

January 19, 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 31st December, 2017.

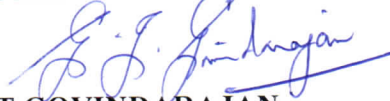
The Board of Directors of the Company has considered and approved the Unaudited Financial Results and Limited Review Report of the Statutory Auditors for the quarter ended 31st December, 2017 at its Meeting held today i.e. on 19th January, 2018, (which meeting commenced at 11.30 a.m. and concluded at 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.

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Lower Parel, Mumbai - 400013 India

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Limited Review Report on Quarterly and Year to Date 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**

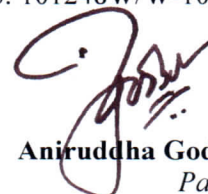
We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Kansai Nerolac Paints Limited ('the Company') for the quarter and nine months ended 31 December 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (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 19 January 2018. 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: 101248W/W-100022



Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
19 January 2018

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

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

Part I		Particulars	For the quarter ended			For the nine months ended		Rs. in Crores
			31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	For the year ended
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2017
	Gross Sales / Income	1262.94	1287.89	1245.88	3993.58	3779.70	4936.05	
1.	Income							
a.	Net Sales / Income from Operations (Net of Discounts and Rebates)	1139.27	1161.82	1140.41	3621.76	3460.16	4520.15	
b.	Other Operating Income	5.74	2.56	3.40	11.69	8.02	10.90	
c.	Other Income	19.76	14.16	24.63	53.79	75.11	98.22	
	Total Income	1164.77	1178.54	1168.44	3687.24	3543.29	4629.27	
2.	Expenses							
a.	Cost of Materials Consumed	669.24	653.92	541.63	1970.11	1644.47	2190.78	
b.	Purchase of Stock-in-Trade	52.20	46.49	45.47	152.83	137.82	186.43	
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(34.89)	(3.95)	2.89	(33.05)	8.30	(34.26)	
d.	Excise duty on Sale of goods	-	-	135.35	150.44	410.58	531.98	
e.	Employee Benefits Expense	57.85	58.46	52.74	169.46	148.10	198.12	
f.	Depreciation and Amortisation Expense	19.37	18.70	17.57	56.12	51.98	69.49	
g.	Other Expenses	208.37	188.14	184.19	602.82	552.34	727.31	
	Total Expenses	972.14	961.76	979.84	3068.73	2953.59	3869.85	
3.	Profit before Tax (1-2)	192.63	216.78	188.60	618.51	589.70	759.42	
4.	Tax Expense							
a.	Current Tax	60.34	67.07	62.48	191.12	195.76	245.16	
b.	Deferred Tax	7.14	5.08	2.16	16.80	4.17	8.32	
	Total Tax Expense	67.48	72.15	64.64	207.92	199.93	253.48	
5.	Profit for the Period (3-4)	125.15	144.63	123.96	410.59	389.77	505.94	
6.	Other Comprehensive Income							
a.	(i) Items that will not be reclassified to Statement of Profit and Loss	(0.80)	(0.38)	(0.34)	(2.40)	(1.01)	(7.23)	
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss	0.28	0.12	0.12	0.83	0.35	2.50	
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)	(0.52)	(0.26)	(0.22)	(1.57)	(0.66)	(4.73)	
7.	Total Comprehensive Income (5+6)	124.63	144.37	123.74	409.02	389.11	501.21	
8.	Paid up Equity Share Capital (Face value of Re.1 each)	53.89	53.89	53.89	53.89	53.89	53.89	
9.	Other Equity						2751.43	
10.	Earnings Per Share (of Re.1 each) (not annualised)							
a.	Basic	2.32	2.68	2.30	7.62	7.23	9.39	
b.	Diluted	2.32	2.68	2.30	7.62	7.23	9.39	

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 19 January 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 Limited Review report has been filed with stock exchange and is available on the Company's website.
- As the Company's business activity falls within a single segment viz. 'Paints' and the sales substantially being in the domestic market, hence the above results are reflective of the disclosure requirements of Ind AS 108 - Operating Segments.
- According to the requirements of Ind AS and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the corresponding previous quarter ended 31st December, 2016, for the nine months ended 31st December, 2016 and year ended 31st March, 2017 were 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 118, the revenue for the quarters ended 30th September, 2017 and 31st December, 2017 are reported net of GST. Had the previously reported revenues were shown net of excise duty, comparative revenue of the Company would have been as follows:

	Quarter ended			Growth	Quarter ended			Growth
	31st December, 2017	31st December, 2016			30th September, 2017	31st December, 2017	31st December, 2016	
Net Sales / Income from Operations	1139.27	1005.06	13.4%	1161.82	3471.32	3049.58	13.8%	

For KANSAI NEROLAC PAINTS LIMITED

H. M. BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai
Date: 19 January, 2018



KANSAI NEROLAC PAINTS LIMITED

Registered Office: Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013
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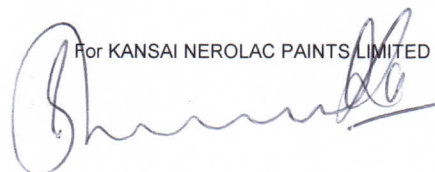
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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

Particulars	For the quarter ended			For the nine months ended		Rs. in Crores
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	For the year ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2017
Total Income	1164.77	1178.54	1168.44	3687.24	3543.29	4629.27
Net Profit for the Period (before Tax and Exceptional items)	192.63	216.78	188.60	618.51	589.70	759.42
Net Profit for the Period before tax (after Exceptional items)	192.63	216.78	188.60	618.51	589.70	759.42
Net Profit for the Period after tax (after Exceptional items)	125.15	144.63	123.96	410.59	389.77	505.94
Total Comprehensive Income for the Period	124.63	144.37	123.74	409.02	389.11	501.21
Equity Share Capital	53.89	53.89	53.89	53.89	53.89	53.89
Other Equity						2751.43
Earnings Per Share (of Re. 1/- each)						
Basic	2.32	2.68	2.30	7.62	7.23	9.39
Diluted	2.32	2.68	2.30	7.62	7.23	9.39

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 2017.

For KANSAI NEROLAC PAINTS LIMITED



H. M. BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai
Date: 19 January, 2018

Press Release

Press Release

Mumbai, January 19, 2018

Kansai Nerolac Paints Ltd Announces Q3 Results FY 2017-2018 **Sales up by 13.5%**

Mumbai, January 19, 2018: 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 2017-18. For the quarter, the company declared sales of Rs.1262.94 Crores and sales of Rs.3843.14 crores for first nine months.

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 31st Dec 2016 and year ended 31st March, 2017 were reported inclusive of Excise Duty. Revenue for the quarter ended 31st December, 2017 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 13.5 % for the quarter and 13.9 % for the first nine months.

EBIDTA was Rs.192.24 crores a growth of 5.9 % over the same quarter of the previous year. For the first nine months, EBIDTA was Rs.620.84 Crores a growth of 9.6% over the same period of the previous year.

Commenting on the results, **Mr. H. M. Bharuka, Managing Director and Vice Chairman, Kansai Nerolac Paints Ltd** said, "Company has witnessed double digit growth in all segments this quarter, led by Decorative. This quarter the effect of an early Diwali which led to preponing of sales last quarter as well as base effect of demonetization is visible in the sales growth. Inflation was more pronounced this quarter. The company is making sustained efforts to get price increases from its customers. Going forward, we expect the growth momentum to be sustained due to favorable macro- economic factors, though there could be pressure on margins due to crude oil price increases and a volatile exchange rate"

Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at Rs.43000 crores as of Mar 2017. 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 the second largest paint company in India and is the leader in Industrial segment, having a turnover of Rs 4936 crores. The company has

Press Release

four 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
