

12 August 2016

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
Fax 022 22723121, 3719, 2037

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
Fax No 022 26598237/38

Dear Sir,

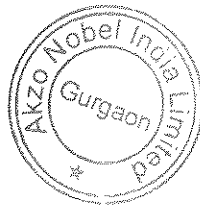
Un-audited Financial Results

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 2016.

Copy of the Un-audited Financial Results and the Press Release issued by the Company today are attached herewith.

Yours faithfully,
For Akzo Nobel India Limited


R Guha
Company Secretary



Encl: as above.

Press Release

AkzoNobel India announces Q1 FY 2016-17 results

Net Sales at ₹691 crore; up by 9.2%

Profit after tax ₹64.3 crore; up by 37.5%

Gurgaon, August 12, 2016

Today, the Board of Directors of AkzoNobel India Limited approved the unaudited financial results for the quarter ended June 30, 2016.

Performance highlights

AkzoNobel India Limited (Q1 FY17 versus Q1 FY16)

- **Net Sales** at ₹691.1 crore as compared to ₹633.0 crore of the corresponding quarter of the previous year; a QoQ growth of 9.2%
- **Operating Profit** at ₹84.6 crore as compared to ₹60.7 crore of the corresponding quarter of the previous year; a QoQ growth of 39.4%
- **Profit after tax** at ₹64.3 crore as compared to ₹46.8 crore of the corresponding quarter of the previous year; a QoQ growth of 37.5%

Comments

Jayakumar Krishnaswamy, Managing Director, Akzo Nobel India:

“Our financial performance this quarter has been positive and proves once again that we are growing consistently despite tough market conditions. With good monsoon rains and impending festive season, we expect a good offtake in the coming months.

In line with our growth plans, the Board of Directors today has approved, setting up a Powder Coating manufacturing facility in Mumbai, with an installed capacity of 7000 tons.”

About AkzoNobel India:

AkzoNobel creates everyday essentials to make people's lives more liveable and inspiring. As a leading global paints and coatings company and a major producer of specialty chemicals, we supply essential ingredients, essential protection and essential colour to industries and consumers worldwide. Backed by a pioneering heritage, our innovative products and sustainable technologies are designed to meet the growing demands of our fast-changing planet, while making life easier. Consistently ranked as a leader in sustainability, we are dedicated to energising cities and communities while creating a protected, colourful world where life is improved by what we do.

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. Our portfolio includes well-known brands such as Dulux, Sikkens, International and Interpon. With employee strength of close to 1,900, 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

Company Contacts:

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Country Communications, AkzoNobel India: Joya Ahluwalia, joya.ahluwalia@akzonobel.com; +91-124-4852400

Safe Harbour Statement:

This press release may contain statements which address such key issues as Akzo Nobel'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.

Akzo Nobel India Limited

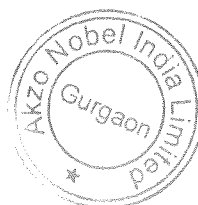
Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071

CIN: L24292WB1954PLC021516

Statement of unaudited Financial Results for the quarter ended 30 June 2016

(Rs. in Million)

Particulars	Quarter ended	
	30 June 2016	30 June 2015
	(Unaudited)	(Not subjected to review/audit)
1 Income from operations		
(a) Net Sales/Income from operations	7,669.1	7,020.7
Less:excise duty	757.6	690.6
Net sales/Income from Operations (net of excise duty)	6,911.5	6,330.1
(b) Other operating income	122.4	120.8
Total income from operations (net)	7,033.9	6,450.9
2 Expenses		
(a) Cost of materials consumed	3,180.4	2,974.8
(b) Purchase of stock-in-trade	924.1	522.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(189.1)	94.1
(d) Employee benefits expense	602.8	571.8
(e) Depreciation and amortisation expense	130.3	131.6
(f) Other expenses	1,539.0	1,549.1
Total expenses	6,187.5	5,843.9
3 Profit from operations before other income, finance costs and exceptional items (1-2)	846.4	607.0
4 Other Income	125.0	100.2
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	971.4	707.2
6 Finance costs	6.0	5.8
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	965.4	701.4
8 Exceptional items	-	-
9 Profit before tax (7+8)	965.4	701.4
10 Tax expense	322.8	233.9
11 Net profit for the period (9-10)	642.6	467.5
12 Other comprehensive expense/(income), net of income tax		
(a) Items that will not be reclassified to profit or loss	1.7	1.6
(b) Items that will be reclassified to profit or loss	-	-
Total other comprehensive expense/(income), net of income tax	1.7	1.6
13 Total comprehensive income for the period (11+12)	640.9	465.9
14 Paid - up equity share capital (Shares of Rs 10/- each)	466.6	466.6
15 Earnings per share (of Rs. 10 each) (not annualised) :		
(a) Basic	13.77	10.02
(b) Diluted	13.77	10.02



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Segment wise Revenue, Results, Assets & Liabilities and Capital Employed
Unaudited Financial Results for the quarter ended 30 June 2016

(Rs. in Million)

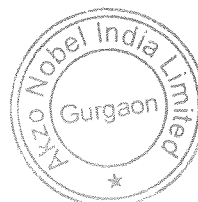
	Quarter ended	
	30 June 2016	30 June 2015
	(Unaudited)	(Not subjected to review/audit)
1 Segment Revenue (including other operating income)		
a) Coatings	6,310.5	6,054.4
b) Others	723.4	396.5
Total income from operations (net)	7,033.9	6,450.9
2 Segment Results [Profit before interest and tax from each segment]		
a) Coatings	785.9	606.2
b) Others	80.7	30.9
Total	866.6	637.1
Finance Cost	6.0	5.8
Other un-allocable income (net of un-allocable expenditure)	104.8	70.1
	965.4	701.4
Exceptional items	-	-
Profit before tax	965.4	701.4
3 (a) Segment Assets	As at 30 June 2016	As at 30 June 2015
a) Coatings	14,328.3	12,450.0
b) Others	1,298.9	852.4
Unallocated	5,663.4	5,473.5
Total	21,290.6	18,775.9
(b) Segment Liabilities		
a) Coatings	6,727.9	5,744.1
b) Others	744.8	278.1
Unallocated	1,697.9	1,813.5
Total	9,170.6	7,835.7
(c) Capital Employed (Segment Assets - Segment Liabilities)		
a) Coatings	7,600.4	6,705.9
b) Others	554.1	574.3
Unallocated	3,965.5	3,660.0
Total	12,120.0	10,940.2

Note :

- 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.

-"Unallocated" in Capital Employed includes un-allocable corporate assets, liabilities and investments.

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Unaudited Financial Results for the quarter ended 30 June 2016

Notes:

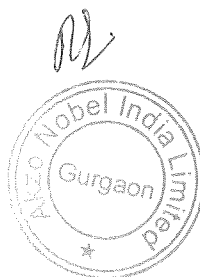
1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 12 August 2016.
2. The Statutory Auditor of the Company have reviewed the financial results for the quarter ended 30 June 2016. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1 April 2016, the Company has for the first time adopted Indian Accounting standards ("Ind AS") with a transition date of 1 April 2015. An unqualified report has been issued and the same is being filed with the Bombay and National Stock Exchanges, which is also available on the Company website- www.akzonobel.co.in.
3. The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 has been modified to comply with requirements of SEBI's Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
4. The Ind AS compliant corresponding figures for the quarter ended 30 June 2015 have not been subjected to limited review or audit. However, the Company's management has exercised necessary diligence to ensure that such financial results provide a true and fair view of its affairs.
5. The statement does not include the results for the preceding quarter and previous year ended 31 March 2016 as the same is not mandatory as per aforesaid SEBI circular dated 5 July 2016.
6. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS for the quarter ended 30 June 2015 is given below:

(Rs.in Million)	
Particulars	Total
Net Profit as per Indian GAAP	453.1
Adjustments	
Gain on fair value of investments in mutual funds	23.3
Deferred taxes	(9.7)
Others	0.8
Net Profit as per IND AS	467.5
Other Comprehensive Income (net of tax)	(1.6)
Total Comprehensive Income	465.9

7. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Gurgaon
12 August 2016


Jayakumar Krishnaswamy
Managing Director



Price Waterhouse Chartered Accountants LLP

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

1. We have reviewed the unaudited financial results of Akzo Nobel India Limited (the "Company") for the quarter ended June 30, 2016 which are included in the accompanying Statement of Unaudited Financial Results together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (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. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 1, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. 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 Ind AS 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.
5. We draw attention to the following matters:
 - a. Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
 - b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter ended on June 30, 2015 and accordingly, we do not express any conclusion on the results in the Statement for the quarter ended June 30, 2015. As set out in note 4 to the Statement, these figures have been furnished by the Management.



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Gurgaon - 122 002

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

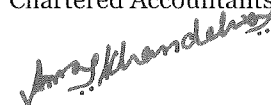
Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016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

- c. The unaudited financial results of the Company for the quarter ended June 30, 2015 prepared in accordance with Companies (Accounting Standards) Rules, 2006 (following the then Indian GAAP), were reviewed by another firm of chartered accountants who, vide their review report dated August 14, 2015, expressed an unmodified conclusion on those financial results. Accordingly, the net profit included in the reconciliation to the Company's Total Comprehensive Income for the quarter ended on June 30, 2015 is based on such financial results.

Our conclusion is not qualified in respect of these matters.

Place: Gurgaon
Date: August 12, 2016

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



Anurag Khandelwal
Partner
Membership Number 078571