

02 August 2018



The Secretary  
Bombay Stock Exchange Ltd.  
Market Operations Department  
1st floor, New Trading Ring  
Rotunda Building, P J Towers  
Dalal Street, Fort  
Mumbai - 400 001

The Secretary  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5th floor  
Plot No C/1, G Block,  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai - 400051

Dear Sir,

**Un-audited Financial Results**

This is to inform you that the Board of Directors of Akzo Nobel India Limited in its meeting held today has approved the Un-audited Financial Results of the Company for the quarter ended 30 June 2018.

Copies of the Un-audited Financial Results, Limited Review Report thereon and the Press Release issued by the Company today are attached herewith.

The meeting ended at 1:30 PM.

Yours faithfully,  
For Akzo Nobel India Limited

R Guha  
Company Secretary  
Camp: Kolkata

Encl: as above.

**Akzo Nobel India Limited**

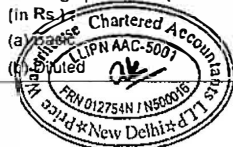
**Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071**

**CIN: L24292WB1954PLC021516**

**Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2018**

(Rs. in Million)

Particulars	Quarter ended			For the year ended 31 March 2018
	30 June 2018	31 March 2018	30 June 2017	
	(Unaudited)	(See Note 2)	(Unaudited)	(Audited)
<b>1 Income from operations</b>				
(a) Revenue from operations	7,156.9	7,004.1	7,218.5	27,928.4
(b) Other Income	91.4	127.7	67.6	437.9
<b>Total income from continuing operations</b>	<b>7,248.3</b>	<b>7,131.8</b>	<b>7,286.1</b>	<b>28,366.3</b>
<b>2 Expenses</b>				
(a) Cost of materials consumed	3,849.2	3,899.4	3,144.1	13,208.4
(b) Purchase of stock-in-trade	372.8	534.7	539.2	1,808.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(82.8)	(414.1)	(39.5)	244.5
(d) Excise Duty	-	-	734.9	734.9
(e) Employee benefits expense	749.2	811.8	655.6	2,763.2
(f) Finance Costs	8.9	16.5	4.5	35.0
(g) Depreciation and amortisation expense	148.8	150.0	141.0	582.2
(h) Other expenses	1,544.0	1,473.3	1,524.8	6,178.0
<b>Total expenses of continuing operations</b>	<b>6,590.1</b>	<b>6,471.6</b>	<b>6,704.6</b>	<b>25,554.2</b>
<b>3 Profit from continuing operations before exceptional items and tax(1-2)</b>	<b>658.2</b>	<b>660.2</b>	<b>581.5</b>	<b>2,812.1</b>
<b>4 Exceptional Items - Income</b>	-	-	20.0	20.0
<b>5 Profit before tax from continuing operations (3+4)</b>	<b>658.2</b>	<b>660.2</b>	<b>601.5</b>	<b>2,832.1</b>
<b>6 Tax expense</b>				
(a) Current Tax (Net)	248.6	201.3	183.4	758.3
(b) Deferred Tax	(25.5)	(2.8)	7.1	16.7
<b>7 Profit for the period from continuing operations (5-6)</b>	<b>435.1</b>	<b>461.7</b>	<b>411.0</b>	<b>2,057.1</b>
<b>8 Profit from discontinued operations (Refer Note 5)</b>				
Profit before tax	-	93.3	0.6	148.5
Tax expense	-	39.3	(1.1)	62.0
<b>Profit after tax</b>	-	<b>54.0</b>	<b>1.7</b>	<b>86.5</b>
Profit on sale of chemicals business	-	2,442.0	-	2,442.0
Tax expense	-	579.6	-	579.6
<b>Profit after tax from sale of chemicals business</b>	-	<b>1,862.4</b>	-	<b>1,862.4</b>
<b>Profit for the period from discontinued operation</b>	-	<b>1,916.4</b>	<b>1.7</b>	<b>1,948.9</b>
<b>9 Profit before tax for the period from continuing and discontinued operations</b>	<b>658.2</b>	<b>3,195.5</b>	<b>602.1</b>	<b>5,422.6</b>
Tax expenses	223.1	817.4	189.4	1,416.6
<b>Profit for the period from continuing and discontinued operations</b>	<b>435.1</b>	<b>2,378.1</b>	<b>412.7</b>	<b>4,006.0</b>
<b>10 Other comprehensive (expense)/income, net of income tax from continuing operations</b>				
(A) (i) Items that will not be reclassified to profit or loss	(8.1)	6.2	(14.6)	62.9
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.8	(2.2)	5.1	(21.8)
(B) (i) Items that will be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
<b>11 Other comprehensive (expense)/income, net of income tax from discontinued operations</b>				
(A) (i) Items that will not be reclassified to profit or loss	-	(5.5)	(2.2)	2.8
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	1.9	0.7	(1.0)
(B) (i) Items that will be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
<b>12 Total comprehensive income for the period</b>	<b>429.8</b>	<b>2,378.5</b>	<b>401.7</b>	<b>4,048.9</b>
(i) arising from continuing operations	429.8	465.7	401.5	2,098.2
(ii) arising from discontinued operations	-	1,912.8	0.2	1,950.7
<b>13 Paid - up equity share capital (Shares of Rs 10 each)</b>	<b>466.6</b>	<b>466.6</b>	<b>466.6</b>	<b>466.6</b>
<b>14 Earnings per share (of Rs. 10 each) (not annualised) from continuing and discontinued operations (in Rs.) :</b>				
(a) Basic	9.32	50.97	8.85	85.85
(b) Diluted	9.32	50.97	8.85	85.85
<b>Earnings per share (of Rs. 10 each) (not annualised) from continuing operations (in Rs.) :</b>				
(a) Basic	9.32	9.89	8.81	44.08
(b) Diluted	9.32	9.89	8.81	44.08
<b>Earnings per share (of Rs. 10 each) (not annualised) from discontinued operations (in Rs.) :</b>				
(a) Basic	-	41.08	0.04	41.77
(b) Diluted	-	41.08	0.04	41.77



**Akzo Nobel India Limited**

**Registered Office : Geetanjali Apartment, 1st Floor, 8-B, Middleton Street, Kolkata -700071**

**CIN: L24292WB1954PLC021516**

**Segment wise Revenue, Results, Assets & Liabilities and Capital Employed**

Particulars	Quarter ended			(Rs. in Million)
	30 June 2018	31 March 2018	30 June 2017	For the year ended 31 March 2018
	(Unaudited)	(See Note 2)	(Unaudited)	(Audited)
<b>1 Segment Revenue (including other operating revenue)</b>				
a) Coatings	7,156.9	7,041.2	7,257.8	28,067.2
b) Others-Discontinued Operations	-	725.9	709.4	2,536.8
Inter - segment elimination : Continued operations	-	(37.1)	(39.3)	(138.8)
Inter - segment elimination : Others-Discontinued operations	-	(7.6)	(15.4)	(48.0)
<b>Total</b>	<b>7,156.9</b>	<b>7,722.4</b>	<b>7,912.5</b>	<b>30,417.2</b>
<b>2 Segment Results [Profit before interest, exceptional items and tax from each segment]</b>				
a) Coatings	667.1	553.9	548.8	2,493.0
b) Others-Discontinued Operations	-	100.0	15.6	195.6
<b>Total</b>	<b>667.1</b>	<b>653.9</b>	<b>564.4</b>	<b>2,688.6</b>
Finance Cost	(8.9)	(16.5)	(4.5)	(35.0)
Other un-allocable income (net of un-allocable expenditure)	-	116.1	22.2	307.0
Profit on sale of chemicals business	-	2,442.0	-	2,442.0
	<b>658.2</b>	<b>3,195.5</b>	<b>582.1</b>	<b>5,402.6</b>
Exceptional items - Income	-	-	20.0	20.0
<b>Profit before tax</b>	<b>658.2</b>	<b>3,195.5</b>	<b>602.1</b>	<b>5,422.6</b>
<b>3 (a) Segment Assets</b>				
a) Coatings	23,138.6	16,188.0	14,868.2	
b) Others-Discontinued Operations	-	-	1,195.2	
c) Unallocated	-	6,125.1	3,548.2	
<b>Total</b>	<b>23,138.6</b>	<b>22,313.1</b>	<b>19,611.6</b>	
<b>(b) Segment Liabilities</b>				
a) Coatings	9,813.8	8,474.6	7,461.9	
b) Others-Discontinued Operations	-	-	732.6	
c) Unallocated	-	936.4	928.1	
<b>Total</b>	<b>9,813.8</b>	<b>9,411.0</b>	<b>9,122.6</b>	
<b>(c) Capital Employed (Segment Assets - Segment Liabilities)</b>				
a) Coatings	13,324.8	7,713.4	7,406.3	
b) Others-Discontinued Operations	-	-	462.6	
c) Unallocated	-	5,188.7	2,620.1	
<b>Total</b>	<b>13,324.8</b>	<b>12,902.1</b>	<b>10,489.0</b>	

**Note :**

a) Segment Revenue, Results, Assets, Liabilities and Capital Employed figures include the respective amounts identifiable to each of the segments. Other un-allocable income (net of un-allocable expenditure) in segment results include income from investment of surplus funds of the Company and unallocable corporate expenses upto 31 March 2018. 'Unallocated' in Capital Employed includes un-allocable corporate assets, liabilities and investments upto 31 March 2018.

(b) After the conclusion of the sale transaction of speciality chemicals business during the quarter ended 31 March 2018, the Company has only one segment viz. 'Coatings'. Accordingly for comparative purposes, the company has made disclosures under 'Coatings' for the quarter ended 30 June 2018.



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**Akzo Nobel India Limited**  
**Registered Office: Geetanjali Apartment, 1st Floor, 8B Middleton Street, Kolkata - 700 071**  
**CIN: L24292WB1954PLC021516**

**Standalone Unaudited Financial Results for the quarter ended 30 June 2018**

**Notes:**

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 2 August 2018. The figures for the quarter ended 30 June 2018 and 30 June 2017 have been subjected to limited review by the statutory auditors.
2. The figures for the quarter ended 31 March 2018 have not been subjected to review/audit by the statutory auditors. These are balancing figures between audited financial statements for the full financial year ended 31 March 2018 and year to date figures of nine months ended 31 December 2017.
3. Exceptional items reported during the quarter ended 30 June 2017 and year ended 31 March 2018 represent divestment provisions no longer required written back.
4. In accordance with Ind AS 18 on Revenue and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for quarter ended 30 June 2017 and year ended 31 March 2018 are reported inclusive of Excise Duty. Consequent to the implementation of the Goods and Service Tax ("GST") w.e.f. 1 July 2017, Excise Duty, VAT, Service Tax and various other Indirect Taxes have been subsumed into GST. As per Ind AS 18, revenue for the quarters ended 31 March 2018 and 30 June 2018 are reported net of GST. Had the previously reported revenues been shown net of Excise Duty, the comparative revenue would have been as under-

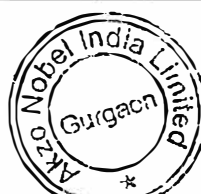
Particulars	Quarter Ended			(Rs in Million)
	30 June 2018	31 March 2018	30 June 2017	Year Ended 31 March 2018
Revenue from continuing operations	7,156.9	7,004.1	7,218.5	27,928.4
Less : Excise Duty	-	-	734.9	734.9
<b>Revenue from continuing operations net of excise duty</b>	<b>7,156.9</b>	<b>7,004.1</b>	<b>6,483.6</b>	<b>27,193.5</b>
Revenue from discontinued operations	-	718.3	694.0	2,488.8
Less : Excise Duty	-	-	28.7	28.7
<b>Revenue from discontinued operations net of excise duty</b>	<b>-</b>	<b>718.3</b>	<b>665.3</b>	<b>2,460.1</b>

5. The shareholders of Akzo Nobel India Limited have approved on 18 December 2017 through postal ballot the sale Company's Specialty Chemicals Business as a going concern to an affiliate of the Akzo Nobel Group. The Company has since executed a Business Transfer Agreement ('BTA') dated 30 March 2018 and addendum thereto for transfer of the Business to Akzo Nobel Chemicals India Private Limited ('ANCIPL'). The Company has classified this business as discontinued operation in each of the previous period presented as follows :

Particulars	Quarter Ended		(Rs in Million)
	31 March 2018	30 June 2017	Year Ended 31 March 2018
Total income from operations	718.3	694.0	2,488.8
Total expenses	625.0	693.4	2,340.3
<b>Profit before income tax</b>	<b>93.3</b>	<b>0.6</b>	<b>148.5</b>
Income tax expense	39.3	(1.1)	62.0
<b>Profit after tax</b>	<b>54.0</b>	<b>1.7</b>	<b>86.5</b>
Profit on sale of Specialty chemicals business	2,442.0	-	2,442.0
Tax expense	579.6	-	579.6
<b>Profit after tax from sale of Specialty chemicals business</b>	<b>1,862.4</b>	<b>-</b>	<b>1,862.4</b>
<b>Profit for the period from discontinued operations</b>	<b>1,916.4</b>	<b>1.7</b>	<b>1,948.9</b>



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Signature

6. The company has concluded share buyback programme on 26 July 2018 after obtaining requisite approvals. Under the said programme, 1,120,000 shares have been bought back at a price of Rs 2,100 per share, at a cost of Rs 2,352.0 million plus transaction costs.
7. Effective 1 April 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method which is applied to contracts that were not completed before 31 March 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial results.
8. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Kolkata  
2 August 2018



  
Jayakumar Krishnaswamy  
Managing Director

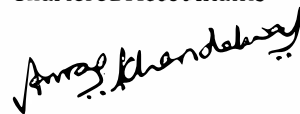


# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
Akzo Nobel India Limited  
DLF Epitome  
Building No.5, Tower A,  
20<sup>th</sup> Floor, DLF Cyber City Phase III,  
Gurugram- 122002  
Haryana, India

1. We have reviewed the unaudited financial results of Akzo Nobel India Limited (the "Company") for the quarter ended 30 June 2018 which are included in the accompanying Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2018 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The 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 the Statement based on our review.
2. 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 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.
3. 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants



Anurag Khandelwal  
Partner  
Membership Number: 078571

Place: Kolkata  
Date: 02 August 2018

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Gurgaon - 122 002  
T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

## Media release

Kolkata, August 2, 2018

### AkzoNobel India announces Q1 FY 2018-19 results

Today, the Board of Directors of Akzo Nobel India Limited approved the unaudited financial results for the quarter ended June 30, 2018.

#### Performance highlights

##### Q1 FY19 versus Q1 FY18

- **Revenue from operations** at ₹716 crore up 10% on a comparable basis
- **Profit after tax** at ₹44 crore up 11% on comparable basis

#### Comments

**Jayakumar Krishnaswamy, Managing Director, AkzoNobel India:**

- Business continued to progress well during the quarter, despite significant raw material headwinds.
- Reduction in GST rate for Paints from 28% to 18% is expected to drive demand. Benefits arising from rate reduction are being passed on to the customers.
- As part of making positive societal contributions to the communities in which we operate, AkzoNobel Paint Academy reached another milestone of training 2,500 youth. We also introduced an on-the-go training facility in the Vehicle Refinish area; a specially designed vehicle named Kaushal Vahan has been launched in Punjab to help local garage painters improve their painting skills. Based on the response, the initiative will be extended to other regions.

**About AkzoNobel:**

AkzoNobel has a passion for paint. We're experts in the proud craft of making paints and coatings, setting the standard in color and protection since 1792. Our world class portfolio of brands – including Dulux, International, Sikkens and Interpon – is trusted by customers around the globe. Headquartered in the Netherlands, we operate in over 80 countries and employ around 35,000 talented people who are passionate about delivering the high performance products and services our customers expect. The sale of our Specialty Chemicals business is expected to be completed by the end of 2018.

**About AkzoNobel India:**

AkzoNobel India has been present in India for over 60 years and is a significant player in the paints industry. In 2008, the company became a member of the AkzoNobel Group. With employee strength of over 1,800, AkzoNobel India has manufacturing sites, offices and a distribution network spread across the country. All manufacturing facilities have a state-of-the art environmental management system. Its commitment to Health, Safety, Environment & Security (HSE&S) has been among the best in class globally, with due care being taken to protect the people and the environment.

**Safe Harbour Statement:**

This press release may contain statements which address such key issues as AkzoNobel's growth strategy, future financial results, market positions, product development, products in the pipeline, and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecasted and actual results to differ materially from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures.

**Company Contacts**

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Perna Arun, [perna.arun@akzonobel.com](mailto:perna.arun@akzonobel.com); +91-124-4852400