

July 20, 2018

1. Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
 2. Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051
- BSE Scrip Code: 500165**
NSE Scrip Code: KANSAINER

Dear Sirs,

Re: Board Meeting of our Company held today.

Unaudited Financial Results and Limited Review Report of the Statutory Auditors for the quarter ended 30th June, 2018.

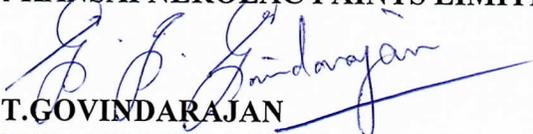
The Board of Directors of the Company has considered and approved the Unaudited Financial Results and Limited Review Report of the Statutory Auditors for the quarter ended 30th June, 2018 at its Meeting held today i.e. on 20th July, 2018, (which meeting commenced at 10.30 a.m. and concluded at 1.15 p.m.).

We enclose a copy of the said Results and Limited Review Report for your information, as an attachment.

We have already made the arrangements to publish the Financial results in the newspapers in accordance with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please also find enclosed Press Release on the Financial results that will be issued by the Company.

For **KANSAI NEROLAC PAINTS LIMITED**


G.T. 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.: L24202MH1920PLC000825

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Limited Review Report on Quarterly Unaudited Financial Results of Kansai Nerolac Paints Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Kansai Nerolac Paints Limited

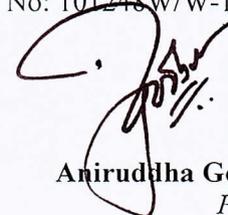
We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Kansai Nerolac Paints Limited ('the Company') for the quarter ended 30 June 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these unaudited financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', specified under Section 143 (10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Anirudha Godbole
Partner

Membership No: 105149

Mumbai
20 July 2018

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2018

Part I		Rs. in Crores			
Particulars		For the quarter ended			For the year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Gross Sales / Income	1513.26	1204.19	1442.75	5197.77
1	Income				
a.	Net Sales / Income from Operations (Net of Discounts and Rebates)	1366.99	1098.27	1320.67	4720.03
b.	Other Operating Income	8.93	5.29	3.39	16.98
c.	Other Income	13.60	18.63	19.87	72.42
	Total Income	1389.52	1122.19	1343.93	4809.43
2.	Expenses				
a.	Cost of Materials Consumed	808.02	704.77	646.95	2674.88
b.	Purchase of Stock-in-Trade	62.01	60.81	54.14	213.64
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(20.95)	(81.40)	5.79	(114.45)
d.	Excise Duty on Sale of Goods	-	-	150.44	150.44
e.	Employee Benefits Expense	63.63	57.10	53.15	226.56
f.	Depreciation and Amortisation Expense	20.40	19.67	18.05	75.79
g.	Other Expenses	242.76	193.35	206.31	796.17
	Total Expenses	1175.87	954.30	1134.83	4023.03
3.	Profit before Tax (1-2)	213.65	167.89	209.10	786.40
4.	Tax Expense				
a.	Current Tax	65.81	77.09	63.71	268.21
b.	Deferred Tax	8.00	(15.01)	4.58	1.79
	Total Tax Expense	73.81	62.08	68.29	270.00
5.	Profit for the Period (3-4)	139.84	105.81	140.81	516.40
6.	Other Comprehensive Income				
a.	(i) Items that will not be reclassified to Statement of Profit and Loss	(0.58)	0.73	(1.22)	(1.67)
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss	0.20	(0.25)	0.43	0.58
b.	(i) Items that will be reclassified to Statement of Profit and Loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss	-	-	-	-
	Other Comprehensive Income (net of tax)	(0.38)	0.48	(0.79)	(1.09)
7.	Total Comprehensive Income (5+6)	139.46	106.29	140.02	515.31
8.	Paid up Equity Share Capital (Face value of Re.1 each)	53.89	53.89	53.89	53.89
9.	Other Equity				3071.23
10.	Earnings Per Share (of Re.1/- each) (not annualised)				
a.	Basic	2.59	1.96	2.61	9.58
b.	Diluted	2.59	1.96	2.61	9.58

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 20 July, 2018. These results have been subjected to "limited review" by the statutory auditors of the Company. The 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.
- Figures for the quarter ended 31 March 2018 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the previous financial year. Also the figures up to the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.
- Financial results for all the periods presented have been prepared in accordance with recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- 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 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". Based on the assessment done by the management, there is no material impact on the revenue recognised during the period.
- According to the requirements of Ind AS and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the corresponding previous quarter ended 30th June, 2017 was reported inclusive of Excise Duty. The Government of India has implemented Goods and Service Tax ('GST') from 1st July, 2017 replacing Excise duty, Service Tax and various other indirect taxes. As per Ind AS 115, the revenue for the quarter ended 30th June, 2018 are reported net of GST. Had the previously reported revenues been shown net of excise duty, comparative revenue of Standalone Unaudited Financial Results would have been as follows:

	Quarter ended		Growth%
	30.06.2018	30.06.2017	
Net Sales / Income from Operations	1366.99	1170.23	16.8

Place: Mumbai
Date: 20 July 2018



For KANSAI NEROLAC PAINTS LIMITED

(Signature)

H. M. BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

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

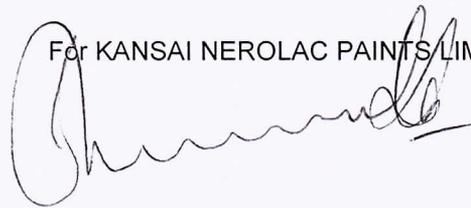
Website: www.nerolac.com CIN: L24202MH1920PLC000825

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2018

Particulars	For the quarter ended			Rs. in Crores
	30.06.2018	31.03.2018	30.06.2017	For the year ended
	(Unaudited)	(Audited)	(Unaudited)	31.03.2018 (Audited)
Total Income	1389.52	1122.19	1343.93	4809.43
Net Profit for the Period (before Tax and Exceptional items)	213.65	167.89	209.10	786.40
Net Profit for the Period before tax (after Exceptional items)	213.65	167.89	209.10	786.40
Net Profit for the Period after tax (after Exceptional items)	139.84	105.81	140.81	516.40
Total Comprehensive Income for the Period	139.46	106.29	140.02	515.31
Equity Share Capital	53.89	53.89	53.89	53.89
Other Equity				3071.23
Earnings Per Share (of Re.1/- each)				
Basic	2.59	1.96	2.61	9.58
Diluted	2.59	1.96	2.61	9.58

Note: The above is an extract of the detailed format of Statement of Standalone 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 Standalone Unaudited Financial Results are available on the websites of Stock Exchanges at <http://www.bseindia.com> and <http://www.nseindia.com> and also on the Company's website at <http://www.nerolac.com>. The auditors have expressed an unqualified report on the limited review on the financial results for the quarter ended 30 June 2018.

For KANSAI NEROLAC PAINTS LIMITED



H. M. BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai
Date: 20 July 2018

Press Release

Press Release

Mumbai, July 20, 2018

Kansai Nerolac Paints Ltd Announces Q1 Results FY 2018-2019

Mumbai, July 20, 2018: Kansai Nerolac Paints Limited (**KNPL**), one of the leading Paint companies in India, today at the Board meeting announced its audited results for the first quarter of financial year 2018-19. For the quarter, the company declared net sales of Rs. 1367 Crores.

Government of India has implemented Goods and Service Tax ('GST') from 1st July, 2017. GST replaced Excise duty, Service Tax and various other indirect taxes. As required by Ind AS and SEBI Listing Agreement, revenue for the quarter ended 30th June 2017 were reported inclusive of Excise Duty. Revenue for the quarter ended 30th June, 2018 is reported net of GST. Had the previously reported revenues been regrouped (netted off with excise duty), revenue growth of the Company would have been 16.8 % for the quarter.

EBIDTA was Rs.220.5 crores a growth of 6.3 % over the same quarter of the previous year.

Commenting on the results, **Mr. H. M. Bharuka, Managing Director, Kansai Nerolac Paints Ltd** said, "As seen in the previous quarters, company has continued to witness double digit growth in all segments this quarter also. The quarter witnessed upward movement in crude along with lot of volatility in forex and depreciation in the rupee resulting in high inflation. The company continues to make sustained efforts to get price increases from its customers. The company expects the growth momentum to be sustained in the near future due to favorable macro- economic factors, though pressure on margins due to crude oil price increases and a volatile exchange rate will continue."

Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at Rs.47000 crores as of Mar 2018. 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 segment, having a turnover of Rs.5198 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
