AkzoNobel

10 May 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,

Outcome of Board Meeting held on 10 May 2018

The Board of Directors of Akzo Nobel India Limited, at its meeting held on May 10, 2018 considered and resolved the following:

1. Financial Results: Approved the Financial Results of the Company for the quarter and year ended March 31, 2018. Copy of the Financial Results and the Press Release issued by the Company today are enclosed herewith.

2. Dividend: Recommended dividend of Rs 22 (Rupees twenty two only) per equity share for the financial year 2017-18. This dividend will become due and payable after approval at the Annual General Meeting.

3. Annual General Meeting and Book Closure: Details will be notified in due course.

The meeting ended at 5:45 PM.

Yours faithfully
for Akzo Nobel India Limited

R Guha
Company Secretary

Encl: as above

DLF Epitome, Building No. 5, Tower A
20th Floor, DLF Cyber City, Phase III
Gurgaon - 122 002
Haryana, India

T +91 124 254 0400
F +91 124 254 0849
www.akzonobel.co.in

Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071
CIN: L24292WB1954PLC021516

Statement of standalone financial results for the quarter and twelve months ended 31 March 2018 and 31 March 2017

(Rs. in Million)

Particulars	Quarter ended			For the year ended	
	31 March 2018	31 December 2017	31 March 2017	31 March 2018	31 March 2017
	Refer Note 2	(Unaudited)	Refer Note 2	(Audited)	(Audited)
1 Income from operations					
(a) Revenue from operations	7,004.1	7,119.9	7,106.1	27,928.4	28,701.9
(b) Other Income	127.7	182.4	138.8	437.9	489.5
Total income from continuing operations	**7,131.8**	**7,302.3**	**7,244.9**	**28,366.3**	**29,191.4**
2 Expenses					
(a) Cost of materials consumed	3,899.4	2,980.7	3,251.7	13,208.4	12,095.0
(b) Purchase of stock-in-trade	534.7	258.9	549.6	1,808.0	1,957.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(414.1)	833.6	(357.6)	244.5	(166.3)
(d) Excise Duty	0.0	-	753.4	734.9	2,977.2
(e) Employee benefits expense	811.8	639.7	683.2	2,763.2	2,444.6
(f) Finance Costs	16.5	7.5	12.9	35.0	31.9
(g) Depreciation and amortisation expense	150.0	142.5	164.7	582.2	543.1
(h) Other expenses	1,473.3	1,417.4	1,478.6	6,178.0	6,109.0
Total expenses of continuing operations	**6,471.6**	**6,280.3**	**6,536.5**	**25,554.2**	**25,991.6**
3 Profit from continuing operations before exceptional items and tax(1-2)	**660.2**	**1,022.0**	**708.4**	**2,812.1**	**3,199.8**
4 Exceptional Items - Income	-	-	37.7	20.0	37.7
5 Profit before tax from continuing operations (3+4)	**660.2**	**1,022.0**	**746.1**	**2,832.1**	**3,237.5**
6 Tax expense					
(a) Current Tax (Net)	201.3	204.8	46.3	758.3	1,023.1
(b) Deferred Tax	(2.8)	20.3	13.6	16.7	(126.6)
7 Profit for the period from continuing operations (5-6)	**461.7**	**796.9**	**686.2**	**2,057.1**	**2,341.0**
8 Discontinued Operations (Refer Note 5)					
Profit before tax	93.3	45.2	51.9	148.2	186.1
Tax expense	39.3	15.8	11.6	62.5	56.7
Profit after tax	**54.0**	**29.4**	**40.3**	**85.7**	**129.4**
Profit on sale of chemicals business	2,442.4	-	-	2,442.4	-
Tax expense	579.5	-	-	579.5	-
Profit after tax from sale of chemicals business	**1,862.9**	-	-	**1,862.9**	-
Profit for the period from discontinued operation	**1,916.9**	**29.4**	**40.3**	**1,948.6**	**129.4**
9 Profit before tax for the period from combined operations	**3,195.9**	**1,067.2**	**798.0**	**5,422.7**	**3,423.6**
Tax expenses for the period from combined operations	817.3	240.9	71.5	1,417.0	953.2
Profit for the period from combined operations	**2,378.6**	**826.3**	**726.5**	**4,005.7**	**2,470.4**
10 Other comprehensive expense/(income), net of income tax from continuing operations					
(A) (i) Items that will not be reclassified to profit or loss	6.2	(48.8)	(60.8)	62.9	(107.3)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.2)	16.9	21.1	(21.8)	37.2
(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	-	-	-	-	-
11 Other comprehensive expense/(income), net of income tax from discontinued operations					
(A) (i) Items that will not be reclassified to profit or loss	(5.5)	4.5	(2.8)	(2.8)	(2.8)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1.9	(1.6)	1.0	1.0	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	-	-	-	-	-
12 Total comprehensive income for the period	2,379.0	**797.3**	**685.1**	**4,048.6**	**2,398.5**
(i) arising from continuing operations	465.7	765.0	646.5	2,098.2	2,270.9
(ii) arising from discontinued operations	1,913.3	32.3	38.6	1,950.4	127.6
13 Paid - up equity share capital (Shares of Rs 10 each)	466.6	466.6	466.6	466.6	466.6
14 Earnings per share (of Rs. 10 each) (not annualised) from continuing and discontinued operations:					
(a) Basic	**50.97**	**17.71**	**15.57**	**85.85**	**52.93**
(b) Diluted	**50.97**	**17.71**	**15.57**	**85.85**	**52.93**
Earnings per share (of Rs. 10 each) (not annualised) from continuing operations:					
(a) Basic	**9.89**	**17.08**	**14.71**	**44.08**	**50.17**
(b) Diluted	**9.89**	**17.08**	**14.71**	**44.08**	**50.17**
Earnings per share (of Rs. 10 each) (not annualised) from discontinued operations:					
(a) Basic	**41.08**	**0.63**	**0.86**	**41.77**	**2.76**
(b) Diluted	**41.08**	**0.63**	**0.86**	**41.77**	**2.76**

Akzo Nobel India Limited Gurgaon

Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071
CIN: L24292WB1954PLC021516
Standalone statement of Assets and Liabilities as at 31 March 2018

(Rs. Million)

Particulars	As at 31 March 2018 (Audited)	As at 31 March 2017 (Audited)
A ASSETS		
1 Non-current assets		
(a) Property, plant & equipment	5,287.6	5,076.4
(b) Capital work-in-progress	267.6	232.3
(c) Intangible assets	100.9	115.0
(d) Financial assets		
(i) Investments	717.1	662.6
(ii) Other bank balances	6.0	6.0
(iii Loans	3.4	4.8
(iv) Other financial assets	77.7	90.8
(e) Other non-current assets	559.2	632.5
Sub total - Non-current assets	**7,019.5**	**6,820.4**
2 Current assets		
(a) Inventories	3,508.1	4,054.3
(b) Financial assets		
(i) Investments	5,015.8	2,693.1
(ii) Trade receivables	3,952.9	4,120.5
(iii) Cash & cash equivalents	662.3	167.4
(iv) Bank balances other than (iii) above	179.3	173.0
(v) Loans	6.7	13.2
(vi) Other financial assets	172.3	112.8
(c) Other current assets	1,328.7	680.5
(d) Current tax assets (net)	467.1	-
Sub total - Current assets	**15,293.2**	**12,014.8**
TOTAL - ASSETS	**22,312.7**	**18,835.2**
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	466.6	466.6
(b) Other Equity	12,435.1	9,621.5
Sub total - Equity	**12,901.7**	**10,088.1**
LIABILITIES		
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	29.3	29.3
(ii) Other financial liabilities (other than those specified in item (i) above)	144.0	114.2
(b) Provisions	446.0	619.9
(c) Deferred tax liabilities (Net)	57.9	13.7
(d) Other non-current liabilities	47.0	45.7
Sub total - Non-current liabilities	**724.2**	**822.8**
3 Current liabilities		
(a) Financial Liabilities		
(i) Trade Payables		
- Due to micro and small enterprises	66.5	97.5
- Due to creditors other than micro and small enterprises	6,537.0	6,134.1
(ii) Other financial liabilities (other than those specified in item (i) above)	858.0	671.4
(b) Provisions	323.3	218.6
(c) Other current liabilities	902.0	720.3
(d) Current tax liabilities (Net)	-	82.4
Sub total - Current liabilities	**8,686.8**	**7,924.3**
TOTAL - EQUITY AND LIABILITIES	**22,312.7**	**18,835.2**

Akzo Nobel India Limited Gurgaon

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

(Rs. in Million)

	Particulars	Quarter ended			For the year ended	
		31 March 2018	31 December 2017	31 March 2017	31 March 2018	31 March 2017
		Refer Note 2	(Unaudited)	Refer Note 2	(Audited)	(Audited)
1	**Segment Revenue (including other operating revenue)**					
	a) Coatings	7,041.0	7,160.0	7,152.1	28,067.0	28,803.8
	b) Discontinued Operations	725.9	626.9	739.6	2,536.8	2,658.5
	Inter - segment elimination - Continued operations	(37.1)	(40.1)	(45.6)	(138.8)	(101.1)
	Inter - segment elimination- Discontinued operations	(7.6)	(9.4)	(8.7)	(48.0)	(17.4)
	Total	**7,722.2**	**7,737.4**	**7,837.4**	**30,417.0**	**31,343.8**
2	**Segment Results [Profit before interest, exceptional items and tax from each segment]**					
	a) Coatings	553.9	897.3	610.1	2,493.0	2,860.1
	b) Discontinued Operations	100.0	54.6	71.2	195.3	214.5
	Total	**653.9**	**951.9**	**681.3**	**2,688.3**	**3,074.6**
	Finance Cost	(16.5)	(7.5)	(12.9)	(35.0)	(31.9)
	Other un-allocable income (net of un-allocable expenditure)	116.1	122.8	90.9	307.0	342.2
	Profit on sale of chemicals business	2,442.4	-	-	2,442.4	-
		3,195.9	**1,067.2**	**759.3**	**5,402.7**	**3,384.9**
	Exceptional items - Income	-	-	38.7	20.0	38.7
	Profit before tax	**3,195.9**	**1,067.2**	**798.0**	**5,422.7**	**3,423.6**

		As at 31 March 2018	As at 31 December 2017	As at 31 March 2017
		(Audited)	(Unaudited)	(Audited)
3	**(a) Segment Assets**			
	a) Coatings	16,188.2	16,687.9	14,087.1
	b) Discontinued Operations	-	1,223.4	-
	c) Others	-	-	1,280.0
	d) Unallocated	6,125.1	1,906.8	3,468.1
	Total	**22,313.3**	**19,818.1**	**18,835.2**
	(b) Segment Liabilities			
	a) Coatings	8,474.6	7,896.9	7,058.5
	b) Discontinued Operations	-	592.9	-
	c) Others	-	-	870.6
	d) Unallocated	936.9	809.9	818.0
	Total	**9,411.5**	**9,299.7**	**8,747.1**
	(c) Capital Employed (Segment Assets - Segment Liabilities)			
	a) Coatings	7,713.6	8,791.0	7,028.6
	b) Discontinued Operations	-	630.5	-
	c) Others	-	-	409.4
	d) Unallocated	5,188.2	1,096.9	2,650.1
	Total	**12,901.8**	**10,518.4**	**10,088.1**

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.

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

Audited Financial Results (Standalone) for the quarter and year ended 31 March 2018

Notes:

1. The audited financial results (standalone) have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 10 May 2018.

2. The figures of the quarter ended 31 Mar 2018 and 31 Mar 2017 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial years.

3. The Board of Directors have recommended a dividend of Rs. 22 per share for the year ended 31 March 2018 (previous year Rs. 22 per share). The Dividend will be paid if approved by the shareholders at the forthcoming Annual General Meeting.

4. Exceptional items reported during the year ended 31 March 2018 and previous period represent write back of provisions no longer required relating to divested business. Profit from sale of Specialty Chemicals business has been disclosed as part of discontinued operation.

5. The auditors have expressed an unmodified opinion on the Audited Standalone Financial Statements of the Company for the financial year ended 31 Mar 2018 in terms of second proviso to Regulation 33(3)(d) of the Listing Regulations.

6. In accordance with Ind AS 18 on Revenue and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for quarter and year ended 31 March 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 quarter ended 31 December 2017 and 31 March 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-

(Rs in Million)

Particulars	Quarter ended			Year ended	
	31 March 2018	31 December 2017	31 March 2017	31 March 2018	31 March 2017
Revenue from continuing operations	7,004.1	7,119.9	7,106.1	27,928.4	28,701.9
Excise Duty	0.0	-	753.4	734.9	2,977.2
Revenue from continuing operations net of excise duty	**7,004.1**	**7,119.9**	**6,352.7**	**27,193.5**	**25,724.7**
Revenue from discontinued operations	718.3	617.5	730.9	2,488.8	2,641.1
Excise Duty	-	-	28.8	28.7	118.4
Revenue from discontinued operations net of excise duty	**718.3**	**617.5**	**702.1**	**2,460.1**	**2,522.7**

7. 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 these results. Relevant disclosures relating to such business are as follows -

Akzo Nobel India Limited Gurgaon

(Rs in Million)

Particulars	Quarter Ended			Year ended	
	31 March 2018	31 December 2017	31 March 2017	31 March 2018	31 March 2017
Total income from operations	711.4	619.8	732.2	2,484.8	2,641.0
Total expenses	606.6	574.6	671.8	2,336.4	2,455.3
Profit before income tax	**104.8**	**45.2**	**60.4**	**148.3**	**185.7**
Income tax expense	39.3	15.8	11.6	62.5	56.7
Profit after tax	**65.5**	**29.4**	**48.8**	**85.8**	**129.0**
Profit on sale of Specialty chemicals business	2,442.4	-	-	2,442.4	-
Tax expense	579.5	-	-	579.5	-
Profit after tax from sale of Specialty chemicals business	**1,862.9**	**-**	**-**	**1,862.9**	**-**
Profit for the period from discontinued operations	**1,928.4**	**29.4**	**48.8**	**1,948.7**	**129.0**

8. During the year ended 31 March 2018, the Company made certain changes in the assumptions relating to actuarial valuation to reflect changes in macro-economic and other relevant factors. Other comprehensive income for the year ended 31 March 2018 reflect the impact of this change.

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

Gurugram
10 May 2018

Akzo Nobel India Limited
Gurgaon

Jayakumar Krishnaswamy
Managing Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AKZO NOBEL INDIA LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of Akzo Nobel India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Gurugram

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its total comprehensive income (comprising profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in Paragraph 10(b) above that the back up of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Gurugram

i. The Company has disclosed the impact, if any, of pending litigations as at 31 March 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 27(a).

ii. The Company has long term contracts including derivative contracts as at 31 March 2018 for which there were no material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2018.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31 March 2018.

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

Anurag Khandelwal
Partner
Membership Number 078571

Place : Gurugram
Date : 10 May 2018

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Gurugram

Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071
CIN: L24292WB1954PLC021516

Consolidated statement of financial results for twelve months ended 31 March 2018 and 31 March 2017

(Rs. in Million)

Particulars	For the year ended	
	31 March 2018	31 March 2017
	(Audited)	(Audited)
1 Income from operations		
(a) Revenue from operations	27,928.4	28,701.9
(b) Other Income	437.9	489.5
Total income from continuing operations	**28,366.3**	**29,191.4**
2 Expenses		
(a) Cost of materials consumed	13,208.4	12,095.0
(b) Purchase of stock-in-trade	1,808.0	1,957.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	244.5	(166.3)
(d) Excise Duty	734.9	2,977.2
(e) Employee benefits expense	2,802.1	2,485.6
(f) Finance Costs	35.0	31.9
(g) Depreciation and amortisation expense	582.2	543.1
(h) Other expenses	6,143.6	6,068.0
Total expenses of continuing operations	**25,558.7**	**25,991.6**
3 Profit from continuing operations before exceptional items and tax(1-2)	**2,807.6**	**3,199.8**
4 Exceptional Items - Income	20.0	37.7
5 Profit before tax from continuing operations (3+4)	**2,827.6**	**3,237.5**
6 Tax expense		
(a) Current Tax (Net)	758.3	1,023.1
(b) Deferred Tax	16.7	(126.6)
7 Profit for the period from continuing operations (5-6)	**2,052.6**	**2,341.0**
8 Discontinued Operations (Refer Note 5)		
Profit before tax	148.4	185.9
Tax expense	62.5	56.7
Profit after tax	**85.9**	**129.2**
Profit on sale of chemicals business	2,442.4	-
Tax expense	579.5	-
Profit after tax from sale of chemicals business	**1,862.9**	-
Profit for the period from discontinued operation	**1,948.8**	**129.2**
9 Profit before tax for the period from combined operations	**5,418.4**	**3,423.4**
Tax expenses for the period from combined operations	1,417.0	953.2
Profit for the period from combined operations	**4,001.4**	**2,470.2**
10 Other comprehensive expense/(income), net of income tax from continuing operations		
(A) (i) Items that will not be reclassified to profit or loss	67.6	(107.3)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(21.8)	37.2
(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	-	-
11 Other comprehensive expense/(income), net of income tax from discontinued operations		
(A) (i) Items that will not be reclassified to profit or loss	(2.8)	(2.8)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1.0	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	-	-
12 Total comprehensive income for the period	**4,049.0**	**2,398.3**
(i) arising from continuing operations	2,098.4	2,270.9
(ii) arising from discontinued operations	1,950.6	127.4
13 Paid - up equity share capital (Shares of Rs 10 each)	466.6	466.6
14 Earnings per share (of Rs. 10 each) (not annualised) from continuing and discontinued operations:		
(a) Basic	**85.75**	**52.93**
(b) Diluted	**85.75**	**52.93**
Earnings per share (of Rs. 10 each) (not annualised) from continuing operations:		
(a) Basic	**43.98**	**50.17**
(b) Diluted	**43.98**	**50.17**
Earnings per share (of Rs. 10 each) (not annualised) from discontinued operations:		
(a) Basic	**41.77**	**2.76**
(b) Diluted	**41.77**	**2.76**

Akzo Nobel India Limited Gurgaon

Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071
CIN: L24292WB1954PLC021516
Consolidated statement of Assets and Liabilities as at 31 March 2018

(Rs. Million)

Particulars	As at 31 March 2018 (Audited)	As at 31 March 2017 (Audited)
A ASSETS		
1 Non-current assets		
(a) Property, plant & equipment	5,287.7	5,076.4
(b) Capital work-in-progress	267.8	232.3
(c) Intangible assets	101.0	115.0
(d) Financial assets		
(i) Investments	717.4	662.2
(ii) Other bank balances	6.0	6.0
(iii Loans	3.9	5.7
(iv) Other financial assets	77.9	91.1
(e) Other non-current assets	559.9	633.4
Sub total - Non-current assets	**7,021.6**	**6,822.1**
2 Current assets		
(a) Inventories	3,508.1	4,054.3
(b) Financial assets		
(i) Investments	5,015.9	2,693.1
(ii) Trade receivables	3,952.9	4,120.5
(iii) Cash & cash equivalents	688.8	175.2
(iv) Bank balances other than (iii) above	179.3	173.0
(v) Loans	6.8	13.2
(vi) Other financial assets	156.3	112.8
(c) Other current assets	1,329.0	680.9
(d) Current tax assets (net)	467.1	-
Sub total - Current assets	**15,304.2**	**12,023.0**
TOTAL - ASSETS	**22,325.8**	**18,845.1**

B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	466.6	466.6
(b) Other Equity	12,442.4	9,628.7
Sub total - Equity	**12,909.0**	**10,095.3**
LIABILITIES		
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	29.3	29.3
(ii) Other financial liabilities (other than those specified in item (i) above)	144.0	114.2
(b) Provisions	447.5	620.0
(c) Deferred tax liabilities (Net)	57.9	14.0
(d) Other non-current liabilities	47.0	45.9
Sub total - Non-current liabilities	**725.7**	**823.4**
3 Current liabilities		
(a) Financial Liabilities		
(i) Trade Payables		
- Due to micro and small enterprises	66.6	97.5
- Due to creditors other than micro and small enterprises	6,537.9	6,134.5
(ii) Other financial liabilities (other than those specified in item (i) above)	859.8	673.1
(b) Provisions	323.7	218.6
(c) Other current liabilities	903.1	720.3
(d) Current tax liabilities (Net)	-	82.4
Sub total - Current liabilities	**8,691.1**	**7,926.4**
TOTAL - EQUITY AND LIABILITIES	**22,325.8**	**18,845.1**

Akzo Nobel India Limited Gurgaon

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

Audited Financial Results (Consolidated) for the quarter and year ended 31 March 2018

Notes:

1. The audited financial results (consolidated) have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 10 May 2018.

2. The figures of the year ended 31 Mar 2018 and 31 Mar 2017 are audited figures in respect of the full financial years by consolidating the figures of ICI India Research & Technology Centre as required under Indian Accounting Standards ("Ind AS") 110.

3. The Board of Directors have recommended a dividend of Rs. 22 per share for the year ended 31 March 2018 (previous year Rs. 22 per share). The Dividend will be paid if approved by the shareholders at the forthcoming Annual General Meeting.

4. Exceptional items reported during the year ended 31 March 2018 and previous period represent write back of provisions no longer required relating to divested business. Profit from sale of Specialty chemicals business has been disclosed as part of discontinued operation.

5. The auditors have expressed an unmodified opinion on the Audited Consolidated Financial Statements of the Company for the financial year ended 31 Mar 2018 in terms of second proviso to Regulation 33(3)(d) of the Listing Regulations.

6. In accordance with Ind AS 18 on Revenue and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for quarter and year ended 31 March 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 quarter ended 31 December 2017 and 31 March 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-

(Rs in Million)

Particulars	Year ended	
	31 March 2018	31 March 2017
Revenue from continuing operations	27,928.4	28,701.9
Excise Duty	734.9	2,977.2
Revenue from continuing operations net of excise duty	**27,193.5**	**25,724.7**
Revenue from discontinued operations	2,488.8	2,641.1
Excise Duty	28.7	118.4
Revenue from discontinued operations net of excise duty	**2,460.1**	**2,522.7**

7. 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 these results. Relevant disclosures relating to such business are as follows -

Akzo Nobel India Limited Gurgaon

(Rs in Million)

Particulars	Year ended	
	31 March 2018	31 March 2017
Total income from operations	2,484.8	2,641.0
Total expenses	2,336.4	2,455.3
Profit before income tax	**148.4**	**185.7**
Income tax expense	62.5	56.7
Profit after tax	**85.9**	**129.0**
Profit on sale of Specialty chemicals business	2,442.4	-
Tax expense	579.5	-
Profit after tax from sale of Specialty chemicals business	**1,862.9**	**-**
Profit for the period from discontinued operations	**1,948.8**	**129.0**

8. During the year ended 31 March 2018, the Company made certain changes in the assumptions relating to actuarial valuation to reflect changes in macro-economic and other relevant factors. Other comprehensive income for the year ended 31 March 2018 reflect the impact of this change.

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

Gurugram
10 May 2018

Akzo Nobel India Limited Gurgaon

Jayakumar Krishnaswamy
Managing Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AKZO NOBEL INDIA LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Akzo Nobel India Limited (hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), (refer Note 37 to the attached consolidated financial statements), comprising the consolidated Balance Sheet as at 31 March 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS Financial Statements. 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Gurugram

considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS Financial Statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2018, and their consolidated total comprehensive income (comprising consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

   (b) In our opinion, proper books of account as required by law maintained by the Holding Company and its subsidiary included in the Group, including relevant records relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the subsidiary, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiary included in the Group, including relevant records relating to the preparation of the Consolidated Ind AS Financial Statements.

   (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in Paragraph 8(b) above that the back up of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Gurugram

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Ind AS Financial Statements disclose the impact, if any, of pending litigations as at 31 March 2018 on the consolidated financial position of the Group– Refer Note 27(a) to the Consolidated Ind AS Financial Statements.

ii. The Group has long term contracts including derivative contracts as at 31 March 2018 for which there were no material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2018. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India during the year ended 31 March 2018.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31 March 2018.

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

Anurag Khandelwal
Partner
Membership Number 078571

Place : Gurugram
Date : 10 May 2018

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Gurugram

Media release

Gurugram, May 10, 2018

Akzo Nobel India announces full year results for 2017-18

§	**Revenue from operations at ₹ 2,965 crore (PY: 2,825 crore)**
§	**Profit after Tax at ₹ 401 crore (PY: 247 crore)**

Today, the Board of Directors of Akzo Nobel India Limited approved the financial results for the quarter and the year ended March 31, 2018.

Performance highlights

Year ended 31 March 2018

- **Revenue** from operations was **₹ 2,965 crore** vs **₹ 2,825 crore** of the previous year on a comparable basis.
- **Profit after Tax** including Exceptional items was **Rs 401 cr** vs **₹ 247 crore** of the previous year.

Q4 FY18 versus Q4 FY17

- **Revenue** from operations was **₹ 772 crore** vs **₹ 705 crore** of the corresponding quarter of the previous year on a comparable basis;
- **PAT** was **₹ 238 crore** as compared to **₹ 73 crore** of the corresponding quarter of the previous year.

Comments

Amit Jain, Chairman, Akzo Nobel India:

"2017-18 has been a year of transformation for Akzo Nobel India following the separation of Specialty Chemicals business. A share buyback programme has been initiated for the benefit of the public shareholders of Akzo Nobel India Limited. In line with the company's Dividend policy, the Board has recommended of dividend of ₹ 22 per share (previous year ₹ 22 per share)."

Jayakumar Krishnaswamy, Managing Director, Akzo Nobel India:

"Operating in a challenging business environment, we have delivered improved performance both in terms of revenue and profit. Transition to GST and high raw material costs impacted business performance. We continued our focus on product innovations, operational excellence programs and commitment to sustainability.

Further, our Coatings manufacturing capacity was enhanced with commissioning of a new powder coating facility at Thane in February 2018."

Epitome, Tower A
20th Floor, DLF Cyber City
Phase – III, Gurugram -122 002
Haryana, India

T +91 124 2540400
F +91 124 2540849
www.akzonobel.co.in

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. For more information please visit www.akzonobel.com.

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. For more information please visit www.akzonobel.co.in.

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

Investor Relations, AkzoNobel India:
R Guha, investor.india@akzonobel.com; +91-124-2540400

Prerna Arun, Country Communications, AkzoNobel India
Contact: prerna.arun@akzonobel.com; +91-124-4852400