

Akzo Nobel India Limited**Registered Office : Gopalanji Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071****Financial Results for the quarter and year ended 31 March 2014**

(Rs. million)

PART I	Particulars	Quarter ended			Year ended	Year ended
		31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013
		(Unaudited)			(Audited)	(Audited)
1	Income from operations					
(a)	Net sales (net of excise duty)	6,012.9	6,439.3	5,248.7	23,717.1	21,797.4
(b)	Other operating income	103.4	123.7	157.9	462.0	522.4
	Total income from operations (net)	6,116.2	6,563.0	5,406.6	24,179.1	22,319.8
2	Expenses					
(a)	Cost of materials consumed	3,007.3	2,922.1	3,065.4	11,726.6	10,846.6
(b)	Purchase of stock-in-trade	732.4	861.0	467.8	2,204.1	1,988.9
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(287.4)	570.4	(472.6)	(149.1)	119.9
(d)	Employee benefits expense	463.5	497.5	417.4	1,839.9	1,752.3
(e)	Depreciation and amortisation expense	116.7	118.8	95.5	436.7	386.5
(f)	Other expenses	1,967.2	1,803.1	1,484.8	6,587.5	5,726.3
	Total expenses	5,599.7	6,282.9	5,008.3	22,897.8	20,820.5
3	Profit from operations before other income, finance costs and exceptional items (1-2)	516.5	300.1	395.7	1,481.5	1,499.3
4	Other income	225.5	43.2	311.9	566.9	1,381.2
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	742.0	343.3	807.6	2,048.4	2,880.5
6	Finance cost	1.8	3.8	74.2	14.7	89.3
7	Profit from ordinary activities before tax (5-6)	740.2	339.5	833.4	2,033.7	2,791.2
8	Tax expense	198.5	69.4	208.4	531.5	602.9
9	Net profit from ordinary activities after tax (7-8)	541.7	270.1	625.0	1,502.2	2,188.3
10	Paid-up equity share capital (ordinary shares of Rs 10/- each)	486.8	486.8	486.8	486.8	486.8
11	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				12,090.9	10,571.4
12	Basic and diluted Earnings per share (of Rs. 10 each) (not annualised)	11.72	5.79	13.38	32.18	46.49

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Akzo Nobel India Limited**Registered Office : Gdattaniali Apartment, 1st Floor, E-B Middleton Street, Kolkata -700071****Financial Results for the quarter and year ended 31 March 2014****PART II:**

Particulars	Quarter ended			Year ended	Year ended
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013
	(Unaudited)			(Audited)	(Audited)

A PARTICULARS OF SHAREHOLDING**1 Public shareholding**

- Number of shares

- Percentage of shareholding

12,615,979	12,615,979	12,615,979	12,615,979	12,615,979
27.04%	27.04%	27.04%	27.04%	27.04%

2 Promoter and Promoter Group Shareholding**a) Pledged/ Encumbered**

- Number of shares

- Percentage of shares (as a % of the total shareholding of promoter and promoter group)

- Percentage of shares (as a % of the total share capital of the company)

b) Non-encumbered

- Number of shares

- Percentage of shares (as a % of the total shareholding of promoter and promoter group)

- Percentage of shares (as a % of the total share capital of the company)

-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
34,044,335	34,044,335	34,044,335	34,044,335	34,044,335
100%	100%	100%	100%	100%
72.96%	72.96%	72.96%	72.96%	72.96%

B PARTICULARS OF INVESTOR COMPLAINTS

	Quarter ended 31 March 2014
Pending at the beginning of the quarter	1
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	1

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Akzo Nobel India LimitedRegistered Office : Gaganjall Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071**Statement of Assets and Liabilities as at 31 March 2014**

(Rs. million)

Particulars	As at 31 March 2014 (Audited)	As at 31 March 2013 (Audited)
A' EQUITY AND LIABILITIES		
1 Shareholders' Funds		
(a) Share capital	466.8	466.8
(b) Reserves and surplus	8,010.9	10,585.7
Sub total - Shareholder's funds	8,477.6	11,052.3
2 Non-current liabilities		
(a) Deferred tax liabilities (net)	120.6	46.7
(b) Other long-term liabilities	143.0	190.3
(c) Long-term provisions	674.4	618.5
Sub total - Non-current liabilities	938.0	855.5
3 Current liabilities		
(a) Trade payables	4,926.5	4,784.8
(b) Other current liabilities	1,174.7	1,171.2
(c) Short-term provisions	4,872.2	5,108.1
Sub total - Current liabilities	10,973.4	11,144.1
TOTAL - EQUITY AND LIABILITIES	20,388.9	23,051.9
B ASSETS		
1 Non-current assets		
(a) Fixed assets	5,331.3	4,604.8
(b) Non-current investments	499.0	2,699.9
(c) Long term loans and advances	1,032.2	901.2
(d) Other non-current assets	18.0	16.0
Sub total - Non-current assets	6,881.4	8,221.9
2 Current assets		
(a) Current investments	5,798.3	6,771.7
(b) Inventories	3,242.1	3,149.4
(c) Trade receivables	3,075.5	2,515.6
(d) Cash and cash equivalents	722.1	806.8
(e) Short term loans and advances	513.5	1,291.3
(f) Other current assets	168.0	245.2
Sub total - Current assets	13,607.6	14,830.0
TOTAL - ASSETS	20,388.9	23,051.9

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Akzo Nobel India Limited**Registered Office : Gaganjali Apartment, 1st Floor, 8-B, Middleton Street, Kolkata - 700071****Segment wise Revenue, Results and Capital Employed
For the quarter and year ended 31 March 2014**

(Rs. million)

	Quarter ended			Year ended	Year ended
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013
	(Unaudited)			(Audited)	(Audited)
1 Segment Revenue					
a) Coatings	5,864.0	6,345.7	5,178.7	23,242.9	21,425.4
b) Others	252.2	217.3	225.3	936.2	884.4
Total income from operations (net)	5,116.2	6,563.0	5,404.0	24,179.1	22,319.8
2 Segment Results (Profit before interest and tax from each segment)					
a) Coatings	490.0	318.7	584.6	1,472.9	1,644.2
b) Others	28.3	3.2	63.0	103.0	144.2
Total	518.3	321.9	627.6	1,575.9	1,788.4
Interest expense	1.8	3.8	74.2	14.7	89.3
Other un-allocable income net of (un-allocable expenditure)	223.7	21.4	280.0	472.6	1,082.1
Profit before tax	740.2	335.5	833.4	2,033.7	2,791.2
3 Capital Employed (Segment Assets - Segment Liabilities)					
	As at 31 Dec 2013			As at 31 Mar 2014	As at 31 Mar 2013
a) Coatings	5,941.8			6,865.2	5,306.8
b) Others	828.8			644.8	607.3
Unallocated	8,439.2			1,167.4	5,136.4
Total	12,007.6			8,477.5	11,052.3

Notes:

- Segment Revenue, Results and Capital Employed figures include the respective amounts identifiable to each of the segments. Other un-allocable items 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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Akzo Nobel India Limited**Registered Office: Cectanjali Apartment, 1st Floor, 8B Middleton Street, Kolkata - 700 071.****Financial Results for the quarter and year ended 31 March 2014****Notes:**

1. The above results have been approved by the Audit Committee and the Board of Directors at their meetings held on 16 May 2014.
2. The Statutory Auditors of the Company have audited the financial results for the year ended 31 March 2014. The figures for the quarter ended 31 March 2014, 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. An unqualified report has been issued and the same is being filed with the Bombay and National Stock Exchanges.
3. Other expenses for the current quarter include a reversal of Rs. 71 million which was charged to the financial results for the quarter ended 31 December 2013 in respect of certain services received during the calendar year 2013. On the basis of agreement with the service provider, the charge for 2013 has been reversed in the current quarter. This does not impact the financial results for the year.
4. The Board of Directors has recommended a dividend of Rs. 15.00 per share for the year ended 31 March 2014 (previous year: Rs. 20.00 per share). In addition, the Board has also recommended a special dividend of Rs. 60.00 per share (previous year: Rs. 60.00 per share). The dividend will be paid after the approval of the shareholders at the forthcoming Annual General Meeting.
5. Previous year/ period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current year/ period figures.

New Delhi
16 May 2014


Jayakumar Krishnaswamy
Managing Director



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B S R & Associates LLP

Chartered Accountants

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Independent Auditors' Report
To the Board of Directors
Akzo Nobel India Limited

1. We have audited the accompanying statement of annual Financial Results ('Statement') of Akzo Nobel India Limited ('the Company') for the year ended 31 March 2014, attached herewith, being submitted by the Company pursuant to the requirements of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2014 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 upto the end of third quarter of the relevant financial year. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.
2. These financial results have been prepared by the Company on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared accordance with the recognition and measurement principles laid down in Accounting Standards notified under Companies Act, 1956 ("the Act") read with the General Circular 15/2003 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.
3. 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 misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. In our opinion and to the best of our information and according to the explanations given to us, these financial results:
 - (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement 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 2014.



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Further, we report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement, and found the same to be in accordance therewith.

For B S R & Associates LLP*Chartered Accountants*

ICAI Firm registration number: 116231W

**Rakesh Dewan***Partner*

Membership No.: 092212

Place: Gurgaon

Date: 16 May 2014

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AkzoNobel India Limited
Country Communications



Press Release

AkzoNobel India completes sixty years

**Rewards shareholders with a special dividend of 60 rupees per share
plus a normal dividend of 15 rupees per share**

Performance Highlights

Q4 FY 2013-2014

Revenue grew 13% to 612 crore rupees

Profit from operations rose 30% to 52 crore rupees

New Delhi, May 16, 2014

Today, the Board of Directors of Akzo Nobel India Limited approved the audited financial results of the company for the financial year ended March 31, 2014.

The board has recommended a dividend of 15 rupees per share along with a special dividend of 60 rupees per share; which still leaves adequate surplus cash to support the future growth plans of the company.

Business performance highlights

AkzoNobel India Limited (Q4 FY 2013-14)

- ✓ **Total revenue from operations** is at 612 crore rupees as compared to 540 crore rupees of the corresponding quarter of the previous year.
- ✓ **Profit from operations** is at 52 crore rupees as compared to 40 crore rupees of the corresponding quarter of the previous year.
- ✓ **Profit after tax (PAT)** is at 55 crore rupees as compared to 62 crore rupees of the corresponding quarter of the previous year.

AkzoNobel India Limited (FY 2013-14)

- ✓ **Total revenue from operations** is at 2418 crore rupees as compared to 2232 crore rupees of the previous year.
- ✓ **Profit from operations** is at 148 crore rupees as compared to 150 crore rupees of the previous year, impacted by rupee depreciation.
- ✓ **Profit after tax (PAT)** is at 150 crore rupees as compared to 219 crore rupees of the previous year, due to reduction in Investment Income following last year's special dividend and one-off interest on tax refunds.

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AkzoNobel**Comments:****Nihal Kaviratne, CBE, Chairman, AkzoNobel India:**

"AkzoNobel India has just completed 60 years of service to its customers. And, in this spirit of celebration, I am delighted to announce that the Board has recommended a special dividend of 60 rupees per share, over and above the normal dividend of 15 rupees per share. Our cash reserves remain strong and robust, allowing us to reward our shareholders. I continue to be thankful to them for their ongoing support and encouragement."

Jayakumar Krishnaswamy, Managing Director, AkzoNobel India:

"Despite tough market conditions in FY 2013-14, it is gratifying to see the company recording a revenue growth of 9%. After absorbing cost pressures due to rupee depreciation, particularly in mid-2013, and continuing investment in brands and capability building, the operating profit has been sustained at previous year's level. PAT for the full year however declined mainly due to drop in investment income and one-off items included in the previous year."

"We have also commissioned a factory at Gwalior, manufacturing water-borne decorative paints. Established at an investment of 140 crore rupees, this factory has enhanced our company's production capacity by 30%."

"One of our products (Dulux Superclean), launched last year has been accorded the status of 'Product of the year 2014'. Innovation and sustainability continue to underline all our efforts in AkzoNobel India."

About AkzoNobel India:

Present in India for 60 years and a significant player in the paints industry. Over the years, it has witnessed sustained expansion, growth and transformation. In 2008, Akzo Nobel N.V. became owner of the entire equity share capital of Imperial Chemical Industries Ltd., by virtue of which the company became a member of the AkzoNobel Group.

AkzoNobel India manufactures and markets a wide range of coatings covering Decorative paints, Protective coatings and Specialty Chemicals. We provide solutions to many industries and sectors including automotive, consumer electronics, power, aviation, shipping and leisure craft, construction, oil and gas, water and waste water, food and beverages, etc.

We supply industries and consumer with innovative products and are passionate about developing sustainable answers for our customers. Our portfolio includes well-known brands such as Dulux, Sikkens, International and Interpon. With employee strength of close to 1800, AkzoNobel India has manufacturing sites, offices and distribution network spread across the country. All manufacturing facilities have state-of-art environmental management system. Its commitment to Health, Safety, Environment & Security (HSE&S) has been amongst the best in class globally, with due care being taken to protect the people and the environment.

Company Contacts:

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Safe Harbour Statement:

This press release contains 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 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.