

18 May 2017

The Secretary
BSE Limited
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

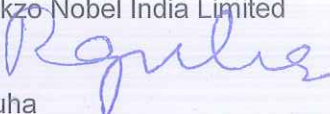
Dear Sir,

Outcome of Board Meeting held on 18 May 2017

The Board of Directors of Akzo Nobel India Limited, at its meeting held on May 18, 2017 considered and resolved the following:

- 1. Financial Results:** Approved the Financial Results of the Company for the quarter and year ended March 31, 2017. 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) per equity share for the financial year 2016-17. 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.

Yours faithfully
for Akzo Nobel India Limited


R Guha
Company Secretary
Camp: Mumbai



Encl: as above

Media release

Mumbai, May 18, 2017

AkzoNobel India announces full year results for 2016-17

Year ended 31 March 2017

- § **Total revenue grew to ₹ 3134 crore; up 7%**
- § **Profit after tax at ₹ 247 crore: up 15%**

Today, the Board of Directors of Akzo Nobel India Limited approved the financial results for the quarter and the year ended March 31, 2017.

Performance highlights

Year ended 31 March 2017

- **Total revenue at ₹ 3134 crore** as compared to **₹ 2935 crore** of the previous year; represents a **YoY growth** of 7%
- **Profit after tax at ₹ 247 crore** as compared to previous year's **₹ 214 crore** of the previous year represents **YoY growth** of 15%

Q4 FY17 versus Q4 FY16

- **Total revenue at ₹ 782 crore** as compared to **₹ 711 crore** of the corresponding quarter of the previous year; represents a **QoQ growth** of 10%
- **Profit after tax at ₹ 73 crore** as compared to **₹ 61 crore** of the corresponding quarter of the previous year represents a 18% increase

Comments

Nihal Kaviratne CBE, Chairman, AkzoNobel India:

"It has been a record for AkzoNobel India with the company crossing the ₹ 3000 crore mark in revenue and achieving ₹ 342 crore as PBT from operations. In line with the company performance and its Dividend policy, the Board has recommended an enhanced dividend of ₹ 22 per share."

Jayakumar Krishnaswamy, Managing Director, AkzoNobel India:

"We have sprung back after demonetisation with both Coatings and Chemicals segments recording strong volume growth which is reflected in the full year's revenue growth and underlying business profitability. In line with our commitment to our shareholders, we have been able to deliver sustained profit growth during the year through investment in innovation, operational excellence programs and continued focus on sustainability and contribution to the society."

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He added: “As part of our Human Cities initiative, AkzoNobel is committed to making a difference in the communities we operate in. We have been focussing on education of underprivileged children and skill development of youth. Incidentally, this is also a thrust area of the Government of India under the Skill India initiative. Last year, the AkzoNobel Paint Academy reached a significant milestone of training over 500 youth. The first batch of trainees in VR (Vehicle Refinishes) has been placed with various body shops across Mumbai.”

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

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, Country Communications, AkzoNobel India
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Akzo Nobel India Limited

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

CIN: L24292WB1954PLC021516

Statement of financial results for the quarter and twelve months ended 31 March 2017 and 31 March 2016

(Rs. Million)

Particulars	Standalone					Consolidated	
	For the quarter ended			For the year ended		For the year ended	
	31.3.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	31.03.2017 (Audited)	31.03.2016 (Audited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1 Income from Operations							
(a) Sales/Income from operations	7,771.6	8,063.5	7,079.2	31,099.1	29,107.9	31,099.2	29,107.9
(b) Other Operating Income	44.2	66.6	34.9	244.7	239.0	244.6	239.0
Total income from operations	7,815.8	8,130.1	7,114.1	31,343.8	29,346.9	31,343.8	29,346.9
2 Expenses							
(a) Cost of Materials consumed	3,422.8	2,742.1	3,213.7	12,744.7	12,139.1	12,744.7	12,139.1
(b) Purchase of stock-in-trade	1,130.7	549.3	874.7	3,317.5	2,667.0	3,317.5	2,667.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(563.9)	859.5	(529.1)	(236.5)	57.1	(236.5)	57.1
(d) Excise Duty	781.7	823.8	722.3	3,095.0	2,946.0	3,095.0	2,946.0
(e) Employee benefits expense	717.2	592.4	530.7	2,583.8	2,325.2	2,624.5	2,360.0
(f) Depreciation and amortisation expense	167.6	133.1	133.5	565.1	536.5	565.1	536.5
(g) Other expenses	1,556.3	1,522.8	1,425.9	6,350.5	6,177.8	6,309.8	6,143.1
Total expenses	7,212.4	7,223.0	6,371.7	28,420.1	26,848.7	28,420.1	26,848.7
3 Profit from operations before other income, finance costs and exceptional items (1-2)	603.4	907.1	742.4	2,923.7	2,498.2	2,923.7	2,498.2
4 Other Income	168.8	91.6	202.1	493.1	567.3	493.1	567.3
5 Profit before finance costs and exceptional items (3+4)	772.2	998.7	944.5	3,416.8	3,065.5	3,416.8	3,065.5
6 Finance Costs	12.9	8.8	7.5	31.9	22.1	31.9	22.1
7 Profit after finance costs but before exceptional items (5-6)	759.3	989.9	937.0	3,384.9	3,043.4	3,384.9	3,043.4
8 Exceptional Items - Income	38.7	-	-	38.7	99.0	38.7	99.0
9 Profit before tax (7+8)	798.0	989.9	937.0	3,423.6	3,142.4	3,423.6	3,142.4
10 Tax expense	71.6	304.2	322.1	953.4	1,000.5	953.4	1,000.5
11 Net profit for the period (9-10)	726.4	685.7	614.9	2,470.0	2,141.9	2,470.2	2,141.9
12 Other comprehensive expense/(income), net of income tax							
(a) Items that will not be reclassified to profit or loss	41.5	26.8	17.9	71.9	22.9	71.9	23.4
(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-
13 Total other comprehensive expense/(income), net of income tax	684.9	658.9	597.0	2,398.1	2,119.0	2,398.3	2,119.0
14 Paid - up equity share capital (Shares of Rs 10/- each)	466.6	466.6	466.6	466.6	466.6	466.6	466.6
15 Earnings per share (of Rs. 10 each) (not annualised) :							
(a) Basic	15.6	14.7	13.2	52.9	45.9	52.9	45.9
(b) Diluted	15.6	14.7	13.2	52.9	45.9	52.9	45.9

Akzo Nobel India Limited

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CIN: L24292WB1954PLC021516

Statement of Assets and Liabilities as at 31 March 2017

Particulars	Standalone		Consolidated	
	As at	As at	As at	As at
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	(Audited)	(Audited)	(Audited)	(Audited)
A ASSETS				
1 Non-current assets				
(a) Property, plant & equipment	5,076.4	5,229.0	5,075.9	5,228.8
(b) Capital work-in-progress	232.3	89.0	232.3	89.5
(c) Other intangible assets	115.0	-	115.0	-
(i) Investments	662.6	623.0	662.6	622.5
(ii) Other bank balances	-	5.0	-	5.0
(iii) Loans	4.8	19.0	5.7	20.0
(iv) Other financial assets	90.8	93.7	90.9	93.7
(d) Other non-current assets	632.5	558.2	632.5	558.6
Sub total - Non-current assets	6,814.4	6,616.9	6,814.9	6,618.0
2 Current assets				
(a) Inventories	4,054.3	3,609.0	4,054.3	3,608.6
(b) Financial assets				
(i) Investments	2,893.1	5,381.5	2,893.1	5,381.5
(ii) Trade receivables	4,120.5	3,522.3	4,120.5	3,522.3
(iii) Cash & cash equivalents	167.4	407.0	175.2	416.3
(iv) Bank balances other than (iii) above	179.0	144.0	179.0	144.0
(v) Loans	13.2	7.8	13.2	8.1
(vi) Other financial assets	112.8	194.5	112.8	192.1
(c) Other current assets	680.5	551.5	680.5	551.5
Sub total - Current assets	12,020.8	13,817.6	12,028.6	13,824.4
TOTAL - ASSETS	18,835.2	20,434.5	18,843.5	20,442.4
B EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	466.6	466.6	466.6	466.6
(b) Other Equity	9,621.5	11,157.5	9,628.5	11,165.0
Sub total - Equity	10,088.1	11,624.1	10,095.1	11,631.6
LIABILITIES				
2 Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	26.4	26.4	26.4	26.4
(ii) Other financial liabilities (other than those specified in item (i) above)	114.2	103.4	114.2	103.4
(b) Provisions	619.5	508.8	619.5	509.0
(c) Deferred tax liabilities (Net)	13.7	185.8	13.7	186.0
(d) Other non-current liabilities	45.7	54.5	45.7	54.0
Sub total - Non-current liabilities	819.5	878.9	819.5	878.8
3 Current liabilities				
(a) Financial Liabilities				
(i) Trade Payables	6,232.0	5,890.0	6,231.9	5,890.0
(ii) Other financial liabilities (other than those specified in item (i) above)	674.3	699.2	675.6	700.0
(b) Other current liabilities	720.3	863.0	720.3	863.0
(c) Provisions	218.5	282.3	218.6	282.0
(d) Current tax liabilities (Net)	82.4	197.0	82.4	197.0
Sub total - Current liabilities	7,927.5	7,931.5	7,928.8	7,932.0
TOTAL - EQUITY AND LIABILITIES	18,835.2	20,434.5	18,843.5	20,442.4

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

(Rs. Million)

Standalone					Consolidated	
For the quarter ended			For the year ended		For the year ended	
31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)

1 Segment Revenue (Including other operating income)

- a) Coatings
b) Others

Total Income from operations

7,084.6	7,527.6	6,558.3	28,702.6	27,381.8	28,702.6	27,381.8
731.1	602.5	556.0	2,641.2	1,965.1	2,641.2	1,965.1
7,815.8	8,130.1	7,114.1	31,343.8	29,346.9	31,343.8	29,346.9

2 Segment Results [Profit before interest and tax from each segment]

- a) Coatings
b) Others

Total

Finance Cost

Other un-allocable income (net of un-allocable expenditure)

610.1	901.7	779.2	2,860.1	2,543.0	2,860.1	2,543.0
71.2	24.4	48.9	214.5	151.7	214.5	151.7
681.3	926.1	828.1	3,074.6	2,694.7	3,074.6	2,694.7
12.9	8.8	7.8	31.9	22.3	31.9	22.3
90.9	72.6	116.7	342.2	371.0	342.2	371.0
759.3	989.9	937.0	3,384.9	3,043.4	3,384.9	3,043.4
38.7	-	-	38.7	99.0	38.7	99.0
798.0	989.9	937.0	3,423.6	3,142.4	3,423.6	3,142.4

Exceptional Items - Income

Profit before tax

3 (a) Segment Assets

- a) Coatings
b) Others
Unallocated
Total

Standalone		
As at 31.03.2017	As at 31.12.2016	As at 31.03.2016
14,087.1	13,183.5	14,426.3
1,280.0	1,158.6	1,218.5
3,468.9	3,242.0	4,789.8
18,836.0	17,584.1	20,434.6

Consolidated	
As at 31.03.2017	As at 31.03.2016
14086.6	14424.3
1278.5	1217.5
3479.9	4800.0
18845.0	20441.8

(b) Segment Liabilities

- a) Coatings
b) Others
Unallocated
Total

7,058.5	6,399.0	6,913.3
870.6	559.4	565.4
817.3	1,308.4	1,330.5
8,746.4	8,266.8	8,809.2

7058.5	6913.3
870.6	565.4
821.3	1330.5
8750.4	8809.2

(c) Capital Employed (Segment Assets - Segment Liabilities)

- a) Coatings
b) Others
Unallocated
Total

7,028.6	6,784.5	7,513.0
409.4	599.2	653.1
2,651.6	1,933.6	3,459.3
10,089.6	9,317.3	11,625.4

7028.1	7511.0
407.9	652.1
2658.6	3469.5
10094.6	11632.6

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. Exceptional items - Income is classified as unallocable

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

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Audited Financial Results (Standalone & Consolidated) for the quarter and year ended 31 March 2017

Notes:

1. The Company has adopted Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs with effect from 1 April 2016. Accordingly, the financial results for the quarter and year ended 31 March 2017 are in compliance with Ind AS and other relevant provisions of the Companies Act 2013.
2. The audited financial results (standalone & consolidated) have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 18 May 2017.
- 3a. Standalone Financials
The figures of the quarter ended 31 Mar 2017 and 31 Mar 2016 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 year.
- 3b. Consolidated Financials
The figures of the year ended 31 Mar 2017 and 31 Mar 2016 are audited figures in respect of the full financial year by consolidating the figures of ICI Research & Technology Centre as required under Ind AS 110.
4. The Board of Directors have recommended a dividend of Rs.22 per share for the year ended 31 March 2017 (previous year: Rs. 70.00 per share including a special dividend of Rs. 50.00 per share). The dividend will be paid after the approval of the shareholders at the forthcoming Annual General Meeting.
5. Exceptional items reported in the previous period include adjustment of provisions relating to the divested businesses.
6. During the quarter, the tax expense includes reversal of earlier year's excess tax provision on account of a tax refund order for Assessment Year 1996-1997; tax impact on account of restatement previous period figures and impact of deferred tax.
7. The auditors have expressed an unmodified opinion on the Audited standalone Financial Results of the Company for the financial year ended 31 Mar 2017 in terms of second proviso to Regulation 33(3)(d) of the Listing Regulations.
8. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS for the quarter and year ended 31 March 2016 is given below:

(Rs million)

Particulars	Standalone		Consolidated
	Quarter Ended 31.03.2016	Year Ended 31.03.2016	Year Ended 31.03.2016
Net profit as per IGAAP	526	2,021	2,021
Adjustments			
Fair Value of Investments	72	118	118
Deferred Taxes	(36)	(23)	(23)
Others	52	24	24
Net profit as per Ind AS	615	2,141	2,142
Other Comprehensive Expense (Net of Tax)	18	23	23
Total comprehensive Income	597	2,119	2,119

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

Place: Mumbai

Date: 18 May 2017

Jayakumar Krishnaswamy
Managing Director