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27th December, 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,

Sub: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with corresponding circulars and notifications issued thereunder, it is hereby informed to you that the Company has entered into Share Purchase Agreement (SPA) to acquire 100% equity stake in Perma Construction Aids Pvt. Ltd as on the Closing Date (i.e. the day on which the transaction would be consummated) for a total consideration of Rs. 29.10 crores. This is subject to adjustments for borrowings, working capital and fixed assets as at the Closing Date.

The relevant disclosures as prescribed under Regulation 30 are enumerated below:

1. Name of the Target entity, details in brief such as size, turnover etc.

Name of the target entity: Perma Construction Aids Pvt. Ltd. incorporated under the Companies Act, 1956, having its registered office at Shed NOC C1/2301/2 GIDC Sarigam, Valsad, Gujarat-396155, India.

Size: 9,90,000 equity shares of Rs. 10 each, constituting 100% of the total issued and paid-up share capital as on the date of signing of the Share Purchase Agreement.

Turnover (net of discounts & rebates): Rs. 27.30 crores for FY 2017-18.

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

Tel.: + 91.22.2493 4001
+91.22.2499 2500



CIN No.: L24202MH1920PLC000825

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2. Whether the acquisition would fall within related party transaction(s) and whether the promoter / promoter group / group companies have any interest in the entity being acquired:

The acquisition does not fall within related party transaction.

The promoter company, Kansai Paint Co. Ltd, Japan, does not have any interest in the entity being acquired.

3. Industry to which the entity being acquired belongs:

Perma Construction Aids Pvt. Ltd. belongs to Construction Chemicals industry.

4. Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity):

Our Company is expanding our product portfolio in construction chemicals. The acquisition of Perma Construction Aids Pvt. Ltd. will increase our product offerings in construction chemicals business. Perma is a brand known for the quality of its products. This acquisition will help us strengthen our existing portfolio.

5. Brief details of any Governmental or regulatory approvals required for the acquisition:

No Governmental or regulatory approval required.

6. Indicative time period for completion of the acquisition:

28th January, 2019, subject to fulfillment of Conditions Precedent in the Share Purchase Agreement.

7. Nature of Consideration – whether cash consideration or share swap and details of the same.

Cash consideration.

8. Cost of acquisition or the price at which the shares are acquired.

The aggregate consideration is Rs. 29.10 crores, subject to adjustments for borrowings, working capital and fixed assets as at the Closing Date, for the acquisition of 9,90,000 equity shares of face value of Rs.10 each, representing 100% of the paid-up equity share capital of Perma Construction Aids Pvt. Ltd.



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9. Percentage of shareholding / control acquired and / or number of shares acquired.

100% shareholding consisting of 9,90,000 equity shares of the face value of Rs. 10 each in Perma Construction Aids Pvt. Ltd.

10. Brief background about the entity acquired in terms of products / line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)

Perma Construction Aids Pvt. Ltd. is one of the established construction chemicals companies in India having a diverse product range encompassing water-proofing, adhesives, epoxy, admixtures, etc.

Date of Incorporation: 11th April, 1997

Turnover (net of discounts & rebates) of last 3 financial years:

FY 2017-18 : Rs. 27.30 crores

FY 2016-17 : Rs. 25.39 crores

FY 2015-16 : Rs. 23.81 crores

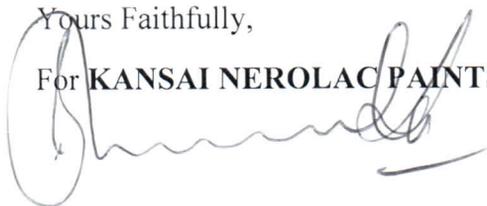
Country in which acquired entity has presence: India. The Target entity has exports to Sri Lanka, Nepal, Mauritius and Ghana.

You are requested to take the same on your records.

Thanking you,

Yours Faithfully,

For **KANSAI NEROLAC PAINTS LTD.**



H.M.BHARUKA
VICE CHAIRMAN AND MANAGING DIRECTOR

Encl: A Copy of the Press Release that the Company will be issuing.

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27th December, 2018

Press Release

Kansai Nerolac to acquire 100% equity stake in construction chemical company, Perma Construction Aids Pvt. Ltd.

Kansai Nerolac Paints Limited today has informed the stock exchange that it has entered into a Share Purchase Agreement (SPA) to acquire 100% equity stake in Perma Construction Aids Pvt Ltd for a total consideration of Rs. 29.10 Crores. This is subject to adjustments for borrowings, working capital and fixed assets as at the Closing Date.

Perma Construction Aids Pvt. Ltd., incorporated in the year 1997, is engaged in construction chemical business with product range encompassing water-proofing, adhesives, epoxy and admixtures.

Commenting on the acquisition, Mr. H.M. Bharuka, Vice Chairman and Managing Director, Kansai Nerolac Paints Limited said that, "Kansai Nerolac is expanding its range so as to provide complete solution to our customers. Construction chemical is complementary to paints and has synergies with paints distribution networks. The company will be strengthening its existing product portfolio with this acquisition."



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