



## NLC India Limited

('Navratna' - Government of India Enterprise)

Registered Office: No.135, EVR Periyar High Road, Kilpauk, Chennai-600 010.

Corporate Office: Block-1, Neyveli-607 801, Cuddalore District, Tamil Nadu.

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**Lr. No. Secy/Reg.30 of LODR/ 2024**

**Date: 16.05.2024**

To National Stock Exchange of India Ltd. Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.	To BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
<b>Scrip Code: NLCINDIA</b>	<b>Scrip Code: 513683</b>

Sir/Madam,

**Sub: Newspaper Publication of the Audited Financial Results for the quarter and Financial Year ended 31.03.2024**

This is in compliance of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With reference to the subject cited above, please find the attachment.

The above is for your information and records.

Thanking You,

Yours Faithfully,  
**For NLC India Limited**

**Company Secretary &  
Compliance Officer**

Encl : As above

# Kansai Nerolac needs fresh coat to improve margins

RAM PRASAD SAHU  
Mumbai, 15 May

**K**ansai Nerolac Paints has seen its market capitalisation (mcap) erode by over 5 per cent since May 3 after posting a subpar performance in the fourth quarter of 2023-24.

Weighed down by stiff competition, the company has shed ₹1,172 crore over the past two weeks in mcap.

India's largest decorative paint company in terms of mcap, expects double-digit growth in the industrial segment and aims to maintain margins, but its performance in decorative paints could suffer amid competition.

The company's Q4 revenue rose by 3.5 per cent compared to the same period last year but was below consensus estimates.

The decorative paints business grew 10 per cent in volume but the value growth remained flat due to a negative price and product mix effect of 9-10 per cent. The company reduced prices when it had a higher proportion of commodity products such as putty.

It reported single-digit value growth in the industrial segment in Q4 compared to the same period last year, driven by demand for automotive and performance coatings.

Such demand softened sequentially. In the automobile category, demand from passenger vehicle, two-wheeler, and three-wheeler segments was robust but tractors and commercial vehicles were weak.

The company expects double-digit volume growth in the decorative segment will continue in FY25, supported by rising rural demand. Infrastructure growth and forecasts that monsoon rains



## DIFFERENT STROKES

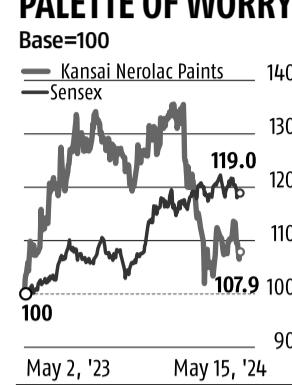
₹273.8: Share price of Kansai Nerolac Paints on May 15

	Recommendation	Target price (%)	Upside price (%)
Antique Stock Broking Ltd	Buy	400	46.1
Nomura	Buy	400	46.1
Batilvala & Karani Securities India	Buy	350	27.8
Dolat Capital Market	Buy	348	27.1
Haitong International Research	Neutral	310	13.2
ICICI Securities (Institutional)	Add	305	11.4
Macquarie	Neutral	300	9.6
KotakSecurities (Institutional Equities)	Reduce	290	5.9
Elara Capital	Reduce	290	5.9
Morgan Stanley	Underweight	261	-4.7

Filtered for recommendation after results announced on May 4

Compiled by BS Research Bureau

## PALETTE OF WORRY



ment to maintain double-digit margins, pressures may emerge in the decorative segment due to increased competition. Analysts believe there could be downside risks to Kansai Nerolac's margins.

"Kansai Nerolac ended FY24 with a 13.2 per cent operating profit margin in a favourable raw material cost environment. We expect a similar margin profile in the near term. Marketing spend could increase further in H2FY25 (first half of FY25) as Grasim's promotional activities intensify, leaving room for downside risk to margins," said IIFL Securities analysts led by Périco Panthaki.

The brokerage maintained its 'reduce' rating on the company due to a cautious outlook on the paints sector amid competitive pressures, challenging valuations, and moderate growth in the medium term.

Kotak Research also maintained its 'reduce' rating on the sector. "Even as Kansai Nerolac's execution improved (and market share loss ceased) in FY2024, it remains more vulnerable to rising competitive intensity than the top two players in the industry," said analysts, led by Jaykumar Doshi at the brokerage.

rising competition, we believe more needs to be done regarding the product range and increasing stickiness among dealers," said Jay Gandhi and Tanuj Pandia, analysts with HDFC Securities.

The company reported a gross margin expansion of 320 basis points (bps) year-on-year due to a weak base and lower raw material prices. Operating profit margin improved by 128 bps to 10.8 per cent, but it was limited by higher brand investments and rising employee costs.

Although the company expects the industrial seg-

# India's weight in MSCI equity index hits another high

REUTERS  
Bengaluru, 15 May

India's weight in MSCI's Global Standard index, which tracks emerging market stocks, has risen to another record high, boosting prospects of more inflows into its equity markets.

With this, India has further narrowed the gap with China on the index. While China's weight in the index will fall to 25 per cent from 25.4 per cent, India's weight will rise to 19 per cent from 18.2 per cent. The changes, announced on Wednesday, will be effective May 31.

The May review will lead to about \$2 billion — \$2.5 billion inflows into India, Abhilash Pagaria, head of Nuvama Alternative and Quantitative Research said.

Consistent flows from domestic institutional investors and steady participation by foreign investors means that there is potential for India to surpass 20 per cent weight in the MSCI Global



## GAINING MORE HEFT

- India will get net inflows of \$2.5 bn after the latest MSCI rebalancing
- With 13 inclusions and 3 exclusions, the net stock of domestic stocks will rise to 146
- India's weight in the MSCI EM index will hit a new high of close to 19% from 18.3% currently
- PB Fintech, Sundara Finance, NHPC among stocks that will see maximum passive inflows
- Berger Paints, Indraprastha Gas, Paytm among stocks deleted

Standard index by the second half of 2024, Pagaria said.

With the May rejig, India's stock count in the MSCI Global Standard index is at 149, the highest ever for the country.

India's rising prominence in emerging markets is due to robust performance of

its equities, particularly in the mid-cap segment, amid the relative underperformance by other emerging markets, especially China, analysts have said.

MSCI will add 13 Indian companies, the most among emerging markets, to the Global Standard Index from May end.

## Big relief for MF investors: Sebi eases Aadhaar-PAN KYC rules

SURBHI GLORIA SINGH  
New Delhi, 15 May

In a major relief for mutual fund investors, the Securities and Exchange Board of India (Sebi) has removed the requirement to link the Permanent Account Number (PAN) with Aadhaar to obtain "KYC-registered" status for mutual fund transactions.

Know Your Client (KYC) is a mandatory process for banks, fund houses, and stock brokers to verify an investor's identity before they can start investing. This process ensures that the investment entities know their clients well and can prevent fraudulent activities.

In October 2023, Sebi mandated that all mutual

fund investors link their PAN with Aadhaar to complete the KYC process by March 31, 2024. If PAN and Aadhaar were not linked, the KYC process would be put on hold, preventing any investment activity. Additionally, KYC could be completed using a bank passbook or account statement as proof of address.

However, these changes led to the temporary suspension of numerous mutual fund accounts. The issue reportedly affected over 13 million accounts where KYC updates were incomplete.

Now, in a revised circular

issued on May 14, Sebi has eased these requirements. Investors no longer need to link their PAN with Aadhaar to obtain "KYC-registered" status.

This can be achieved by completing KYC with other Officially Valid Documents (OVDs) such as Aadhaar, passport, driving licence, or voter ID card.

For "KYC-validated" status, linking PAN and Aadhaar remains a necessity. This status signifies that the investor's KYC is based on Aadhaar, with both their mobile number and email ID validated by the KYC Registration Agency (KRA).

## BlackRock bullish on India, seeks to grow govt bond ETF share

BlackRock Inc, the world's largest fund manager, is looking to raise its share in India's \$500 billion pool of fully investible government bonds via recently launched exchange-traded funds (ETFs), a fixed income strategist at the firm said. These bonds, which have been placed under a fully accessible route (FAR) and have no foreign investment limits, will be included in JPMorgan's emerging market debt index starting June and have been drawing interest from foreign money managers.

Globally, ETFs hold about 2 per cent of outstanding bonds, said Hui Sien Koay, lead index, fixed income strategist for APAC at BlackRock, in an interview with Reuters on Wednesday. BlackRock leads the global fixed income ETF space with a nearly 40 per cent market share. REUTERS

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Extract of the Audited Financial Results for the Quarter and Year Ended March 31, 2024

Sl. No.	Particulars	Standalone					Consolidated				
		Quarter Ended		Year Ended			Quarter Ended		Year Ended		
		31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
1	Total Income from Operations	2,930.58	2,515.73	4,295.58	10,518.64	12,955.00	3,540.61	3,164.40	5,134.04	12,999.03	16,165.24
2	Net Profit / (Loss) for the period before Tax (before Exceptional & Rate Regulated Activity)	519.83	319.08	1,690.76	1,834.79	4,029.13	434.53	338.16	1,751.61	1,808.76	4,246.96
3	Net Profit / (Loss) for the period before Tax (after Exceptional & Rate Regulated Activity)	222.00	351.26	1,156.04	2,787.89	1,724.15	165.42	402.04	1,256.41	2,881.64	2,055.79
4	Net Profit / (Loss) for the period after Tax	173.18	220.97	773.80	1,846.58	1,248.24	113.95	254.10	836.59	1,867.57	1,426.10
5	Total Comprehensive Income for the period (comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax))	171.08	220.69	765.63	1,840.38	1,248.22	111.66	253.79	826.06	1,860.86	1,426.08
6	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64
7	Other Equity excluding Revaluation Reserve	14,607.27	14,644.19	13,252.22	14,607.27	13,252.22	15,144.41	15,240.41	13,782.20	15,144.41	13,782.20
8	Security Premium Account	-	-	-	-	-	-	-	-	-	-
9	Net Worth	15,993.91	16,030.82	14,638.86	15,993.91	14,638.86	16,531.05	16,627.04	15,168.84	16,531.05	15,168.84
10	Paid up Debt Capital	7,968.77	8,202.35	9,348.34	7,968.77	9,348.34	22,379.45	22,159.32	22,305.72	22,379.45	22,305.72
11	Outstanding Redeemable Preference Shares	-	-	-	-	-	-	-	-	-	-
12	Debt Equity Ratio	0.50	0.51	0.64	0.50	0.64	1.35	1.33	1.47	1.35	1.47
13	Debt Service Coverage Ratio	1.70	2.88	2.91	2.97	2.08	1.28	2.06	3.04	2.37	1.85
14	Capital Redemption Reserve	291.07	291.07	291.07	291.07	291.07	291.07	291.07	291.07	291.07	291.07
15	Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	-
16	Interest Service Coverage Ratio										

