

10th May, 2022

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| <p>1. Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy 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> |
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Sub.: Outcome of the Board Meeting of Kansai Nerolac Paints Limited held on 10th May, 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, 10th May, 2022 (“Board Meeting”), *inter alia* considered and approved:

1. The Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended 31st March, 2022 (“Audited Financial Results”);
2. Reappointment of Ms. Sonia Singh (holding Director Identification Number: 07108778) as an Independent Director, for a term of five years, with effect from 29th July, 2022, subject to approval of the shareholders of the Company. Ms. Sonia Singh is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. Further, the details as required under SEBI Listing Regulations and SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed herewith as **Annexure A**.

The Board has recommended a final dividend of 100% (Re. 1.00 per share) for the year, in addition the Company had declared interim dividend of 125% (Rs. 1.25 per share) paid on 22nd November, 2021. Accordingly, the total dividend is 225% (Rs. 2.25 per share) for the financial year ended 31st March, 2022 as compared to total dividend of 525% (Rs. 5.25 per share) including special dividend of 200% (Rs. 2.00 per share) declared last year.

The Board Meeting commenced at 12.10 p.m. and concluded at 4.25 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 Audited Financial Results; and
- (ii) Auditors Report dated 10th May, 2022, issued by the Statutory Auditors of the Company with respect to the Audited Financial Results and taken on record by the Board of Directors of the Company.

In terms of the provisions of Regulation 33(3)(d) of SEBI Listing Regulations, as amended, we declare that the Statutory Auditor of the Company, viz. S R B C & CO LLP, Chartered Accountants (ICAI Firm Registration No. 324982E/E300003) have issued the Auditors Report with unmodified opinion on the Audited Financial Results of the Company for the financial year ended 31st March, 2022.

A press release issued on the Audited Financial Results is also enclosed herewith.

In reference to the Circular bearing Ref. No. SEBI/HO/CFD/CMD1/ CIR/P/2020/84 issued by the Securities and Exchange Board of India on 20th May, 2020 about the impact of COVID-19, we wish to inform you that Note No. 5 of the Audited Standalone Financial Results and Audited Consolidated Financial Results, provides further update on impact of COVID-19 pandemic on the Company.

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**

A handwritten signature in blue ink, appearing to read 'G. T. Govindarajan', with a horizontal line underneath.

G. T. GOVINDARAJAN
COMPANY SECRETARY

Encl.: As above.

Annexure A

**Reappointment of Ms. Sonia Singh as an Independent Director with effect from
29th July, 2022**

Sr. No.	Particulars	Remarks
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Reappointment for second term of five years with effect from 29th July, 2022.
2.	Date of appointment/ cessation (as applicable) & term of appointment	Date of Appointment (Re-appointment - second term) : 29th July, 2022 Term : 5 (five) years Particulars of first term: Period of three years from 29th July, 2019 to 28th July, 2022.
3.	Brief profile (in case of appointment)	Ms. Sonia Singh is B.A. (Economics) from Hindu College, Delhi and is an alumnus of Faculty of Management Studies, Delhi, from where she attained her MBA. She has a rich experience in creating new categories, new brands, and new functions and capabilities. Passionate about brands - crafting, building, sharpening, growing and developing, she brings in a track record of strong delivery, of creating things from scratch, of being a catalyst and of breaking paradigms. She led a variety of roles during her stints in Lakme and Hindustan Unilever Limited. She also has overseas experience with companies like Nokia, Pepsi, Friesland Foods, Heineken etc. She was also a Guest lecturer at the University of Warsaw for the executive MBA program through the University of Illinois, USA and the Chartered Institute of Marketing, Warsaw. Ms. Singh has been an Independent Brand Strategist. She was an Independent Director on the Board of Directors of Trent Limited. She is an Independent Director at Axis Asset Management Company Limited.
4.	Disclosure of relationships between directors (in case of appointment of a director)	Ms. Sonia Singh is not related to any Director of the Company.

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
**The Board of Directors of
Kansai Nerolac Paints Limited**

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Kansai Nerolac Paints Limited (the "Company") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Kansai Nerolac Paints Limited

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In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



S R B C & C O L L P

Chartered Accountants

Kansai Nerolac Paints Limited

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Other Matter

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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: 22110759AIRWIB3813



Place: Mumbai

Date: May 10, 2022

KANSAI NEROLAC PAINTS LIMITED

Registered Office: Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013
 Tel: +91-22-24934001; Fax: +91-22-24873704; e-mail: investor@nerolac.com
 Website: www.nerolac.com CIN: L24202MH1920PLC000825

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

₹ in Crores

Sr. No.	Particulars	For the quarter ended			For the year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited) Refer Note 2	(Unaudited)	(Audited) Refer Note 2 & 6	(Audited)	(Audited) Refer Note 6
1	Income					
	Revenue from Operations	1412.83	1693.70	1355.77	5948.90	4770.90
	Other Income	7.62	9.30	12.44	32.86	38.85
	Total Income	1420.45	1703.00	1368.21	5981.76	4809.75
2	Expenses					
a.	Cost of Materials Consumed	1073.05	1071.35	898.20	4013.98	2741.58
b.	Purchase of Stock-in-Trade	95.79	108.29	86.04	396.22	315.33
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(151.17)	(16.97)	(96.98)	(280.94)	(99.47)
d.	Employee Benefits Expense	96.64	74.33	68.77	312.37	268.62
e.	Finance Costs	2.64	2.26	4.23	9.87	8.48
f.	Depreciation and Amortisation Expense	39.09	38.98	42.90	153.82	149.01
g.	Other Expenses	215.58	246.70	193.09	859.93	701.31
	Total Expenses	1371.62	1524.94	1196.25	5465.25	4084.86
3	Profit before exceptional items and tax	48.83	178.06	171.96	516.51	724.89
4	Exceptional item (Refer Note 9)	(11.39)	-	-	(11.39)	(10.82)
5	Profit before tax	37.44	178.06	171.96	505.12	714.07
6	Tax Expense					
a.	Current Tax	13.14	47.80	39.77	132.35	181.93
b.	Deferred Tax	(0.23)	(2.12)	3.69	(1.56)	1.54
	Total Tax Expense	12.91	45.68	43.46	130.79	183.47
7	Profit for the Period	24.53	132.38	128.50	374.33	530.60
8	Other Comprehensive Income					
	(i) Items that will not be reclassified to Statement of Profit and Loss	4.10	(0.25)	2.14	3.35	0.34
	(ii) Income tax on item that will not be reclassified to Statement of Profit and Loss	(1.03)	0.06	(0.52)	(0.84)	(0.07)
9	Other Comprehensive Income (net of tax)	3.07	(0.19)	1.62	2.51	0.27
10	Total Comprehensive Income	27.60	132.19	130.12	376.84	530.87
11	Paid up Equity Share Capital (Face value of ₹ 1 each)	53.89	53.89	53.89	53.89	53.89
12	Other Equity				4117.04	4023.13
13	Earnings Per Equity Share (of ₹ 1 each) (not annualised)					
a.	Basic	0.46	2.46	2.38	6.95	9.85
b.	Diluted	0.46	2.46	2.38	6.95	9.85



KANSAI NEROLAC PAINTS LIMITED
AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2022

₹ in Crores

		As at			
		31.03.2022		31.03.2021	
		(Audited)		(Audited) Refer Note 6	
A	ASSETS				
1	Non-current Assets				
	Property, Plant and Equipment	1701.27		1611.00	
	Capital Work-in-progress	223.88		205.83	
	Right of Use Assets (ROU)	165.15		150.55	
	Investment Property	0.18		0.18	
	Goodwill	0.20		0.20	
	Other Intangible Assets	9.35		14.81	
			2100.03		1982.57
	Financial Assets:				
	Investments	90.87		102.12	
	Other Financial Assets	13.70		14.72	
			104.57		116.84
	Non-Current Tax Assets (Net)		132.19		113.92
	Other Non-current Assets		87.62		90.17
	Total Non-current Assets		2424.41		2303.50
2	Current Assets				
	Inventories		1531.54		1111.81
	Financial Assets:				
	Investments	209.46		668.06	
	Trade Receivables	965.43		846.50	
	Cash and Cash Equivalents	66.44		80.30	
	Bank Balances other than Cash and Cash Equivalents	14.21		3.01	
	Other Financial Assets	29.17		61.81	
			1284.71		1659.68
	Other Current assets		155.06		163.19
	Total Current Assets		2971.31		2934.68
	Total Assets		5395.72		5238.18
B	EQUITY AND LIABILITIES				
1	Equity				
	Equity Share Capital	53.89		53.89	
	Other Equity	4117.04		4023.13	
	Total Equity		4170.93		4077.02
	Liabilities				
2	Non-current Liabilities				
	Financial Liabilities:				
	Lease Liabilities	85.93		72.69	
	Provisions	22.27		0.41	
	Deferred Tax Liabilities (Net)	95.55		96.27	
	Total Non-current Liabilities		203.75		169.37
3	Current Liabilities				
	Financial Liabilities:				
	Borrowings	-		8.34	
	Lease Liabilities	22.95		17.41	
	Trade Payables:				
	Total Outstanding dues of Micro Enterprises and Small Enterprises	101.29		90.95	
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	789.11		731.94	
		890.40		822.89	
	Other Financial Liabilities	51.51		94.92	
		964.86		943.56	
	Other Current Liabilities	32.61		22.49	
	Provisions	18.58		20.75	
	Current Tax Liabilities (Net)	4.99		4.99	
	Total Current Liabilities		1021.04		991.79
	Total Liabilities		1224.79		1161.16
	Total Equity and Liabilities		5395.72		5238.18



Notes:

- 1 The above audited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 10 May 2022. The statutory auditors have expressed an unqualified audit opinion. The audit report has been filed with stock exchange and is available on the Company's website.
- 2 The figures of the last quarters are the balancing figures between audited figures in respect of the full financial year up to 31 March, 2022 and 31 March, 2021 and the unaudited published year-to-date figures up to 31 December, 2021 and 31 December, 2020, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
- 3 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.
- 4 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.
- 5 The Company has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Despite reduced cases of COVID-19 being reported in the country, there have been massive disruptions in supply chain especially from global. Accordingly, the Company will continue to monitor any material changes to future economic conditions.
- 6 The National Company Law Tribunal, Mumbai Bench and Ahmedabad Bench have approved the Scheme of Amalgamation ("the Scheme") of Marpol Private Limited and Perma Construction Aids Private Limited ("Transferor Companies"), wholly owned subsidiaries, with the Company ("Transferee Company"). Pursuant to necessary filings with the concerned Registrar of Companies, the Scheme has become effective from 21 October, 2021. The appointed date of the Scheme is 1 July, 2019. Accordingly, the amalgamation has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations under common control' and comparatives have been restated to give effect of the amalgamation from the beginning of the previous year. The impact of amalgamation is not material to the standalone financial results of the Company.
- 7 Revenue from operations include writeback of trade deposits amounting to ₹ 34.90 Crores for the quarter ended 31 December, 2021, ₹ 5.75 Crores and ₹ 47.44 Crores for the quarter and year ended 31 March, 2022 respectively, forming part of 'Other Operating Revenue'.
- 8 Employee Benefits Expense includes provision of ₹ 24.22 Crores towards retirement benefits to Executive Directors for the quarter and year ended 31 March 2022.
- 9 Exceptional item represents impairment of investment in subsidiary viz. Kansai Paints Lanka (Private) Limited amounting to ₹ 11.39 Crores (Previous year: ₹ 10.82 Crores) after taking in to account its past performance, current change in economic and market conditions consequent to the severe deterioration of political and economic conditions, currency devaluation and very high inflation.
- 10 The Board has recommended a final dividend of 100% (₹ 1.00 per share) for the year, in addition the Company had declared interim dividend of 125% (₹ 1.25 per share) paid on 22 November, 2021. Accordingly, the total dividend is 225% (₹ 2.25 per share) for the financial year ended 31 March, 2022 as compared to total dividend of 525% (₹ 5.25 per share) including special dividend of 200% declared last year.

Place: Mumbai
Date: 10 May 2022



For KANSAI NEROLAC PAINTS LIMITED

ANUJ JAIN
MANAGING DIRECTOR

KANSAI NEROLAC PAINTS LIMITED
AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022

₹ in Crores

Particulars	Year ended 31.03.2022 (Audited)		Year ended 31.03.2021 (Audited) Refer Note 6	
Cash Flow From Operating Activities				
Profit Before Tax		505.12		714.07
Adjustments for:				
Depreciation and Amortisation Expenses	153.82		149.01	
Fair Value Loss/ (Gain) on Financial Instruments recognised through FVTPL	0.61		(4.24)	
Unrealised Foreign Exchange Gain (Net)	(0.95)		(0.28)	
Profit on Sale of Current Investments (Net)	(14.29)		(10.12)	
Interest Income	(1.45)		(5.15)	
Dividend Income	(2.52)		(2.24)	
Profit on Sale of Property, Plant and Equipment (Net)	(0.19)		(2.36)	
Finance Cost	9.87		8.48	
Impairment loss allowance on trade receivables	2.36		9.48	
Provision / liabilities no longer required written back	(47.44)		(8.23)	
Impairment of non-current investment	11.39		10.82	
		111.21		145.17
Operating Profit Before Working Capital Changes		616.33		859.24
(Increase) in Trade and Other Receivables	(85.72)		(205.05)	
(Increase) in Inventories	(419.73)		(164.33)	
Increase in Trade Payables, Other Financial Liabilities and Provisions	98.83		313.50	
		(406.62)		(55.88)
Cash Generated from Operations		209.71		803.36
Direct Taxes Paid (Net of Refunds)		(150.62)		(148.66)
Net Cash Flows generated from Operating Activities		59.09		654.70
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)	(213.78)		(100.55)	
Proceeds from Sale of Property, Plant and Equipment	0.24		2.81	
Purchase of Investments in Subsidiaries	-		(26.34)	
Purchase of non-current Investments	(0.14)		0.11	
Purchase of Current Investments	(3014.36)		(3277.00)	
Proceeds from Sale/Redemption of Current Investments	3486.64		2928.30	
Interest Received	1.45		5.15	
Dividend Received	2.52		2.24	
(Investments) in fixed deposits	(11.11)		(0.05)	
Net Cash Flows generated/(used in) from Investing Activities		251.46		(465.33)
Cash Flows from Financing Activities				
(Repayment) of Current Borrowings	(8.34)		(9.26)	
Payment of Lease Liabilities	(32.76)		(28.19)	
Interest Paid	(0.38)		(0.99)	
Dividend Paid	(282.93)		(237.12)	
Net Cash Flows (used in) Financing Activities		(324.41)		(275.56)
Net (Decrease) in Cash and Cash Equivalents		(13.86)		(86.19)
Cash and Cash Equivalents at beginning of the period, the components being:				
Cash on Hand	0.08		0.13	
Cheques on hand	16.78		3.55	
Balances with Banks	62.46		36.84	
Deposit with Banks with less than 3 months maturity	-		125.13	
Effect of exchange rate fluctuation	0.98		0.84	
		80.30		166.49
Cash and Cash Equivalents at end 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		62.46	
Effect of exchange rate fluctuation	0.98		0.98	
		66.44		80.30
Net (Decrease) as disclosed above		(13.86)		(86.19)



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 Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Kansai Nerolac Paints Limited,

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Kansai Nerolac Paints Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements and financial information of the subsidiaries, the Statement:

- i. includes the results of the following entities:

Holding Company

- Kansai Nerolac Paints Limited

Subsidiary Companies

- KNP Japan Private Limited
- Kansai Paints Lanka (Private) Limited
- Kansai Nerolac Paints (Bangladesh) Limited
- Nerofix Private Limited

- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



Kansai Nerolac Paints Limited

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Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act 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 respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



Kansai Nerolac Paints Limited

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related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results / financial information of the entities within the Group of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

The accompanying Statement includes the audited financial statements and other financial information, in respect of 3 subsidiaries, whose financial statements include total assets of Rs. 293.33 Crores as at March 31, 2022, total revenues of Rs. 99.58 Crores and Rs. 338.25 Crores, total net loss after tax of Rs. 13.07 Crores and Rs. 30.97 Crores, total comprehensive loss of Rs. 12.27 Crores and Rs. 30.27 Crores, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 21.14 Crores for the year ended March 31, 2022, as considered in the Statement which have been audited by their respective independent auditors.

The independent auditor's report on the financial statements and financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion 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 audited by us.



S R B C & C O L L P

Chartered Accountants

Kansai Nerolac Paints Limited

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The Statement includes the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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: 22110759AIRWWD8665

Place: Mumbai

Date: May 10, 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 AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

₹ in Crores

Sr. No.	Particulars	For the quarter ended			For the year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited) Refer note 3	(Unaudited)	(Audited) Refer note 3	(Audited)	(Audited)
1	Income					
	Revenue from Operations	1536.60	1810.35	1459.57	6369.35	5074.25
	Other Income	(0.97)	9.96	10.93	25.41	38.21
	Total Income	1535.63	1820.31	1470.50	6394.76	5112.46
2	Expenses					
a.	Cost of Materials Consumed	1155.22	1152.42	975.08	4318.57	2935.79
b.	Purchase of Stock-in-Trade	97.30	109.56	86.47	401.54	317.21
c.	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(145.08)	(16.48)	(106.36)	(292.81)	(106.47)
d.	Employee Benefits Expense	107.70	85.75	78.65	355.58	304.68
e.	Finance Costs	7.82	7.26	7.78	28.59	23.74
f.	Depreciation and Amortisation Expense	43.04	42.95	48.16	169.77	165.30
g.	Other Expenses	237.54	266.93	212.28	937.11	759.76
	Total Expenses	1503.54	1648.39	1302.06	5918.35	4400.01
3	Profit before tax	32.09	171.92	168.44	476.41	712.45
4	Tax Expense					
a.	Current Tax	13.90	49.02	40.96	136.46	186.02
b.	Deferred Tax	(0.98)	(2.42)	3.86	(3.20)	0.71
	Total Tax Expense	12.92	46.60	44.82	133.26	186.73
5	Profit for the Period	19.17	125.32	123.62	343.15	525.72
6	Other Comprehensive Income					
a.	(i) Items that will not be reclassified to Statement of Profit and Loss	3.80	(0.25)	2.00	3.05	0.20
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss	(1.03)	0.06	(0.52)	(0.84)	(0.07)
b.	(i) Items that will be reclassified to Statement of Profit and Loss	1.10	(0.33)	(0.58)	1.00	(0.22)
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss	-	-	-	-	-
	Total Other Comprehensive Income	3.87	(0.52)	0.90	3.21	(0.09)
7	Total Comprehensive Income	23.04	124.80	124.52	346.36	525.63
8	Profit for the period attributable to:					
	Owners of the Company	24.73	128.03	124.28	358.86	529.74
	Non-controlling interests	(5.56)	(2.71)	(0.66)	(15.71)	(4.02)
		19.17	125.32	123.62	343.15	525.72
9	Other Comprehensive Income attributable to:					
	Owners of the Company	4.01	(0.52)	0.97	3.35	(0.02)
	Non-controlling interests	(0.14)	-	(0.07)	(0.14)	(0.07)
		3.87	(0.52)	0.90	3.21	(0.09)
10	Total Comprehensive Income attributable to:					
	Owners of the Company	28.74	127.51	125.25	362.21	529.72
	Non-controlling interests	(5.70)	(2.71)	(0.73)	(15.85)	(4.09)
		23.04	124.80	124.52	346.36	525.63
11	Paid up Equity Share Capital (Face value of ₹ 1 each)	53.89	53.89	53.89	53.89	53.89
12	Other Equity				4078.33	3999.01
13	Earnings Per Equity Share (of ₹ 1 each) (not annualised)					
a.	Basic	0.46	2.38	2.31	6.66	9.83
b.	Diluted	0.46	2.38	2.31	6.66	9.83



KANSAI NEROLAC PAINTS LIMITED

AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2022

₹ in Crores

		As at	
		31.03.2022	31.03.2021
		(Audited)	(Audited)
A	ASSETS		
1	Non-current Assets		
	Property, Plant and Equipment	1775.38	1691.50
	Capital Work-in-progress	224.58	206.85
	Right of Use Assets (ROU)	174.00	160.71
	Investment Property	0.18	0.18
	Goodwill	19.78	19.78
	Other Intangible Assets	26.82	40.02
	Financial Assets:		
	Investments	1.08	0.95
	Other Financial Assets	13.87	14.84
		2220.74	2119.04
	Non-Current Tax Assets (Net)	14.95	15.79
	Other Non-current Assets	155.77	130.47
		87.64	90.19
	Total Non-current Assets	2479.10	2355.49
2	Current Assets		
	Inventories		1197.93
	Financial Assets:	1629.55	
	Investments	209.46	668.06
	Trade Receivables	1093.33	956.35
	Cash and Cash Equivalents	77.04	102.94
	Bank Balances other than Cash and Cash Equivalents	28.96	21.59
	Other Financial Assets	26.49	60.19
	Other Current assets	1435.28	1809.13
		165.45	170.80
	Total Current Assets	3230.28	3177.86
	Total Assets	5709.38	5533.35
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity Share Capital	53.89	53.89
	Other Equity	4078.33	3999.01
		4132.22	4052.90
	Non-controlling Interest	19.29	36.28
	Total Equity	4151.51	4089.18
	Liabilities		
2	Non-current Liabilities		
	Financial Liabilities:		
	Borrowings	10.94	17.19
	Lease Liabilities	92.11	77.12
	Provisions	22.27	0.45
	Deferred Tax Liabilities (Net)	106.49	108.89
	Total Non-current Liabilities	231.81	203.65
3.	Current Liabilities		
	Financial Liabilities:		
	Borrowings	192.06	155.91
	Lease Liabilities	23.60	18.78
	Trade Payables:		
	Total Outstanding dues of Micro Enterprises and Small Enterprises	102.37	93.64
	Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	878.27	813.18
	Other Financial Liabilities	980.64	906.82
		52.98	94.20
		1249.28	1175.71
	Other Current Liabilities	51.17	37.69
	Provisions	20.62	22.21
	Current Tax Liabilities (Net)	4.99	4.91
	Total Current Liabilities	1326.06	1240.52
	Total Liabilities	1557.87	1444.17
	Total Equity and Liabilities	5709.38	5533.35



Notes:

- 1 The above audited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 10 May 2022. The statutory auditors have expressed an unqualified audit opinion. The audit 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 The figures of the last quarters are the balancing figures between audited figures in respect of the full financial year up to 31 March, 2022 and 31 March, 2021 and the unaudited published year-to-date figures up to 31 December, 2021 and 31 December, 2020, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
- 4 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.
- 5 The Group has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Despite reduced cases of COVID-19 being reported, there have been massive disruptions in supply chain especially from global. Accordingly, the Group will continue to monitor any material changes to future economic conditions.
- 6 The National Company Law Tribunal, Mumbai Bench and Ahmedabad Bench have approved the Scheme of Amalgamation ("the Scheme") of Marpol Private Limited and Perma Construction Aids Private Limited ('Transferor Companies'), wholly owned subsidiaries, with the Holding Company ('Transferee Company'). Pursuant to necessary filings with the concerned Registrar of Companies, the Scheme has become effective from 21 October, 2021. The appointed date of the Scheme is 1 July, 2019. There is no impact of the amalgamation on the consolidated financial results.
- 7 Revenue from operations include writeback of trade deposits amounting to ₹ 34.90 Crores for the quarter ended 31 December, 2021, ₹ 5.75 Crores and ₹ 47.44 Crores for the quarter and year ended 31 March, 2022 respectively, forming part of 'Other Operating Revenue'.
- 8 Employee Benefits Expense includes provision of ₹ 24.22 Crores towards retirement benefits of Holding Company's Executive Directors for the quarter and year ended 31 March 2022.



For KANSAI NEROLAC PAINTS LIMITED

ANUJ JAIN
MANAGING DIRECTOR

Place: Mumbai
Date: 10 May 2022

KANSAI NEROLAC PAINTS LIMITED
AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022

₹ in Crores

Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
Cash Flow From Operating Activities		
Profit Before Tax	476.41	712.45
Adjustments for:		
Depreciation and Amortisation Expenses	169.77	165.30
Fair Value Loss/ (Gain) on Financial Instruments recognised through FVTPL	0.61	(4.24)
Unrealised Foreign Exchange Gain (Net)	(0.95)	(0.28)
Profit on Sale of Current Investments (Net)	(14.29)	(10.12)
Interest Income	(2.59)	(6.20)
Dividend Income	(0.03)	(0.03)
Profit on Sale of Property, Plant and Equipment (Net)	(0.60)	(2.46)
Finance Cost	28.59	23.74
Impairment loss allowance on trade receivables	2.81	11.92
Provision / liabilities no longer required written back	(47.44)	(8.23)
	135.88	169.40
Operating Profit Before Working Capital Changes	612.29	881.85
(Increase) in Trade and Other Receivables	(106.00)	(211.35)
(Increase) in Inventories	(431.61)	(189.58)
Increase in Trade Payables, Other Financial Liabilities and Provisions	111.85	322.09
	(425.76)	(78.84)
Cash Generated from Operations	186.53	803.01
Direct Taxes Paid (Net of Refunds)	(161.76)	(157.14)
Net Cash Flows generated from Operating Activities	24.77	645.87
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)	(219.01)	(103.79)
Proceeds from Sale of Property, Plant and Equipment	1.07	2.92
Proceeds from Non-current Investments	(0.14)	(0.11)
Purchase of Current Investments	(3014.36)	(3276.89)
Proceeds from Sale/Redemption of Current Investments	3486.64	2928.29
Interest Received	2.59	6.20
Dividend Received	0.03	0.03
Investments in fixed deposits	(7.28)	(9.49)
Net Cash Flows generated from Investing Activities	249.54	(452.84)
Cash Flows from Financing Activities		
Issue of Equity share capital	-	19.73
(Repayment) of Long-term Borrowings	(0.05)	(4.96)
Proceeds from / (Repayment) of Current Borrowings	26.99	(3.90)
Payment of lease liabilities	(34.11)	(29.91)
Interest Paid	(18.10)	(15.95)
Dividend Paid	(284.04)	(239.17)
Net Cash Flows (used in) Financing Activities	(309.31)	(274.16)
Net (Decrease) in Cash and Cash Equivalents	(35.00)	(81.13)
Cash and Cash Equivalents at beginning of the period, the components being:		
Cash on Hand	0.30	1.03
Cheques on hand	16.78	3.55
Balances with Banks	85.86	49.67
Deposit with Banks with less than 3 months maturity	-	125.13
Bank Overdrafts and Cash Credit	(79.00)	(75.26)
Effect of exchange rate fluctuation	(0.11)	0.84
	23.83	104.96
Cash and Cash Equivalents at end 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	85.86
Bank Overdrafts and Cash Credit	(88.21)	(79.00)
Effect of exchange rate fluctuation	0.98	(0.11)
	(11.17)	23.83
Net (Decrease) as disclosed above	(35.00)	(81.13)

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 AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

₹ in Crores

Particulars	Standalone					Consolidated				
	For the quarter ended			For the year ended		For the quarter ended			For the year ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue from Operations	1412.83	1693.70	1355.77	5948.90	4770.90	1536.60	1810.35	1459.57	6369.35	5074.25
Net Profit for the Period (before Tax and Exceptional items)	48.83	178.06	171.96	516.51	724.89	32.09	171.92	168.44	476.41	712.45
Net Profit for the Period before tax (after Exceptional items)	37.44	178.06	171.96	505.12	714.07	32.09	171.92	168.44	476.41	712.45
Net Profit for the Period after tax (after Exceptional items)	24.53	132.38	128.50	374.33	530.60	19.17	125.32	123.62	343.15	525.72
Total Comprehensive Income for the Period	27.60	132.19	130.12	376.84	530.87	23.04	124.80	124.52	346.36	525.63
Equity Share Capital	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89	53.89
Other Equity				4117.04	4023.13				4078.33	3999.01
Earnings Per Equity Share (of ₹ 1/- each) (not annualised)										
Basic	0.46	2.46	2.38	6.95	9.85	0.46	2.38	2.31	6.66	9.83
Diluted	0.46	2.46	2.38	6.95	9.85	0.46	2.38	2.31	6.66	9.83

Note: The above is an extract of the detailed format of Statement of Audited 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 Audited 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 audit report on the financial results for the quarter and year ended 31 March, 2022.

Place: Mumbai
Date: 10 May 2022



For KANSAI NEROLAC PAINTS LIMITED

ANUJ JAIN
MANAGING DIRECTOR

Press Release

Mumbai, May 10, 2022

Kansai Nerolac Paints Ltd Announces Results for Q4 2022 & FY 2021-2022

Mumbai, May 10, 2022: Kansai Nerolac Paints Limited (KNPL), one of the leading Paint companies in India, today at the Board meeting announced its audited results for the quarter and year ended 31 March 2022.

For the quarter, the company earned Net revenue from operations of Rs.1412.8 Crores, a growth of 4.2% over the corresponding quarter of the previous year. For the year, the company earned Net Revenue from operations of Rs. 5948.9 Crores a growth of 24.7% over the corresponding period of the previous year.

EBIDTA was at Rs. 82.9 Crores, a de-growth of 59.9% over Q4 of 2020-21. PAT was at Rs. 24.5 Crore, a de-growth of 80.9% over Q4 of 2020-21. For the year period EBITDA was at Rs. 647.3 Crores, a de-growth of 23.3% over previous year. PAT for the year was Rs 374.3 Crores, a de-growth of 29.5% over previous year.

The Board has recommended a final dividend of 100 % (₹ 1.00 per share). In addition, the Company had declared interim dividend of 125% (₹ 1.25 per share) paid on November 22, 2021. Accordingly, the total dividend is 225 % (₹ 2.25 per share) for the financial year ended March 31, 2022, as compared to total dividend of 525% (₹ 5.25 per share) including Special Dividend of 200% declared last year.

Commenting on the results, **Mr. Anuj Jain, Managing Director, Kansai Nerolac Paints Ltd said**, “The quarter witnessed impact in terms of demand for decorative on account of the steep price increase towards end of Q3 FY 21-22. In Automotive, Passenger Vehicles demand was good though impacted because of supply side constraints. On raw material costs, the quarter continued to witness inflationary pressures along with volatility in crude and exchange rates on account of the tough geo-political situation globally. Overall demand situation is expected to remain healthy, and company remains positive and well poised to do better. It is expected that price increases taken in FY 21-22 will accrue in the coming year. Company will strive for more price increases in Industrial.”

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 102nd year has been at the forefront of paint manufacturing pioneering a wide spectrum of quality paints. Kansai Nerolac is one of the leading paint company in India and is the leader in Industrial paints. The company has 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 .