

1st November, 2022

1. Corporate Relationship Department
BSE Limited,
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.
2. Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.

Sub.: Outcome of the Board Meeting of Kansai Nerolac Paints Limited held on 1st November, 2022

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

This is to inform you that the Board of Directors of Kansai Nerolac Paints Limited (“Company”) has, in its meeting held today i.e. on Tuesday, 1st November, 2022 (“Board Meeting”), *inter alia* considered and approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and six months ended 30th September, 2022 (“Unaudited Financial Results”).

The Board Meeting commenced at 12 noon and concluded at 3.15 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 for the quarter and six months ended 30th September, 2022; and
- (ii) Limited Review Report dated 1st November, 2022, 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 on 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.

For **KANSAI NEROLAC PAINTS LIMITED**

G. T. GOVINDARAJAN
COMPANY SECRETARY


Encl.: As above.

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 September 30, 2022 and year to date from April 01, 2022 to September 30, 2022 (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. The Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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.

For S R B C & C O L L P
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Anil Jobanputra
Partner
Membership No.: 110759

UDIN: 22110759BBPMRK1762

Place: Mumbai
Date: November 01, 2022



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 SIX MONTHS ENDED 30 SEPTEMBER 2022

Sr. No.	Particulars	For the quarter ended			For the six months ended		For the year ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		₹ in Crores					
1	Income						
	Revenue from Operations	1814.27	1944.57	1520.74	3758.84	2842.37	5948.90
	Other Income	3.54	4.38	6.23	7.92	15.94	32.86
	Total Income	1817.81	1948.95	1526.97	3766.76	2858.31	5981.76
2	Expenses						
a.	Cost of Materials Consumed	1237.66	1251.84	1097.57	2489.50	1869.58	4013.98
b.	Purchase of Stock-in-Trade	121.46	129.20	108.81	250.66	192.14	396.22
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(63.64)	(18.18)	(125.36)	(81.82)	(112.80)	(280.94)
d.	Employee Benefits Expense	82.70	77.54	69.34	160.24	141.40	312.37
e.	Finance Costs	2.48	2.33	2.29	4.81	4.97	9.87
f.	Depreciation and Amortisation Expense	41.23	39.26	38.01	80.49	75.75	153.82
g.	Other Expenses	238.76	248.56	205.71	487.32	397.65	859.93
	Total Expenses	1660.65	1730.55	1396.37	3391.20	2568.69	5465.25
3	Profit before exceptional items and tax	157.16	218.40	130.60	375.56	289.62	516.51
4	Exceptional item	-	-	-	-	-	(11.39)
5	Profit before tax	157.16	218.40	130.60	375.56	289.62	505.12
6	Tax Expense						
a.	Current Tax	38.92	54.46	31.71	93.38	71.41	132.35
b.	Deferred Tax	0.98	1.04	0.35	2.02	0.79	(1.56)
	Total Tax Expense	39.90	55.50	32.06	95.40	72.20	130.79
7	Profit for the Period	117.26	162.90	98.54	280.16	217.42	374.33
8	Other Comprehensive Income						
	(i) Items that will not be reclassified to Statement of Profit and Loss	0.47	0.46	(0.25)	0.93	(0.50)	3.35
	(ii) Income tax on item that will not be reclassified to Statement of Profit and Loss	(0.11)	(0.12)	0.07	(0.23)	0.13	(0.84)
9	Other Comprehensive Income (net of tax)	0.36	0.34	(0.18)	0.70	(0.37)	2.51
10	Total Comprehensive Income	117.62	163.24	98.36	280.86	217.05	376.84
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						4117.04
13	Earnings Per Equity Share (of ₹ 1 each) (not annualised)						
a.	Basic	2.18	3.02	1.83	5.20	4.03	6.95
b.	Diluted	2.18	3.02	1.83	5.20	4.03	6.95



KANSAI NEROLAC PAINTS LIMITED

UNAUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2022

₹ in Crores

		As at			
		30.09.2022		31.03.2022	
		(Unaudited)		(Audited)	
A	ASSETS				
1	Non-current Assets				
	Property, Plant and Equipment	1828.49		1701.27	
	Capital Work-in-progress	96.79		223.88	
	Right of Use Assets (ROU)	169.06		165.15	
	Investment Property	0.18		0.18	
	Goodwill	0.20		0.20	
	Other Intangible Assets	6.44		9.35	
			2101.16		2100.03
	Financial Assets:				
	Investments	90.99		90.87	
	Other Financial Assets	15.04		13.70	
			106.03		104.57
	Non-Current Tax Assets (Net)		135.05		132.19
	Other Non-current Assets		68.96		87.62
	Total Non-current Assets		2411.20		2424.41
2	Current Assets				
	Inventories		1670.05		1531.54
	Financial Assets:				
	Investments	127.50		209.46	
	Trade Receivables	1320.89		965.43	
	Cash and Cash Equivalents	47.13		66.44	
	Bank Balances other than Cash and Cash Equivalents	14.11		14.21	
	Other Financial Assets	39.12		29.17	
			1548.75		1284.71
	Other Current assets		195.87		155.06
	Total Current Assets		3414.67		2971.31
	Total Assets		5825.87		5395.72
B	EQUITY AND LIABILITIES				
1	Equity				
	Equity Share Capital	53.89		53.89	
	Other Equity	4344.01		4117.04	
	Total Equity		4397.90		4170.93
	Liabilities				
2	Non-current Liabilities				
	Financial Liabilities:				
	Lease Liabilities	89.68		85.93	
	Provisions	22.14		22.27	
	Deferred Tax Liabilities (Net)	97.80		95.55	
	Total Non-current Liabilities		209.62		203.75
3	Current Liabilities				
	Financial Liabilities:				
	Lease Liabilities	24.95		22.95	
	Trade Payables:				
	Total Outstanding dues of Micro Enterprises and Small Enterprises	95.99		101.29	
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	936.12		789.11	
		1032.11		890.40	
	Other Financial Liabilities	58.84		51.51	
		1115.90		964.86	
	Other Current Liabilities	47.67		32.61	
	Provisions	17.39		18.58	
	Current Tax Liabilities (Net)	37.39		4.99	
	Total Current Liabilities		1218.35		1021.04
	Total Liabilities		1427.97		1224.79
	Total Equity and Liabilities		5825.87		5395.72



Notes:

- 1 The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 1 November 2022. 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.
- 2 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.
- 3 As the Management Committee monitors the business activity of the Company as a single segment viz. 'Paints' and the sales substantially being in the domestic market, the financial results are reflective of the disclosure requirements of Ind AS 108 - Operating Segments.

Place: Mumbai
Date: 1 November 2022



For KANSAI NEROLAC PAINTS LIMITED

A handwritten signature in blue ink, appearing to be 'Anuj Jain'.

ANUJ JAIN
MANAGING DIRECTOR

KANSAI NEROLAC PAINTS LIMITED

UNAUDITED STANDALONE CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2022

₹ in Crores

Particulars	Six months ended 30.09.2022 (Unaudited)	Six months ended 30.09.2021 (Unaudited)
Cash Flow From Operating Activities		
Profit Before Tax	375.56	289.62
Adjustments for:		
Depreciation and Amortisation Expenses	80.49	75.75
Fair Value (Gain) on Financial Instruments recognised through FVTPL	(1.27)	(0.66)
Unrealised Foreign Exchange Loss/ (Gain) (Net)	1.70	(0.57)
Profit on Sale of Current Investments (Net)	(2.28)	(8.73)
Interest Income	(0.81)	(0.49)
Dividend Income	(0.01)	-
Profit on Sale of Property, Plant and Equipment (Net)	(0.04)	(0.04)
Finance Cost	4.81	4.97
Impairment loss allowance on trade receivables	1.17	2.74
Provision / liabilities no longer required written back	(0.66)	(6.79)
	83.10	66.18
Operating Profit Before Working Capital Changes	458.66	355.80
(Increase) in Trade and Other Receivables	(403.94)	(142.28)
(Increase) in Inventories	(138.51)	(202.13)
Increase in Trade Payables, Other Financial Liabilities and Provisions	171.16	105.26
	(371.29)	(239.15)
Cash Generated from Operations	87.37	116.65
Direct Taxes Paid (Net of Refunds)	(63.84)	(62.36)
Net Cash Flows generated from Operating Activities	23.53	54.29
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Other Intangible Assets (including Adjustments on Account of Capital Work-in-progress, Capital Creditors and Capital Advances)	(44.64)	(63.72)
Proceeds from Sale of Property, Plant and Equipment	0.40	0.06
Purchase of Investments in Subsidiaries	(13.90)	-
Purchase of non-current Investments	(0.12)	-
Purchase of Current Investments	(1250.38)	(1693.00)
Proceeds from Sale/Redemption of Current Investments	1335.89	1925.12
Interest Received	0.81	0.49
(Investments) in fixed deposits	(0.06)	(2.05)
Net Cash Flows generated from Investing Activities	28.00	166.90
Cash Flows from Financing Activities		
Payment of Lease Liabilities	(16.95)	(15.39)
Interest Paid	-	(0.34)
Dividend Paid	(53.89)	(215.57)
Net Cash Flows (used in) Financing Activities	(70.84)	(231.30)
Net (Decrease) in Cash and Cash Equivalents	(19.31)	(10.11)
Cash and Cash Equivalents at beginning of the period, the components being:		
Cash on Hand	0.08	0.08
Cheques on hand	23.34	16.78
Balances with Banks	42.04	62.47
Bank Overdrafts and Cash Credit	-	(8.34)
Effect of exchange rate fluctuation	0.98	0.97
	66.44	71.96
Cash and Cash Equivalents at end of the period, the components being:		
Cash on Hand	0.08	0.10
Cheques on hand	16.41	13.57
Balances with Banks	29.66	55.86
Bank Overdrafts and Cash Credit	-	(8.65)
Effect of exchange rate fluctuation	0.98	0.97
	47.13	61.85
Net (Decrease) as disclosed above	(19.31)	(10.11)

Notes:

The above Cash Flow Statement is prepared under the "Indirect Method" as set out in the Indian Accounting Standards (Ind AS-7) – Statement of Cash Flows



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 September 30, 2022 and year to date from April 01, 2022 to September 30, 2022 (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").
2. The Holding Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. 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.

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. Kansai Nerolac Paints (Bangladesh) Limited
 - iv. 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.



Kansai Nerolac Paints Limited

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6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of 3 subsidiaries, whose unaudited interim financial results include total assets of Rs. 299.93 Crores as at September 30, 2022, total revenues of Rs. 89.59 Crores and Rs. 169.65 Crores, total net loss after tax of Rs. 4.08 Crores and Rs. 12.81 Crores, total comprehensive loss of Rs. 0.03 Crores and Rs. 3.79 Crores, for the quarter ended September 30, 2022 and the period ended on that date respectively, and net cash outflows of Rs. 8.72 Crores for the period from April 01, 2022 to September 30, 2022, as considered in the Statement which have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial 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.

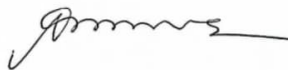
7. Certain of these subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing 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.

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

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Anil Jobanputra

Partner

Membership No.: 110759

UDIN: 22110759BBPMIW8791

Place: Mumbai

Date: November 01, 2022



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 SIX MONTHS ENDED 30 SEPTEMBER 2022

₹ in Crores

Sr. No.	Particulars	For the quarter ended			For the six months ended		For the year ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	Revenue from Operations	1930.96	2051.37	1619.64	3982.33	3022.40	6369.35
	Other Income	4.07	4.83	6.48	8.90	16.42	25.41
	Total Income	1935.03	2056.20	1626.12	3991.23	3038.82	6394.76
2	Expenses						
a.	Cost of Materials Consumed	1310.90	1328.74	1178.77	2639.64	2010.93	4318.57
b.	Purchase of Stock-in-Trade	122.27	130.65	109.99	252.92	194.68	401.54
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(58.73)	(21.49)	(137.40)	(80.22)	(131.25)	(292.81)
d.	Employee Benefits Expense	93.98	88.42	80.08	182.40	162.13	355.58
e.	Finance Costs	6.30	8.49	6.85	14.79	13.51	28.59
f.	Depreciation and Amortisation Expense	45.14	43.13	42.06	88.27	83.78	169.77
g.	Other Expenses	263.19	270.01	225.45	533.20	432.64	937.11
	Total Expenses	1783.05	1847.95	1505.80	3631.00	2766.42	5918.35
3	Profit before tax	151.98	208.25	120.32	360.23	272.40	476.41
4	Tax Expense						
a.	Current Tax	40.07	55.39	32.97	95.46	73.54	136.46
b.	Deferred Tax	0.70	0.81	0.07	1.51	0.20	(3.20)
	Total Tax Expense	40.77	56.20	33.04	96.97	73.74	133.26
5	Profit for the Period	111.21	152.05	87.28	263.26	198.66	343.15
6	Other Comprehensive Income						
a.	(i) Items that will not be reclassified to Statement of Profit and Loss	0.46	0.46	(0.25)	0.92	(0.50)	3.05
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss	(0.11)	(0.12)	0.07	(0.23)	0.13	(0.84)
b.	(i) Items that will be reclassified to Statement of Profit and Loss	4.06	4.97	1.16	9.03	0.23	1.00
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss	-	-	-	-	-	-
	Total Other Comprehensive Income	4.41	5.31	0.98	9.72	(0.14)	3.21
7	Total Comprehensive Income	115.62	157.36	88.26	272.98	198.52	346.36
8	Profit for the period attributable to:						
	Owners of the Company	113.57	156.32	92.01	269.89	206.10	358.86
	Non-controlling interests	(2.36)	(4.27)	(4.73)	(6.63)	(7.44)	(15.71)
		111.21	152.05	87.28	263.26	198.66	343.15
9	Other Comprehensive Income attributable to:						
	Owners of the Company	4.41	5.31	0.98	9.72	(0.14)	3.35
	Non-controlling interests	-	-	-	-	-	(0.14)
		4.41	5.31	0.98	9.72	(0.14)	3.21
10	Total Comprehensive Income attributable to:						
	Owners of the Company	117.98	161.63	92.99	279.61	205.96	362.21
	Non-controlling interests	(2.36)	(4.27)	(4.73)	(6.63)	(7.44)	(15.85)
		115.62	157.36	88.26	272.98	198.52	346.36
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						4078.33
13	Earnings Per Equity Share (of ₹ 1 each) (not annualised)						
a.	Basic	2.11	2.90	1.71	5.01	3.82	6.66
b.	Diluted	2.11	2.90	1.71	5.01	3.82	6.66



KANSAI NEROLAC PAINTS LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2022

₹ in Crores

		As at	
		30.09.2022	31.03.2022
		(Unaudited)	(Audited)
A	ASSETS		
1	Non-current Assets		
	Property, Plant and Equipment	1904.73	1775.38
	Capital Work-in-progress	96.98	224.58
	Right of Use Assets (ROU)	178.68	174.00
	Investment Property	0.18	0.18
	Goodwill	19.78	19.78
	Other Intangible Assets	19.56	26.82
	Financial Assets:		
	Investments	1.21	1.08
	Other Financial Assets	15.21	13.87
	Non-Current Tax Assets (Net)	16.42	14.95
	Other Non-current Assets	160.20	155.77
		68.99	87.64
	Total Non-current Assets	2465.52	2479.10
2	Current Assets		
	Inventories	1774.80	1629.55
	Financial Assets:		
	Investments	127.50	209.46
	Trade Receivables	1452.93	1093.33
	Cash and Cash Equivalents	54.74	77.04
	Bank Balances other than Cash and Cash Equivalents	28.48	28.96
	Other Financial Assets	25.86	26.49
	Other Current assets	1689.51	1435.28
		206.08	165.45
	Total Current Assets	3670.39	3230.28
	Total Assets	6135.91	5709.38
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity Share Capital	53.89	53.89
	Other Equity	4304.05	4078.33
	Non-controlling Interest	4357.94	4132.22
		12.65	19.29
	Total Equity	4370.59	4151.51
	Liabilities		
2	Non-current Liabilities		
	Financial Liabilities:		
	Borrowings	7.81	10.94
	Lease Liabilities	96.42	92.11
	Provisions	22.52	22.27
	Deferred Tax Liabilities (Net)	108.24	106.49
	Total Non-current Liabilities	234.99	231.81
3.	Current Liabilities		
	Financial Liabilities:		
	Borrowings	183.59	192.06
	Lease Liabilities	26.45	23.60
	Trade Payables:		
	Total Outstanding dues of Micro Enterprises and Small Enterprises	97.23	102.37
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1038.92	878.27
	Other Financial Liabilities	1136.15	980.64
		59.67	52.98
	Other Current Liabilities	1405.86	1249.28
	Provisions	66.64	51.17
	Current Tax Liabilities (Net)	20.32	20.62
		37.51	4.99
	Total Current Liabilities	1530.33	1326.06
	Total Liabilities	1765.32	1557.87
	Total Equity and Liabilities	6135.91	5709.38



Notes:

- 1 The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 1 November 2022. 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 Holding 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 Companies 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.
- 3 As the Management Committee monitors the business activity consisting of paints and other related products of the Group as a single segment viz. 'Paints' and the sales substantially being in the domestic market, the financial results are reflective of the disclosure requirements of Ind AS 108 - Operating Segments.

Place: Mumbai
Date: 1 November 2022



For KANSAI NEROLAC PAINTS LIMITED

A handwritten signature in blue ink, appearing to read "Anuj Jain".

ANUJ JAIN
MANAGING DIRECTOR

KANSAI NEROLAC PAINTS LIMITED
UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2022

₹ in Crores

Particulars	Six months ended 30.09.2022 (Unaudited)	Six months ended 30.09.2021 (Unaudited)
Cash Flow From Operating Activities		
Profit Before Tax	360.23	272.40
Adjustments for:		
Depreciation and Amortisation Expenses	88.27	83.78
Fair Value Loss/ (Gain) on Financial Instruments recognised through FVTPL	(1.27)	(0.66)
Unrealised Foreign Exchange Loss / (Gain) (Net)	1.70	(0.57)
Profit on Sale of Current Investments (Net)	(2.28)	(8.73)
Interest Income	(1.51)	(0.94)
Dividend Income	(0.01)	-
Profit on Sale of Property, Plant and Equipment (Net)	(0.13)	(0.10)
Finance Cost	14.79	13.51
Impairment loss allowance on trade receivables	2.24	3.20
Provision / liabilities no longer required written back	(0.66)	(6.79)
Effect of exchange rates on translation of operating cashflows	9.03	-
	110.17	82.70
Operating Profit Before Working Capital Changes	470.40	355.10
(Increase) in Trade and Other Receivables	(411.99)	(166.67)
(Increase) in Inventories	(145.25)	(240.76)
Increase in Trade Payables, Other Financial Liabilities and Provisions	187.10	128.44
	(370.14)	(278.99)
Cash Generated from Operations	100.26	76.11
Direct Taxes Paid (Net of Refunds)	(67.37)	(68.91)
Net Cash Flows generated from Operating Activities	32.89	7.20
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Other Intangible Assets (including Adjustments on Account of Capital Work-in-progress, Capital Creditors and Capital Advances)	(49.31)	(65.60)
Proceeds from Sale of Property, Plant and Equipment	0.53	0.22
Purchase of Non-current Investments	(0.13)	-
Purchase of Current Investments	(1250.37)	(1693.00)
Proceeds from Sale/Redemption of Current Investments	1335.89	1925.13
Interest Received	1.51	0.94
Dividend Received	0.01	-
Investments in fixed deposits	0.31	1.72
Net Cash Flows generated from Investing Activities	38.44	169.41
Cash Flows from Financing Activities		
(Repayment) of/ Proceeds from Long-term Borrowings	(9.38)	(3.13)
(Repayment) of/ Proceeds from Current Borrowings	(7.96)	28.21
Payment of lease liabilities	(18.50)	(16.34)
Interest Paid	(9.64)	(8.62)
Dividend Paid	(53.89)	(215.57)
Net Cash Flows (used in) Financing Activities	(99.37)	(215.45)
Net (Decrease) in Cash and Cash Equivalents	(28.04)	(38.84)
Cash and Cash Equivalents at beginning of the period, the components being:		
Cash on Hand	1.11	0.30
Cheques on hand	23.34	16.78
Balances with Banks	51.61	84.88
Bank Overdrafts and Cash Credit	(88.21)	(79.00)
Effect of exchange rate fluctuation	0.98	0.98
	(11.17)	23.94
Cash and Cash Equivalents at end of the period, the components being:		
Cash on Hand	1.18	0.26
Cheques on hand	16.41	13.57
Balances with Banks	36.17	63.51
Bank Overdrafts and Cash Credit	(93.95)	(93.22)
Effect of exchange rate fluctuation	0.98	0.98
	(39.21)	(14.90)
Net (Decrease) as disclosed above	(28.04)	(38.84)

Notes:

The above Cash Flow Statement is prepared under the "Indirect Method" as set out in the Indian Accounting Standards (Ind AS-7) – Statement of Cash Flows



KANSAI NEROLAC PAINTS LIMITED

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 Website: www.nerolac.com CIN: L24202MH1920PLC000825

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

Particulars	Standalone						Consolidated					
	For the quarter ended			For the six months ended		For the year ended	For the quarter ended			For the six months ended		For the year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	1814.27	1944.57	1520.74	3758.84	2842.37	5948.90	1930.96	2051.37	1619.64	3982.33	3022.40	6369.35
Net Profit for the Period (before Tax and Exceptional items)	157.16	218.40	130.60	375.56	289.62	516.51	151.98	208.25	120.32	360.23	272.40	476.41
Net Profit for the Period before tax (after Exceptional items)	157.16	218.40	130.60	375.56	289.62	505.12	151.98	208.25	120.32	360.23	272.40	476.41
Net Profit for the Period after tax (after Exceptional items)	117.26	162.90	98.54	280.16	217.42	374.33	111.21	152.05	87.28	263.26	198.66	343.15
Total Comprehensive Income for the Period	117.62	163.24	98.36	280.86	217.05	376.84	115.62	157.36	88.26	272.98	198.52	346.36
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						4117.04						4078.33
Earnings Per Equity Share (of ₹ 1/- each) (not annualised)												
Basic	2.18	3.02	1.83	5.20	4.03	6.95	2.11	2.90	1.71	5.01	3.82	6.66
Diluted	2.18	3.02	1.83	5.20	4.03	6.95	2.11	2.90	1.71	5.01	3.82	6.66

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 review report on the financial results for the quarter and six months ended 30 September, 2022.

Place: Mumbai
Date: 1 November 2022



For KANSAI NEROLAC PAINTS LIMITED

ANUJ JAIN
MANAGING DIRECTOR

Press Release

Mumbai, Nov 1, 2022

Kansai Nerolac Paints Ltd Announces Q2 Results FY 2022-2023

Mumbai, November 1, 2022: Kansai Nerolac Paints Limited (**KNPL**), one of the leading Paint companies in India, today at the Board meeting announced its unaudited results for the second quarter of financial year 2022-23. For the quarter, the company declared Net revenue of Rs. 1814.3 Crores, a growth of 19.3 % over the corresponding quarter of the previous year.

EBIDTA was at Rs. 197.3 Crores, a growth of 19.8 % over the same quarter of the previous year. PAT was at Rs 117.3 Crores, a growth of 19.0 % over the same quarter of the previous year.

For the half year net revenue was Rs 3758.8 Crores, growth of 32.2 % over the same period of the previous year. EBIDTA was at Rs.452.9 Crores, a growth of 27.8 % over the same period of the previous year. PAT was at Rs 280.2 Crores, a growth of 28.9 % over the same period of the previous year.

Commenting on the results, **Mr. Anuj Jain, Managing Director, Kansai Nerolac Paints Ltd said**, "The quarter witnessed good demand in Automotive with the easing of the supply chain challenges. Demand in Decorative was subdued due to extended rains.

While inflation challenges continue, there has been a gradual cooling off in raw material prices as the quarter progressed. Rupee depreciated sharply during the quarter. Company has taken price increase in both Decorative and Industrial and continues to be in discussion with OEMs for further price increases.

The Focus has been on improvement of the product mix in both Decorative and Industrial. The company has increased spend on marketing and advertising. A good monsoon augurs well for the paint demand going forward.

Demand in Quarter 3 could be subdued for Decorative in view of a very high base, early Diwali and prolonged monsoon"

Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at around Rs. 60000 crores as of March 2022. 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 in the long run.

About Kansai Nerolac Paints Ltd:

Kansai Nerolac Paints now in its 103rd year has been at the forefront of paint manufacturing pioneering a wide spectrum of quality paints. Kansai Nerolac is one of the leading paint companies in India and is the leader in Industrial paints, having a Net Revenue of Rs. 5948.9 crores (FY 2021-22). The company has eight 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 .