other unaudited financial information of 5 subsidiaries, whose interim financial results reflect Group's share of total revenues of Rs. 81.05 Crores and Rs. 245.88 Crores, Group's share of total net loss after tax of Rs. 0.69 Crores and Rs. 1.76 Crores, Group's share of total comprehensive loss of Rs. 0.70 Crores and Rs. 1.85 Crores, for the quarter ended December 31, 2019 and for the period from April 01, 2019 to December 31, 2019, respectively as considered in the Statement, which have been reviewed by their respective independent auditors. The independent auditor's reports on interim financial statements 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 reviewed 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.





**S R B C & CO LLP**

Chartered Accountants

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

8. The consolidated Ind AS financial statements of the Group for the year ended March 31, 2019 included in these unaudited consolidated financial results were audited by predecessor auditor who expressed an unmodified opinion on those consolidated Ind AS financial statements on May 02, 2019.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003



per Anil Jobanputra  
Partner  
Membership No.: 110759



UDIN: 20110759AAAAAP8860

Place: Mumbai  
Date: January 31, 2020

**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 FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019**

₹ in Crores

Particulars	Standalone						Consolidated											
	For the quarter ended			For the nine months ended			For the year ended			For the quarter ended			For the nine months ended			For the year ended		
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019						
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)						
Total Income from Operations	1248.14	1243.52	1350.66	3955.13	4020.46	5173.62	1331.94	1325.55	1428.07	4199.90	4203.09	5424.32						
Net Profit for the Period (before Tax and Exceptional items)	171.67	186.99	173.30	585.15	572.81	713.41	166.10	184.54	169.46	573.46	563.38	696.79						
Net Profit for the Period before tax (after Exceptional items)	171.67	186.99	173.30	585.15	572.81	713.41	166.10	184.54	169.46	573.46	563.38	696.79						
Net Profit for the Period after tax (after Exceptional items)	122.65	193.39	112.70	463.94	374.53	467.35	115.81	189.92	106.24	450.42	362.25	447.66						
Total Comprehensive Income for the Period	122.22	192.90	112.34	462.64	373.41	468.27	115.71	193.84	109.92	449.60	363.30	447.87						
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						3370.58						3362.44						
Earnings Per Equity Share (of ₹ 1/- each) (not annualised)																		
Basic	2.28	3.59	2.09	8.61	6.95	8.67	2.17	3.54	1.99	8.42	6.78	8.40						
Diluted	2.28	3.59	2.09	8.61	6.95	8.67	2.17	3.54	1.99	8.42	6.78	8.40						

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 limited review on the financial results for the quarter and nine months ended 31 December, 2019.

Place: Mumbai  
 Date: 31 January 2020



For KANSAI NEROLAC PAINTS LIMITED

H. M. BHARUKA  
 VICE CHAIRMAN AND MANAGING DIRECTOR

Press Release

Mumbai, January 31, 2020

### Kansai Nerolac Paints Ltd Announces Q3 Results FY 2019-20

**Mumbai, January 31, 2020:** Kansai Nerolac Paints Limited (KNPL), one of the leading Paint companies in India, today at the Board meeting announced its unaudited results for the third quarter of financial year 2019-20. For the quarter, the company declared Net revenue of Rs. 1248.1 Crores a de-growth of 7.6 % over the corresponding quarter of the previous year. For the nine months ending December 31, 2019, the company had a Net revenue of Rs. 3955.1 Crores a de-growth of 1.6 % over the corresponding period of the previous year.

EBIDTA was at Rs. 191.9 crores, a growth of 8.4 % over the same quarter of the previous year. Lower Tax has resulted in Net profit growth of 8.8%. For the nine months ending December 31, 2019, company reported an EBITDA of Rs. 653.8 Crores a growth of 10.4% over the same period last year. Net profit growth was up by 23.9 %.

Commenting on the results, **Mr. H. M. Bharuka, Vice Chairman and Managing Director, Kansai Nerolac Paints Ltd said**, "Both Decorative and Industrial business have seen a dip in demand in the current quarter. Within Industrial, in Automotive, where the company has a significant exposure, the impact continues to be very severe due to the continued unprecedented slowdown. The company's decorative sales were impacted due to lower offtake during the festival season and extended monsoons.

During the quarter, input costs were stable. This along with judicious control on costs has helped improve the EBITDA margin by 230 basis points. Exchange rate and crude oil prices continued to show volatility creating challenges in raw material cost management. Looking forward, the demand in Decorative business would be positive but expected to be muted. Challenges of demand in Industrial are expected to continue for the near future."

#### Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at Rs.50000 crores as of March 2019. 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.

#### About Kansai Nerolac Paints Ltd:

Kansai Nerolac Paints has been at the forefront of paint manufacturing for more than 90 years pioneering a wide spectrum of quality paints. Kansai Nerolac is one of the leading paint company in India and is the leader in Industrial business, having a turnover of Rs.5682 crores. The company has five 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](http://www.nerolac.com)

