

27th April, 2016

1. The Secretary
The BSE
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,

Re: Board Meeting of our Company held today.

Audited Annual Financial Results for the year ended 31st March, 2016.

The Board of Directors of the Company has considered and approved the Audited Annual Financial Results for the year ended 31st March, 2016 at its Meeting held today i.e. on 27th April, 2016, (which meeting commenced at 12 noon and concluded at 3.45 p.m). Total Dividend recommended is 305% (Rs. 3.05 per share of the face value of Re. 1 each). This dividend includes special dividend of 125% for the year. Compared to this, the total dividend for last year was 140% (Re. 1.40 per share of the face value of Re. 1 each).

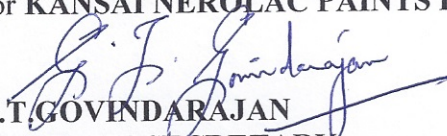
We enclose a copy of the said Results for your information along with the Auditors' Report.

We have already made the arrangements to publish the same in the newspapers in accordance with Regulation 47 of the SEBI (Listing Obligations and Disclosure Regulations), 2015.

Thanking you,

Yours Faithfully,

For **KANSAI NEROLAC PAINTS LIMITED**


G.T. GOVINDARAJAN
COMPANY SECRETARY

Encl: as above.

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

Tel.: + 91.22.2493 4001
+91.22.2499 2500
Fax: +91.22.2497 3704

CIN No.: L24202MH1920PLCOO0825

BSR & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Independent Auditors' Report on quarterly financial results and year to date results of Kansai Nerolac Paints Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Kansai Nerolac Paints Limited

We have audited the accompanying annual financial results of Kansai Nerolac Paints Limited ('the Company') for the quarter ended 31 March 2016 and the year to date results for the period from 1 April 2015 to 31 March 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2016 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the end of the third quarter of the current and previous financial year. Also the figures up to the end of third quarter for the current and previous financial year had only been reviewed and not subject to audit.

Management's Responsibility for the Financial Results

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter, which is the responsibility of the Company's management and have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed, under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial results based on our audit of such financial statements. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Independent Auditor's Report on quarterly financial results and year to date results of Kansai Nerolac Paints Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Kansai Nerolac Paints Limited

Opinion

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended 31 March 2016.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Sadashiv Shetty

Partner

Membership No: 048648

Mumbai
27 April 2016

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 FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2016

PART I		Standalone					Rs. in Crores	
		For the quarter ended		For the year ended		For the year ended	For the year ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
	Particulars							
	Gross sales / Income	1062.88	1177.30	961.32	4604.36	4211.64	4650.89	4251.62
1.	Income from Operations							
a.	Net sales / Income from Operations (Net of excise and discounts)	888.20	964.82	804.90	3819.29	3532.41	3859.37	3570.70
b.	Other Operating Income	2.87	3.24	2.94	10.93	16.65	10.59	16.28
	Total Income from Operations (net)	891.07	968.06	807.84	3830.22	3549.06	3869.96	3586.98
2.	Expenses							
a.	Cost of materials consumed	505.56	539.10	474.51	2187.33	2145.76	2205.93	2166.14
b.	Purchase of stock-in-trade	43.45	45.74	40.82	174.84	156.65	174.87	155.90
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(23.42)	4.38	18.37	(13.81)	62.03	(12.62)	62.58
d.	Employee benefits expense	45.77	45.28	36.80	177.65	143.30	180.81	146.24
e.	Depreciation and amortisation expense	17.10	16.92	16.75	67.79	67.69	68.36	68.26
f.	Other expenses	186.81	197.07	138.15	731.89	596.50	743.43	604.97
	Total Expenses	775.27	848.49	725.40	3325.69	3171.93	3360.78	3204.09
3.	Profit from operations before other income, finance costs and exceptional items (1-2)	115.80	119.57	82.44	504.53	377.13	509.18	382.89
4.	Other Income	6.38	5.90	5.82	24.84	21.79	25.02	21.53
5.	Profit from ordinary activities before finance costs and exceptional items (3+4)	122.18	125.47	88.26	529.37	398.92	534.20	404.42
6.	Finance Costs	-	-	0.01	-	0.02	0.54	0.92
7.	Profit from ordinary activities after finance costs but before exceptional items (5-6)	122.18	125.47	88.25	529.37	398.90	533.66	403.50
8.	Exceptional Item	535.34	-	-	535.34	-	535.34	-
9.	Profit from ordinary activities before tax (7+8)	657.52	125.47	88.25	1064.71	398.90	1069.00	403.50
10.	Tax expense							
a.	Current tax	41.07	38.90	26.76	164.63	116.73	165.77	117.83
b.	Deferred tax	0.68	2.15	1.12	8.98	10.50	8.97	10.48
	Total tax expense	41.75	41.05	27.88	173.61	127.23	174.74	128.31
11.	Net Profit from ordinary activities after tax (9-10)	615.77	84.42	60.37	891.10	271.67	894.26	275.19
12.	Extra Ordinary items (net of tax expense)	-	-	-	-	-	-	-
13.	Net Profit for the period (11-12)	615.77	84.42	60.37	891.10	271.67	894.26	275.19
14.	Minority Interest	-	-	-	-	-	1.02	1.13
15.	Net Profit after Minority Interest (13-14)	615.77	84.42	60.37	891.10	271.67	893.24	274.06
16.	Paid up equity share capital (Face value of Re.1 each)	53.89	53.89	53.89	53.89	53.89	53.89	53.89
17.	Reserves excluding Revaluation Reserves as per balance sheet				2235.27	1542.93	2242.01	1547.58
18.	Earnings per share [before exceptional items (net of tax)] (of Re.1 each) (not annualised)							
a.	Basic	1.49	1.57	1.12	6.60	5.04	6.64	5.08
b.	Diluted	1.49	1.57	1.12	6.60	5.04	6.64	5.08
19.	Earnings per share [after exceptional items (net of tax)] (of Re.1 each) (not annualised)							
a.	Basic	11.43	1.57	1.12	16.54	5.04	16.57	5.08
b.	Diluted	11.43	1.57	1.12	16.54	5.04	16.57	5.08

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2016

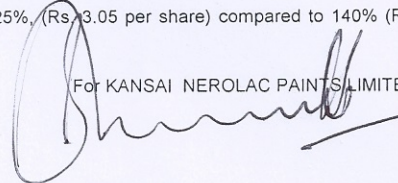
Rs. in Crores

Particulars	Standalone (Audited)		Consolidated (Audited)	
	As at		As at	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
A	Equity and Liabilities			
1.	Shareholders' Funds			
	(a) Share capital	53.89	53.89	53.89
	(b) Reserves and Surplus	2235.27	1542.93	2242.01
	Sub-total - Shareholders' funds	2289.16	1596.82	2295.90
2.	Minority Interest		5.97	4.95
3.	Non-current liabilities			
	(a) Long-term borrowings	28.79	41.50	29.44
	(b) Deferred Tax Liabilities (Net)	84.13	75.15	84.41
	(c) Long-term provisions	16.90	25.49	16.90
	Sub-total - Non-current liabilities	129.82	142.14	130.75
4.	Current liabilities			
	(a) Short-term borrowings	-	-	3.69
	(b) Trade payables	400.04	322.40	404.29
	(c) Other current liabilities	244.14	185.40	251.14
	(d) Short-term provisions	206.21	96.60	207.06
	Sub-total - Current liabilities	850.39	604.40	866.18
	Total - Equity and Liabilities	3269.37	2343.36	3298.80
B	Assets			
1.	Non-current assets			
	(a) Goodwill	-	-	2.27
	(b) Fixed assets	968.51	948.94	977.26
	(c) Non-current investments	43.89	33.10	36.02
	(d) Long-term loans and advances	72.91	66.74	73.48
	Sub-total - Non-current assets	1085.31	1048.78	1089.03
2.	Current assets			
	(a) Current investments	498.61	182.48	498.61
	(b) Inventories	571.71	541.67	582.72
	(c) Trade receivables	524.62	496.34	545.51
	(d) Cash and cash equivalents	477.89	34.05	478.51
	(e) Short-term loans and advances	90.30	19.97	84.91
	(f) Other current assets	20.93	20.07	19.51
	Sub-total - Current assets	2184.06	1294.58	2209.77
	Total - Assets	3269.37	2343.36	3298.80

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 27 April 2016. The statutory auditors have expressed an unqualified opinion. The audit report has been filed with stock exchange and is available on the Company's website.
- Figures for the quarter ended 31 March 2016 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
- 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.
- During the year, the Company has spent Rs. 5.29 Crores (2014-2015 Rs. 4.51 Crores) towards 'Corporate Social Responsibility Activities' (CSR Activities). Rs. 4.51 Crores spent during the previous year towards CSR Activities was recorded as an appropriation of profit in Statement of Assets and Liabilities in accordance with the 'FAQ on Provisions of Corporate Social Responsibilities under Section 135 of the Companies Act, 2013 and Rules thereon', issued by the 'Institute of Chartered Accountants of India (ICAI)'. However, consequent to the issuance of 'Guidance Note on accounting for expenditure on Corporate Social Responsibility Activities', issued by ICAI on 15th May, 2015, Rs. 5.29 Crores spent during the year ended 31st March, 2016 on CSR Activities has been charged to Statement of Profit and Loss.
- On 30th March, 2016, the Company has sold its Perungudi Fixed Assets for a consideration of Rs. 537.86 Crores. The Profit of Rs. 535.34 Crores is disclosed as an exceptional item in the Statement of Profit and Loss.
- The Directors have recommended a dividend of 305%, including special dividend of 125%, (Rs. 3.05 per share) compared to 140% (Rs. 1.40 per share) last year.

For KANSAI NEROLAC PAINTS LIMITED


H. M. BHARUKA
MANAGING DIRECTORPlace: Mumbai
Date: 27 April, 2016Visit us at: www.nerolac.com

6 of 6

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 FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2016

Particulars	Standalone				Consolidated	
	For the quarter ended		For the year ended		For the year ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
Total Income from operations (net)	891.07	807.84	3830.22	3549.06	3869.96	3586.98
Net Profit / (Loss) from ordinary activities after tax (before exceptional items)	80.43	60.37	355.76	271.67	358.92	275.19
Net Profit / (Loss) for the period after tax (after exceptional items)	615.77	60.37	891.10	271.67	893.24	274.06
Equity Share Capital	53.89	53.89	53.89	53.89	53.89	53.89
Reserves (excluding Revaluation Reserve as shown in the balance sheet)	2235.27	1542.93	2235.27	1542.93	2242.01	1547.58
Earnings Per Share (before exceptional items) (of Re.1/- each)						
Basic	1.49	1.12	6.60	5.04	6.64	5.08
Diluted	1.49	1.12	6.60	5.04	6.64	5.08
Earnings Per Share (after exceptional items) (of Re.1/- each)						
Basic	11.43	1.12	16.54	5.04	16.57	5.08
Diluted	11.43	1.12	16.54	5.04	16.57	5.08

Note: The above is an extract of the detailed format of Statement of 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 Financial Results are available on the websites of Stock Exchanges at <http://www.bseindia.com/stock-share-price/kansai-nerolac-paints-ltd/kansainer/500165/> and http://www.nseindia.com/live_market/dynaContent/live_watch/get_quote/GetQuote.jsp?symbol=KANSAINER&illiquid=0&smeFlag=0&itpFlag=0 and also on the Company's website at <https://www.nerolac.com/financial/financial-results>.

For KANSAI NEROLAC PAINTS LIMITED

H. M. BHARUKA
MANAGING DIRECTORPlace: Mumbai
Date: 27 April 2016