

1st November, 2023

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

Sub.: Outcome of the Board Meeting of Kansai Nerolac Paints Limited held on 1st November, 2023

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 has, in its meeting held today i.e. on Wednesday, 1st November, 2023 (“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, 2023 (“Unaudited Financial Results”).

The Board Meeting commenced at 2.20 p.m. and concluded at 6.40 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, 2023; and
- (ii) Limited Review Report dated 1st November, 2023, 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.

Further to our intimation dated 20th August, 2023 with reference to a cyber incident that had occurred, please refer to Note No. 6 of the Unaudited Financial Results for an update.

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, 2023 and year to date from April 01, 2023 to September 30, 2023 (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 & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Anil Jobanputra
Partner
Membership No.: 110759

UDIN: 23110759BGVZXN5424

Place: Mumbai
Date: November 01, 2023



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 2023

Sr. No.	Particulars	For the quarter ended			For the six months ended		For the year ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		₹ in Crores					
1	Income						
	Revenue from Operations	1845.57	2071.17	1814.27	3916.74	3758.84	7081.02
	Other Income	22.36	16.35	3.54	38.71	7.92	30.83
	Total Income	1867.93	2087.52	1817.81	3955.45	3766.76	7111.85
2	Expenses						
a.	Cost of Materials Consumed	1131.99	1072.02	1237.66	2204.01	2489.50	4595.16
b.	Purchase of Stock-in-Trade	107.48	123.88	121.46	231.36	250.66	466.56
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(52.17)	144.05	(63.64)	91.88	(81.82)	(106.38)
d.	Employee Benefits Expense	96.20	95.68	82.70	191.88	160.24	333.84
e.	Finance Costs	3.17	2.92	2.48	6.09	4.81	9.73
f.	Depreciation and Amortisation Expense	45.20	42.75	41.23	87.95	80.49	164.63
g.	Other Expenses	292.17	301.64	238.76	593.81	487.32	997.95
	Total Expenses	1624.04	1782.94	1660.65	3406.98	3391.20	6461.49
3	Profit before exceptional items and tax	243.89	304.58	157.16	548.47	375.56	650.36
4	Exceptional item (refer note 4)	-	661.25	-	661.25	-	-
5	Profit before tax	243.89	965.83	157.16	1209.72	375.56	650.36
6	Tax Expense						
a.	Current Tax	59.27	219.83	38.92	279.10	93.38	159.71
b.	Adjustment of tax relating to earlier periods	-	-	-	-	-	(2.43)
c.	Deferred Tax	4.73	2.17	0.98	6.90	2.02	6.65
	Total Tax Expense	64.00	222.00	39.90	286.00	95.40	163.93
7	Profit for the Period	179.89	743.83	117.26	923.72	280.16	486.43
8	Other Comprehensive Income						
	(i) Items that will not be reclassified to Statement of Profit and Loss	0.09	0.09	0.47	0.18	0.93	0.21
	(ii) Income tax on item that will not be reclassified to Statement of Profit and Loss	(0.02)	(0.02)	(0.11)	(0.04)	(0.23)	(0.05)
9	Other Comprehensive Income (net of tax)	0.07	0.07	0.36	0.14	0.70	0.16
10	Total Comprehensive Income	179.96	743.90	117.62	923.86	280.86	486.59
11	Paid up Equity Share Capital (Face value of ₹ 1 each)	80.84	53.89	53.89	80.84	53.89	53.89
12	Other Equity						4553.49
13	Earnings Per Equity Share [before exceptional items (net of tax)] (of ₹1 each) (not annualised) (refer note 5)						
a.	Basic	2.23	2.77	1.45	5.00	3.47	6.02
b.	Diluted	2.22	2.77	1.45	4.99	3.47	6.01
14	Earnings Per Equity Share (after exceptional items (net of tax)) (of ₹1 each) (not annualised) (refer note 5)						
a.	Basic	2.23	9.20	1.45	11.43	3.47	6.02
b.	Diluted	2.22	9.19	1.45	11.42	3.47	6.01

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SRBC & CO LLP
MUMBAI



KANSAI NEROLAC PAINTS LIMITED

UNAUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2023

₹ in Crores

		As at	
		30.09.2023	31.03.2023
		(Unaudited)	(Audited)
A	ASSETS		
1	Non-current Assets		
	Property, Plant and Equipment	1885.48	1812.96
	Capital Work-in-progress	77.53	112.62
	Right of Use Assets (ROU)	201.29	172.95
	Investment Property	0.13	0.13
	Goodwill	0.20	0.20
	Other Intangible Assets	8.94	8.70
		2173.57	2107.56
	Financial Assets:		
	Investments	154.97	154.90
	Other Financial Assets	19.18	16.63
		174.15	171.53
	Non-Current Tax Assets (Net)	145.70	145.63
	Other Non-current Assets	123.23	88.29
	Total Non-current Assets	2616.65	2513.01
2	Current Assets		
	Inventories		1648.02
	Financial Assets:	1556.59	
	Investments	968.82	498.13
	Trade Receivables	1477.92	1117.15
	Cash and Cash Equivalents	94.10	90.22
	Bank Balances other than Cash and Cash Equivalents	4.82	4.52
	Other Financial Assets	8.13	11.72
		2553.79	1721.74
	Other Current assets	140.69	192.31
	Total Current Assets	4251.07	3562.07
3	Asset held for sale	-	0.05
	Total Assets	6867.72	6075.13
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity Share Capital	80.84	53.89
	Other Equity	5312.99	4553.49
	Total Equity	5393.83	4607.38
	Liabilities		
2	Non-current Liabilities		
	Financial Liabilities:		
	Lease Liabilities	119.18	93.78
	Provisions	20.60	21.13
	Deferred Tax Liabilities (Net)	109.19	102.25
	Total Non-current Liabilities	248.97	217.16
3	Current Liabilities		
	Financial Liabilities:		
	Lease Liabilities	29.22	25.49
	Trade Payables:		
	Total Outstanding dues of Micro Enterprises and Small Enterprises	71.90	88.55
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	930.60	848.96
		1002.50	937.51
	Other Financial Liabilities	71.37	68.32
		1103.09	1031.32
	Other Current Liabilities	56.37	198.38
	Provisions	23.58	20.89
	Current Tax Liabilities (Net)	41.88	-
	Total Current Liabilities	1224.92	1250.59
	Total Liabilities	1473.89	1467.75
	Total Equity and Liabilities	6867.72	6075.13

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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 2023. 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.
- 4 On 30th June, 2023, the Company had entered into a Deed of Conveyance with Shoden Developers Private Limited, a group company of House of Hiranandani for sale of its land at Kavesar, Thane for the total consideration of ₹ 671.00 Crores. Accordingly, the profit on sale of ₹ 661.25 Crores has been disclosed as an exceptional item in the previous quarter and six months ended 30 September 2023.
- 5 The shareholders of the Company approved the issue of bonus shares on 15th June, 2023 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted subsequently on 5th July, 2023. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented, for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.
- 6 On 20th August 2023, cyber-attack incident had occurred, and Company's IT infrastructure was targeted by a ransomware attack. The Company's management along with a specialized team of cyber-security experts responded promptly and initiated necessary precautions and protocols to mitigate the impact of this incident. The management believes there is no material impact on the operations of the Company due to this incident.

Place: Mumbai
Date: 1 November 2023



For KANSAI NEROLAC PAINTS LIMITED

A handwritten signature in blue ink.

ANUJ JAIN
MANAGING DIRECTOR



KANSAI NEROLAC PAINTS LIMITED

UNAUDITED STANDALONE CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2023

₹ in Crores

Particulars	Six months ended 30.09.2023 (Unaudited)		Six months ended 30.09.2022 (Unaudited)	
Cash Flow From Operating Activities				
Profit Before Tax		1209.72		375.56
Adjustments for:				
Depreciation and Amortisation Expenses	87.95		80.49	
Fair Value Gain on Financial Instruments recognised through FVTPL	(13.97)		(1.27)	
Unrealised Foreign Exchange (Gain) / Loss (Net)	(1.89)		1.70	
Profit on Sale of Current Investments (Net)	(11.83)		(2.28)	
Interest Income	(0.96)		(0.81)	
Dividend Income	(0.01)		(0.01)	
Profit on Sale of Property, Plant and Equipment (Net)	(0.18)		(0.04)	
Finance Cost	6.09		4.81	
Impairment loss allowance on trade receivables	3.27		1.17	
Gain from Closure of Lease Liability	(1.63)		-	
Share based payment	8.10		-	
Profit on sale of Asset held for sale	(661.25)		-	
Provision / liabilities no longer required written back	-		(0.66)	
		(586.31)		83.10
Operating Profit Before Working Capital Changes		623.41		458.66
(Increase) in Trade and Other Receivables	(331.79)		(403.94)	
Decrease / (Increase) in Inventories	91.43		(138.51)	
Increase in Trade Payables, Other Financial Liabilities and Provisions	94.77		171.16	
		(145.59)		(371.29)
Cash Generated from Operations		477.82		87.37
Direct Taxes Paid (Net of Refunds)		(95.87)		(63.84)
Net Cash Flows generated from Operating Activities		381.95		23.53
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)	(125.72)		(44.64)	
Proceeds from Sale of Property, Plant and Equipment	0.27		0.40	
Proceeds from Sale of Asset held for sale	499.14		-	
Tax paid on Sale of Asset held for sale	(141.42)		-	
Purchase of Investments in Subsidiaries	-		(13.90)	
Purchase of non-current Investments	(0.07)		(0.12)	
Purchase of Current Investments	(2632.50)		(1250.38)	
Proceeds from Sale / Redemption of Current Investments	2187.62		1335.89	
Interest Received	0.00		0.01	
Dividend Received	0.01		-	
Redemption from fixed deposits	(0.53)		(0.06)	
Net Cash Flows (used in) / generated from Investing Activities		(212.24)		28.00
Cash Flows from Financing Activities				
Payment of Lease Liabilities	(20.32)		(16.95)	
Dividend Paid	(145.51)		(53.89)	
Net Cash Flows (used in) Financing Activities		(165.83)		(70.84)
Net Increase / (Decrease) in Cash and Cash Equivalents		3.88		(19.31)

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KANSAI NEROLAC PAINTS LIMITED

UNAUDITED STANDALONE CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2023

₹ in Crores

Particulars	Six months ended 30.09.2023 (Unaudited)		Six months ended 30.09.2022 (Unaudited)	
Cash and Cash Equivalents at beginning of the period, the components being:				
Cash on Hand	0.06		0.08	
Cheques on hand	22.38		23.34	
Balances with Banks	61.80		42.04	
Deposit with Banks with less than 3 months maturity	5.00		-	
Effect of exchange rate fluctuation	0.98		0.98	
		90.22		66.44
Cash and Cash Equivalents at end of the period, the components being:				
Cash on Hand	0.08		0.08	
Cheques on hand	21.98		16.41	
Balances with Banks	71.06		29.66	
Effect of exchange rate fluctuation	0.98		0.98	
		94.10		47.13
Net Increase / (Decrease) as disclosed above		3.88		(19.31)

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
- Total amount of taxes paid amounts to ₹ 237.29 Crores during the period ended 30 September 2023 out of which ₹ 95.87 Crores pertains to tax cash flow from operating activities and balance amount of ₹ 141.42 Crores pertains to tax cash flow from investing activities.

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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, 2023 and year to date from April 01, 2023 to September 30, 2023 (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.

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. 315.71 Crores as at September 30, 2023, total revenues of Rs. 83.72 Crores and Rs. 146.07 Crores, total net loss after tax of Rs. 3.54 Crores and Rs. 11.96 Crores, total comprehensive loss of Rs. 3.57 Crores and Rs. 10.47 Crores, for the quarter ended September 30, 2023 and the period ended on that date respectively, and net cash outflows of Rs. 11.26 Crores for the period from April 01, 2023 to September 30, 2023, 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 above 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: 23110759BGVZX09149



Place: Mumbai
Date: November 01, 2023

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 2023

Sr. No.	Particulars	For the quarter ended			For the six months ended		₹ in Crores
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	For the year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2023
1	Income						
	Revenue from Operations	1956.54	2156.80	1930.96	4113.34	3982.33	7542.73
	Other Income	22.02	17.20	4.07	39.22	8.90	25.98
	Total Income	1978.56	2174.00	1935.03	4152.56	3991.23	7568.71
2	Expenses						
a.	Cost of Materials Consumed	1204.38	1131.82	1310.90	2336.20	2639.64	4888.68
b.	Purchase of Stock-in-Trade	108.15	124.52	122.27	232.67	252.92	470.36
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(52.51)	139.73	(58.73)	87.22	(80.22)	(94.76)
d.	Employee Benefits Expense	108.51	107.19	93.98	215.70	182.40	377.05
e.	Finance Costs	7.60	7.12	6.30	14.72	14.79	29.00
f.	Depreciation and Amortisation Expense	47.39	46.68	45.14	94.07	88.27	180.08
g.	Other Expenses	314.77	322.04	263.19	636.81	533.20	1083.41
	Total Expenses	1738.29	1879.10	1783.05	3617.39	3631.00	6933.82
3	Profit before exceptional items and tax	240.27	294.90	151.98	535.17	360.23	634.89
4	Exceptional item (refer note 4)	-	661.25	-	661.25	-	-
5	Profit before tax	240.27	956.15	151.98	1196.42	360.23	634.89
6	Tax Expense						
a.	Current Tax	60.10	220.46	40.07	280.56	95.46	163.52
b.	Adjustment of tax relating to earlier periods	-	-	-	-	-	(2.43)
c.	Deferred Tax	4.69	1.69	0.70	6.38	1.51	5.33
	Total Tax Expense	64.79	222.15	40.77	286.94	96.97	166.42
7	Profit for the Period	175.48	734.00	111.21	909.48	263.26	468.47
8	Other Comprehensive Income						
a.	(i) Items that will not be reclassified to Statement of Profit and Loss	0.09	0.09	0.46	0.18	0.92	(0.22)
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss	(0.02)	(0.02)	(0.11)	(0.04)	(0.23)	(0.05)
b.	(i) Items that will be reclassified to Statement of Profit and Loss	(0.04)	1.53	4.06	1.49	9.03	10.42
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss	-	-	-	-	-	-
	Total Other Comprehensive Income	0.03	1.60	4.41	1.63	9.72	10.15
9	Total Comprehensive Income	175.51	735.60	115.62	911.11	272.98	478.62
10	Profit for the period attributable to:						
	Owners of the Company	177.15	738.00	113.57	915.15	269.89	473.58
	Non-controlling interests	(1.67)	(4.00)	(2.36)	(5.67)	(6.63)	(5.11)
		175.48	734.00	111.21	909.48	263.26	468.47
11	Other Comprehensive Income attributable to:						
	Owners of the Company	0.03	1.60	4.41	1.63	9.72	10.33
	Non-controlling interests	-	-	-	-	-	(0.18)
		0.03	1.60	4.41	1.63	9.72	10.15
12	Total Comprehensive Income attributable to:						
	Owners of the Company	177.18	739.60	117.98	916.78	279.61	483.91
	Non-controlling interests	(1.67)	(4.00)	(2.36)	(5.67)	(6.63)	(5.29)
		175.51	735.60	115.62	911.11	272.98	478.62
13	Paid up Equity Share Capital (Face value of ₹ 1 each)	80.84	53.89	53.89	80.84	53.89	53.89
14	Other Equity						4479.81
15	Earnings Per Equity Share [before exceptional items (net of tax)] (of ₹1 each) (not annualised) (refer note 5)						
a.	Basic	2.19	2.70	1.41	4.89	3.34	5.86
b.	Diluted	2.19	2.70	1.41	4.89	3.34	5.85
16	Earnings Per Equity Share (after exceptional items (net of tax)] (of ₹1 each) (not annualised) (refer note 5)						
a.	Basic	2.19	9.13	1.41	11.32	3.34	5.86
b.	Diluted	2.19	9.12	1.41	11.31	3.34	5.85

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KANSAI NEROLAC PAINTS LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2023

₹ in Crores

		As at			
		30.09.2023		31.03.2023	
		(Unaudited)		(Audited)	
A	ASSETS				
1	Non-current Assets				
	Property, Plant and Equipment	1959.87		1888.24	
	Capital Work-in-progress	78.91		113.06	
	Right of Use Assets (ROU)	210.75		182.45	
	Investment Property	0.13		0.13	
	Goodwill	19.78		19.78	
	Other Intangible Assets	14.92		17.41	
			2284.36		2221.07
	Financial Assets:				
	Investments	3.30		3.23	
	Other Financial Assets	19.36		16.80	
			22.66		20.03
	Non-Current Tax Assets (Net)		175.82		173.83
	Other Non-current Assets		123.26		88.31
	Total Non-current Assets		2606.10		2503.24
2	Current Assets				
	Inventories		1641.87		1729.13
	Financial Assets:				
	Investments	968.82		498.13	
	Trade Receivables	1605.92		1237.91	
	Cash and Cash Equivalents	100.64		104.61	
	Bank Balances other than Cash and Cash Equivalents	20.51		22.25	
	Other Financial Assets	5.57		9.40	
			2701.46		1872.30
	Other Current assets		170.55		201.64
	Total Current Assets		4513.88		3803.07
3	Asset held for Sale		-		0.05
	Total Assets		7119.98		6306.36
B	EQUITY AND LIABILITIES				
1	Equity				
	Equity Share Capital	80.84		53.89	
	Other Equity	5232.23		4479.81	
			5313.07		4533.70
	Non-controlling Interest		21.04		26.71
	Total Equity		5334.11		4560.41
	Liabilities				
2	Non-current Liabilities				
	Financial Liabilities:				
	Borrowings	1.56		4.69	
	Lease Liabilities	125.65		99.97	
	Provisions	23.03		22.76	
	Deferred Tax Liabilities (Net)	118.26		111.88	
	Total Non-current Liabilities		268.50		239.30
3.	Current Liabilities				
	Financial Liabilities:				
	Borrowings	165.53		155.30	
	Lease Liabilities	30.53		27.08	
	Trade Payables:				
	Total Outstanding dues of Micro Enterprises and Small Enterprises	74.02		90.81	
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1034.69		924.74	
		1108.71		1015.55	
	Other Financial Liabilities	70.24		69.74	
		1375.01		1267.67	
	Other Current Liabilities	78.33		215.76	
	Provisions	26.15		23.22	
	Current Tax Liabilities (Net)	37.88		-	
	Total Current Liabilities		1517.37		1506.65
	Total Liabilities		1785.87		1745.95
	Total Equity and Liabilities		7119.98		6306.36

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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 2023. 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.
- 4 On 30th June, 2023, the Holding Company had entered into a Deed of Conveyance with Shoden Developers Private Limited, a group company of House of Hiranandani for sale of its land at Kavesar, Thane for the total consideration of ₹ 671.00 Crores. Accordingly, the profit on sale of ₹ 661.25 Crores has been disclosed as an exceptional item in the previous quarter and six months ended 30 September 2023.
- 5 The shareholders of the Holding Company approved the issue of bonus shares on 15th June, 2023 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted subsequently on 5th July, 2023. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented, for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.
- 6 On 20th August 2023, cyber-attack incident had occurred, and Holding Company's IT infrastructure was targeted by a ransomware attack. The Holding Company's management along with a specialized team of cyber-security experts responded promptly and initiated necessary precautions and protocols to mitigate the impact of this incident. The group management believes there is no material impact on the operations of the Holding Company due to this incident.

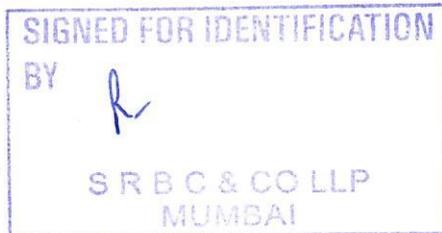
Place: Mumbai
Date: 1 November 2023



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 CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2023

₹ in Crores

Particulars	Six months ended 30.09.2023 (Unaudited)	Six months ended 30.09.2022 (Unaudited)
Cash Flow From Operating Activities		
Profit Before Tax	1196.42	360.23
Adjustments for:		
Depreciation and Amortisation Expenses	94.07	88.27
Fair Value Gain on Financial Instruments recognised through FVTPL	(13.97)	(1.27)
Unrealised Foreign Exchange (Gain) / Loss (Net)	(1.89)	1.70
Profit on Sale of Current Investments (Net)	(11.83)	(2.28)
Interest Income	(1.89)	(1.51)
Dividend Income	(0.01)	(0.01)
Profit on Sale of Property, Plant and Equipment (Net)	(0.19)	(0.13)
Finance Cost	14.72	14.79
Impairment loss allowance on trade receivables	3.50	2.24
Share based payment	8.10	-
Gain from Closure of Lease Liability	(1.63)	-
Profit on Sale of Asset held for sale	(661.25)	-
Provision / liabilities no longer required written back	-	(0.66)
Effect of exchange rates on translation of operating cashflows	-	9.03
	(572.27)	110.17
Operating Profit Before Working Capital Changes	624.15	470.40
(Increase) in Trade and Other Receivables	(350.31)	(411.99)
Decrease / (Increase) in Inventories	87.25	(145.25)
Increase in Trade Payables, Other Financial Liabilities and Provisions	128.14	187.10
	(134.92)	(370.14)
Cash Generated from Operations	489.23	100.26
Direct Taxes Paid (Net of Refunds)	(103.26)	(67.37)
Net Cash Flows generated from Operating Activities	385.97	32.89
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)	(128.79)	(49.31)
Proceeds from Sale of Property, Plant and Equipment	0.21	0.53
Proceeds from Sale of Asset held for sale	499.14	-
Tax paid on Sale of Asset held for sale	(141.42)	-
Purchase of Non-current Investments	(0.07)	(0.13)
Purchase of Current Investments	(2632.50)	(1250.37)
Proceeds from Sale / Redemption of Current Investments	2187.62	1335.89
Interest Received	1.89	1.51
Dividend Received	0.01	0.01
(Redemption from) / Investments in fixed deposits	(7.78)	0.31
Net Cash Flows (used in) / generated from Investing Activities	(221.69)	38.44
Cash Flows from Financing Activities		
(Repayment) of / Proceeds from Long-term Borrowings	(3.13)	(9.38)
(Repayment) of / Proceeds from Current Borrowings	6.20	(7.96)
Payment of lease liabilities	(21.57)	(18.50)
Interest Paid	(8.27)	(9.64)
Dividend Paid	(145.51)	(53.89)
Net Cash Flows (used in) Financing Activities	(172.28)	(99.37)
Net (Decrease) in Cash and Cash Equivalents	(8.00)	(28.04)

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KANSAI NEROLAC PAINTS LIMITED
UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2023

₹ in Crores

Particulars	Six months ended 30.09.2023 (Unaudited)	Six months ended 30.09.2022 (Unaudited)
Cash and Cash Equivalents at beginning of the period, the components being:		
Cash on Hand	0.27	1.11
Cheques on hand	22.38	23.34
Balances with Banks	75.97	51.61
Deposit with Banks with less than 3 months maturity	5.00	-
Bank Overdrafts and Cash Credit	(67.03)	(88.21)
Effect of exchange rate fluctuation	0.98	0.98
	37.57	(11.17)
Cash and Cash Equivalents at end of the period, the components being:		
Cash on Hand	0.89	1.18
Cheques on hand	21.98	16.41
Balances with Banks	76.79	36.17
Deposit with Banks with less than 3 months maturity	-	-
Bank Overdrafts and Cash Credit	(71.07)	(93.95)
Effect of exchange rate fluctuation	0.98	0.98
	29.57	(39.21)
Net (Decrease) as disclosed above	(8.00)	(28.04)

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
- Total amount of taxes paid amounts to ₹ 244.68 Crores during the period ended 30 September 2023 out of which ₹ 103.26 Crores pertains to tax cash flow from operating activities and balance amount of ₹ 141.42 Crores pertains to tax cash flow from investing activities.

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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 FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2023

₹ in Crores

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
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	1845.57	2071.17	1814.27	3916.74	3758.84	7081.02	1956.54	2156.80	1930.96	4113.34	3982.33	7542.73
Net Profit for the Period (before Tax and Exceptional items)	243.89	304.58	157.16	548.47	375.56	650.36	240.27	294.90	151.98	535.17	360.23	634.89
Net Profit for the Period before tax (after Exceptional items)	243.89	965.83	157.16	1209.72	375.56	650.36	240.27	956.15	151.98	1196.42	360.23	634.89
Net Profit for the Period after tax (after Exceptional items)	179.89	743.83	117.26	923.72	280.16	486.43	175.48	734.00	111.21	909.48	263.26	468.47
Total Comprehensive Income for the Period	179.96	743.90	117.62	923.86	280.86	486.59	175.51	735.60	115.62	911.11	272.98	478.62
Equity Share Capital	80.84	53.89	53.89	80.84	53.89	53.89	80.84	53.89	53.89	80.84	53.89	53.89
Other Equity						4553.49						4479.81
Earnings Per Equity Share [before exceptional items (net of tax)] (of ₹ 1/- each) (not annualised)												
Basic	2.23	2.77	1.45	5.00	3.47	6.02	2.19	2.70	1.41	4.89	3.34	5.86
Diluted	2.22	2.77	1.45	4.99	3.47	6.01	2.19	2.70	1.41	4.89	3.34	5.85
Earnings Per Equity Share [after exceptional items (net of tax)] (of ₹ 1/- each) (not annualised)												
Basic	2.23	9.20	1.45	11.43	3.47	6.02	2.19	9.13	1.41	11.32	3.34	5.86
Diluted	2.22	9.19	1.45	11.42	3.47	6.01	2.19	9.12	1.41	11.31	3.34	5.85

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, 2023.

Place: Mumbai
 Date: 1 November 2023



For KANSAI NEROLAC PAINTS LIMITED

ANUJ JAIN
 MANAGING DIRECTOR

Press Release

Mumbai, Nov 1, 2023

Kansai Nerolac Paints Ltd Announces Q2 Results FY 2023-2024

Mumbai, November 1, 2023: 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 2023-24. For the quarter, the company declared Net revenue of Rs. 1845.6 Crores, a growth of 1.7 % over the corresponding quarter of the previous year.

EBIDTA was at Rs. 269.9 Crores, a growth of 36.8 % over the same quarter of the previous year. PAT was at Rs 179.9 Crores, a growth of 53.4 % over the same quarter of the previous year.

For the half year net revenue was Rs. 3916.7 Crores, growth of 4.2 % over the same period of the previous year. EBIDTA was at Rs.603.8 Crores, a growth of 33.3 % over the same period of the previous year. PBT before exceptional items was at Rs. 548.5 Crores, a growth of 46.0 % over the same period of the previous year. PAT after exceptional item was at Rs 923.7 Crores, a growth of 229.7 % over the same period of the previous year.

Commenting on the results, **Mr. Anuj Jain, Managing Director, Kansai Nerolac Paints Ltd said**, “The quarter saw decent demand for Automotive though it was lower than Q1. While demand for Performance Coatings was relatively better, demand for powder coatings remained subdued. Demand in Decorative was affected due to monsoons and a delayed festival season.

Raw material prices were stable despite volatility in crude. Gross margins improved over the corresponding quarter last year. Company continues to make progress on various initiatives in the areas on feet-on-street, digital, influencer outreach, new product launches, approvals and projects and positive traction is seen in them. During the quarter, product Mix improved due to sale of premium products.

Going forward with a near normal monsoon and a delayed festival season, demand for Decorative is likely to show traction. Given the evolving geo-political situation, raw material prices may experience volatility”.

Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at around Rs. 70000 crores as of March 2023. 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 104th 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. 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 .