

January 31, 2017


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 and nine months ended 31st December, 2016.**

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 and nine months ended 31<sup>st</sup> December, 2016 at its Meeting held today i.e. on 31<sup>st</sup> January, 2017, (which meeting commenced at 11.30 a.m. and concluded at 1.05 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.

For **KANSAI NEROLAC PAINTS LIMITED**

  
**G.T. GOVINDARAJAN**  
**COMPANY SECRETARY**

Encl: as above.

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

Tel.: +91.22.2493 4001  
+91.22.2499 2500  
Fax: +91.22.2497 3704

CIN No.: L24202MH1920PLC000825

**B S R & Co. LLP**

Chartered Accountants

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 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**

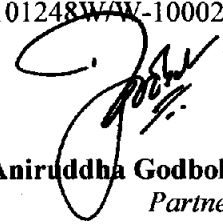
We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Kansai Nerolac Paints Limited ('the Company') for the quarter and nine months ended 31 December 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 31 January 2017. Our responsibility is to issue a report on the Statement 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', 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 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. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 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: 101248WAW-100022

  
**Aniruddha Godbole**  
*Partner*

Membership No: 105149

Mumbai  
31 January 2017

## 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 AND NINE MONTHS ENDED 31 DECEMBER 2016

PART I		Particulars	For the quarter ended			For the nine months ended		Rs. in Crores
			31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	For the year ended
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2016
		Gross sales / Income	1245.88	1232.84	1177.30	3779.70	3541.48	4604.36
1.		Income from Operations						
	a.	Net sales / Income from Operations (Net of discounts and rebates)	1140.41	1131.54	1066.56	3460.16	3243.73	4234.59
	b.	Other Operating Income	3.40	2.21	3.24	8.02	8.06	10.93
		Total Income from Operations (net)	1143.81	1133.75	1069.80	3468.18	3251.79	4245.52
2.		Expenses						
	a.	Cost of materials consumed	541.63	548.53	539.10	1644.47	1681.77	2187.33
	b.	Purchase of stock-in-trade	45.47	44.56	45.74	137.82	131.39	174.84
	c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.89	(19.22)	4.38	8.30	9.61	(13.81)
	d.	Excise duty on sale of goods	135.35	131.66	126.90	410.58	385.22	506.99
	e.	Employee benefits expense	52.74	49.47	43.39	148.10	126.21	170.11
	f.	Depreciation and amortisation expense	17.57	17.17	16.91	51.98	50.64	67.72
	g.	Other expenses	184.19	180.49	171.88	552.34	472.41	640.08
		Total Expenses	979.84	952.66	948.30	2953.59	2857.25	3733.26
3.		Profit from operations before other income, finance costs and exceptional items (1-2)	163.97	181.09	121.50	514.59	394.54	512.26
4.		Other income	24.63	29.39	6.14	75.11	17.80	27.35
5.		Profit from ordinary activities before finance costs and exceptional items (3+4)	188.60	210.48	127.64	589.70	412.34	539.61
6.		Finance costs	-	-	-	-	-	-
7.		Profit from ordinary activities after finance costs but before exceptional items (5-6)	188.60	210.48	127.64	589.70	412.34	539.61
8.		Exceptional item	-	-	-	-	-	535.34
9.		Profit from ordinary activities before tax (7+8)	188.60	210.48	127.64	589.70	412.34	1074.95
10.		Tax expense						
	a.	Current tax	62.48	70.66	38.90	195.76	123.56	164.63
	b.	Deferred tax	2.16	0.51	2.66	4.17	9.25	11.47
		Total tax expense	64.64	71.17	41.56	199.93	132.81	176.10
11.		Net profit from ordinary activities after tax (9-10)	123.96	139.31	86.08	389.77	279.53	898.85
12.		Extra ordinary items (net of tax expense)	-	-	-	-	-	-
13.		Profit for the period (11-12)	123.96	139.31	86.08	389.77	279.53	898.85
14.		Other comprehensive income (net of tax)	(0.22)	(0.44)	(1.24)	(0.66)	(3.72)	(4.93)
15.		Total comprehensive income (net of tax) (13+14)	123.74	138.87	84.84	389.11	275.81	893.92
16.		Paid up equity share capital (Face value of Re.1 each)	53.89	53.89	53.89	53.89	53.89	53.89
17.		Earnings per share [before exceptional items (net of tax)] (of Re. 1 each) (not annualised)						
	a.	Basic	2.30	2.59	1.60	7.23	5.19	6.75
	b.	Diluted	2.30	2.59	1.60	7.23	5.19	6.75
18.		Earnings per share [after exceptional items (net of tax)] (of Re. 1 each) (not annualised)						
	a.	Basic	2.30	2.59	1.60	7.23	5.19	16.68
	b.	Diluted	2.30	2.59	1.60	7.23	5.19	16.68



## Reconciliation of Net Profit/Loss

Rs. in Crores

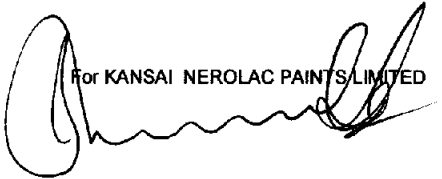
Particulars	Quarter Ended	Nine Months Ended	Year Ended
	31.12.2015	31.12.2015	31.03.2016
Reconciliation of Net Profit as reported earlier:			
Net Profit for the period (As per previous GAAP)	84.42	275.33	891.10
Fair Value Gain/(Loss) on Investment	0.29	(0.52)	2.70
Deferred Tax on Fair Value Gain/(Loss) on Investment and Land	0.13	1.00	0.12
Net Profit for the period (As per Ind AS)	84.84	275.81	893.92

## Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 31 January 2017. These results have been subjected to "limited review" by the statutory auditors of the Company. The review report has been filed with stock exchange and is available on the Company's website.
2. The Company adopted Indian Accounting Standard ("Ind AS") from 1 April, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
3. During the previous year, the Company had sold its Perungudi Fixed Assets for a consideration of Rs. 537.86 Crores. The Profit of Rs. 535.34 Crores was disclosed as an exceptional item in the Statement of Profit and Loss for the year ended 31 March 2016.
4. As the Company's business activity falls within a single segment viz. 'Paints' and the sales substantially being in the domestic market, the disclosure requirements of Ind AS 108 - Operating Segments are not applicable.



For KANSAI NEROLAC PAINTS LIMITED



H. M. BHARUKA  
MANAGING DIRECTOR

Place: Mumbai  
Date: 31 January, 2017

## 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 AND NINE MONTHS ENDED 31 DECEMBER 2016

Particulars	For the quarter ended			For the nine months ended		Rs. in Crores
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	For the year ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2016 (Unaudited)
Total Income from Operations	1143.81	1133.75	1069.80	3468.18	3251.79	4245.52
Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	188.60	210.48	127.64	589.70	412.34	539.61
Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	188.60	210.48	127.64	589.70	412.34	1074.95
Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	123.96	139.31	86.08	389.77	279.53	898.85
Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	123.74	138.87	84.84	389.11	275.81	893.92
Equity Share Capital	53.89	53.89	53.89	53.89	53.89	53.89
Earnings Per Share (of Re. 1/- each) (for continuing and discontinued operations) -						
Basic	2.30	2.59	1.60	7.23	5.19	16.68
Diluted	2.30	2.59	1.60	7.23	5.19	16.68

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 and nine months ended 31 December 2016.



For KANSAI NEROLAC PAINTS LIMITED

H. M. BHARUKA  
Managing Director

Place: Mumbai  
Date: 31 January 2017