B S R & Co.
(Registered)
Chartered Accountants

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Review report

To the Board of Directors of Kansai Nerolac Paints Limited

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Kansai Nerolac Paints Limited ('the Company') for the quarter ended 30 June 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co.**
Chartered Accountants
Firm's Registration No: 101248W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
30 July 2012

KANSAI NEROLAC PAINTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED 30TH JUNE 2012

PART I

Rs. in Million

		Particulars	For the quarter ended			For the year
			30.06.12	31.03.12	30.06.11	31.03.12
			Unaudited	Unaudited	Unaudited	Audited
		Gross Sales / Income	8473	7736	7578	30199
1.		Income from operations				
	a.	Net Sales / Income from operations (Net of excise and discounts)	7208	6625	6484	25859
	b.	Other operating income	27	43	36	147
		Total Income from operations (net)	7235	6668	6520	26006
2.		Expenses				
	a.	Cost of materials consumed	4574	4715	4111	16969
	b.	Purchase of stock-in-trade	225	274	200	918
	c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(316)	(20)	(482)
	d.	Employee benefits expense	293	271	253	1069
	e.	Depreciation and amortisation expense	156	163	120	564
	f.	Other expenses	1146	994	1065	4159
		Total expenses	6422	6101	5729	23197
3.		Profit from operations before other income, finance costs and exceptional items (1-2)	813	567	791	2809
4.		Other income	67	82	71	243
5.		Profit from ordinary activities before finance costs and exceptional items (3+4)	880	649	862	3052
6.		Finance costs	-	-	-	1
7.		Profit from ordinary activities after finance costs but before exceptional items (5-6)	880	649	862	3051
8.		Exceptional item	-	-		-
9.		Profit from ordinary activities before tax (7+8)	880	649	862	3051
10.		Tax expense				
	a.	Current tax	203	215	229	860
	b.	Deferred tax	44	(15)	21	32
		Total tax expense	247	200	250	892
11.		Net Profit from ordinary activities after tax (9-10)	633	449	612	2159
12.		Extraordinary items (net of tax expense)	-	-	-	-
13.		Net Profit for the period (11-12)	633	449	612	2159
14.		Paid up Equity Share Capital (Face value of Rs.10 each)	539	539	539	539
15.		Reserves excluding Revaluation Reserves as per balance sheet				10093
16.		Earnings per share (before extraordinary items) (of Rs. 10 each) (not annualised)				
	a.	Basic	11.74	8.33	11.36	40.06
	b.	Diluted	11.74	8.33	11.36	40.06
17.		Earnings per share (after extraordinary items) (of Rs. 10 each) (not annualised)				
	a.	Basic	11.74	8.33	11.36	40.06
	b.	Diluted	11.74	8.33	11.36	40.06

KANSAI NEROLAC PAINTS LIMITED

PART II

		Particulars	For the quarter ended			For the year ended
			30.06.12	31.03.12	30.06.11	31.03.12
A		PARTICULARS OF SHAREHOLDING				
1.		Public Shareholding				
		- Number of Shares	16562212	16562212	16562212	16562212
		- Percentage of Shareholding	30.73	30.73	30.73	30.73
2.		Promoters and promoter group shareholding				
	a.	Pledged / Encumbered				
		- Number of shares	Nil	Nil	Nil	Nil
		- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
		- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
	b.	Non-encumbered				
		- Number of shares	37329760	37329760	37329760	37329760
		- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
		- Percentage of shares (as a % of the total share capital of the company)	69.27	69.27	69.27	69.27

	Particulars	Quarter ended
		30.06.12
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	1
	Disposed of during the quarter	1
	Remaining unresolved at the end of the quarter	Nil

Notes:

1. As the Company's business activity falls within a single segment viz. 'Paints' and the sales substantially being in the domestic market, the disclosure requirements of Accounting Standard-17 "Segment Reporting", notified under the Companies (Accounting Standards) Rules, 2006, are not applicable.

2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30th July, 2012. These results have been subjected to "limited review" by the statutory auditors of the Company.

For KANSAI NEROLAC PAINTS LIMITED

H. M. BHARUKA
MANAGING DIRECTOR

Place: Mumbai
Date: 30th July, 2012