

01 February 2019

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

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

Dear Sir,

Un-audited Financial Results

This is to inform you that the Board of Directors of Akzo Nobel India Limited in its meeting held today has approved the Un-audited Financial Results of the Company for the quarter ended 31 December 2018.

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

The meeting ended at 5:50 PM.

Yours faithfully,
For Akzo Nobel India Limited

Regular

RGuha
Company Secretary

Encl: as above.

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31 December 2018

(Rs. in Million)

Particulars	Quarter ended			Nine months ended		For the year ended 31 March 2018
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations						
(a) Revenue from operations	7,832.8	7,138.0	7,119.9	22,127.7	20,924.3	27,928.4
(b) Other Income	97.9	80.8	182.4	270.1	310.2	437.9
Total income from continuing operations	7,930.7	7,218.8	7,302.3	22,397.8	21,234.5	28,366.3
2 Expenses						
(a) Cost of materials consumed	3,527.0	3,709.9	2,980.7	11,086.1	9,309.0	13,208.4
(b) Purchase of stock-in-trade	465.4	621.8	258.9	1,460.0	1,273.3	1,808.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	663.2	(260.5)	833.6	319.9	658.6	244.5
(d) Excise Duty	-	-	-	-	734.9	734.9
(e) Employee benefits expense	627.8	674.8	639.7	2,051.8	1,951.4	2,763.2
(f) Finance Costs	23.3	4.7	7.5	36.9	18.5	35.0
(g) Depreciation and amortisation expense	165.0	153.0	142.5	466.8	432.2	582.2
(h) Other expenses	1,537.7	1,740.0	1,417.4	4,821.7	4,704.7	6,178.0
Total expenses of continuing operations	7,009.4	6,643.7	6,280.3	20,243.2	19,082.6	25,554.2
3 Profit from continuing operations before exceptional items and tax (1-2)	921.3	575.1	1,022.0	2,154.6	2,151.9	2,812.1
4 Exceptional Items - Income	2.0	4.5	-	6.5	20.0	20.0
5 Profit before tax from continuing operations (3+4)	923.3	579.6	1,022.0	2,161.1	2,171.9	2,832.1
6 Tax expense						
(a) Current Tax (Net)	327.2	226.2	204.8	802.0	557.0	758.3
(b) Deferred Tax	(7.7)	(14.1)	20.3	(47.3)	19.5	16.7
7 Profit for the period from continuing operations (5-6)	603.8	367.5	796.9	1,406.4	1,595.4	2,057.1
8 Profit from discontinued operations (Refer Note 4)						
Profit before tax	-	-	45.2	-	54.9	148.5
Tax expense	-	-	15.8	-	23.2	62.0
Profit after tax	-	-	29.4	-	31.7	86.5
Profit on sale of chemicals business	-	-	-	-	-	2,442.0
Tax expense	-	-	-	-	-	579.6
Profit after tax from sale of chemicals business	-	-	-	-	-	1,862.4
Profit for the period from discontinued operation	-	-	29.4	-	31.7	1,948.9
9 Profit before tax for the period from continuing and discontinued operations	923.3	579.6	1,067.2	2,161.1	2,226.8	5,422.6
Tax expenses	319.5	212.1	240.9	754.7	599.7	1,416.6
Profit for the period from continuing and discontinued operations	603.8	367.5	826.3	1,406.4	1,627.1	4,006.0
10 Other comprehensive (expense) income, net of income tax from continuing operations						
(A) (i) Items that will not be reclassified to profit or loss	(15.4)	(0.5)	(48.8)	(24.0)	56.7	62.9
(ii) Income tax relating to items that will not be reclassified to profit or loss	5.4	0.2	16.9	8.4	(19.6)	(21.8)
(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
11 Other comprehensive (expense) income, net of income tax from discontinued operations						
(A) (i) Items that will not be reclassified to profit or loss	-	-	4.5	-	2.7	2.8
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	(1.6)	-	(0.9)	(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	593.8	367.2	797.3	1,390.8	1,666.0	4,048.9
(a) arising from continuing operations	593.8	367.2	765.0	1,390.8	1,632.5	2,098.2
(b) arising from discontinued operations	-	-	32.3	-	33.5	1,950.7
13 Paid - up equity share capital (Shares of Rs 10 each)	455.4	455.4	466.6	455.4	466.6	466.6
14 Earnings per share (of Rs. 10 each) (not annualised) from continuing and discontinued operations (in Rs.) :						
(a) Basic	13.26	8.01	17.71	30.56	34.87	85.85
(b) Diluted	13.26	8.01	17.71	30.56	34.87	85.85
Earnings per share (of Rs. 10 each) (not annualised) from continuing operations (in Rs.) :						
(a) Basic	13.26	8.01	17.08	30.56	34.19	44.08
(b) Diluted	13.26	8.01	17.08	30.56	34.19	44.08
Earnings per share (of Rs. 10 each) (not annualised) from discontinued operations (in Rs.) :						
(a) Basic	-	-	0.63	-	0.68	41.77
(b) Diluted	-	-	0.63	-	0.68	41.77



Akzo Nobel India Limited

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

CIN: L24292WB1954PLC021516

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

(Rs. in Million)

Particulars	Quarter ended			Nine months ended		For the year ended 31 March 2018
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Segment Revenue (including other operating revenue)						
a) Coatings	7,832.8	7,138.0	7,160.0	22,127.7	21,026.1	28,067.2
b) Others-Discontinued Operations	-	-	626.9	-	1,810.9	2,536.8
Inter - segment elimination : Continued operations	-	-	(40.1)	-	(101.8)	(138.8)
Inter - segment elimination: Others-Discontinued operations	-	-	(9.4)	-	140.5	148.0
Total	7,832.8	7,138.0	7,737.4	22,127.7	22,694.7	30,417.2
2 Segment Results (Profit before finance cost, exceptional items and tax from each segment)						
a) Coatings	944.6	579.8	897.3	2,191.5	1,939.1	2,493.0
b) Others-Discontinued Operations	-	-	54.6	-	95.2	195.6
Total	944.6	579.8	951.9	2,191.5	2,034.3	2,688.6
Finance Cost	(23.3)	(4.7)	(7.5)	(36.9)	(16.5)	(35.0)
Other un-allocable income (net or un-allocable expenditure)	-	-	122.8	-	191.0	307.0
Exceptional items - Income	2.0	4.5	-	6.5	20.0	20.0
Profit on sale of chemicals business	-	-	-	-	-	2,442.0
Profit before tax	923.3	579.6	1,067.2	2,161.1	2,226.8	5,422.6
3 (a) Segment Assets						
a) Coatings	19,864.8	19,713.1	16,687.9	16,166.0		
b) Others-Discontinued Operations	-	-	1,223.4	-		
c) Unallocated	-	-	1,906.8	6,125.1		
Total	19,864.8	19,713.1	19,618.1	22,313.1		
(b) Segment Liabilities						
a) Coatings	9,177.5	9,599.0	7,696.9	8,474.6		
b) Others-Discontinued Operations	-	-	592.9	-		
c) Unallocated	-	-	609.9	936.4		
Total	9,177.5	9,599.0	9,299.7	9,411.0		
(c) Capital Employed (Segment Assets - Segment Liabilities)						
a) Coatings	10,707.3	10,114.1	6,791.0	7,713.4		
b) Others-Discontinued Operations	-	-	630.5	-		
c) Unallocated	-	-	1,096.9	5,168.7		
Total	10,707.3	10,114.1	10,516.4	12,902.1		

Note:

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

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



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

Standalone Unaudited Financial Results for the quarter and nine months ended 31 December 2018

Notes:

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 1 February 2019. The figures for the quarter ended 31 December 2018 have been subjected to limited review by the statutory auditors.
2. Exceptional items reported during the quarter and nine months ended 31 December 2018, quarter ended 30 September 2018, year ended 31 March 2018 and nine months ended 31 December 2017 represent divestment provisions no longer required and accordingly written back.
3. In accordance with Ind AS 18 on Revenue recognition and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the nine months ended 31 December 2017 and year ended 31 March 2018 are reported inclusive of Excise Duty relating to the period upto 30 June 2017. 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 the said Ind AS 18, revenue for the quarter and nine months ended 31 December 2018, quarters ended 30 September 2018 and 31 December 2017 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			Nine months ended		Year ended 31 March 2018
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	
Revenue from continuing operations	7,832.8	7,138.0	7,119.9	22,127.7	20,924.3	27,928.4
Less: Excise Duty	-	-	-	-	734.9	734.9
Revenue from continuing operations net of excise duty	7,832.8	7,138.0	7,119.9	22,127.7	20,189.4	27,193.5
Revenue from discontinued operations	-	-	617.5	-	1,770.4	2,488.8
Less : Excise Duty	-	-	-	-	28.7	28.7
Revenue from discontinued operations net of excise duty	-	-	617.5	-	1,741.7	2,460.1

4. The shareholders of Akzo Nobel India Limited have approved on 18 December 2017 through postal ballot the sale of Company's Specialty Chemicals Business as a going concern to an affiliate of the Akzo Nobel Group. The Company has classified this business as discontinued operations in each of the previous periods presented as follows:

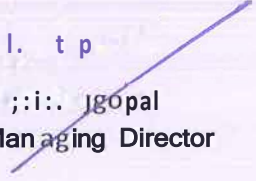
(Rs in Million)

Particulars	Quarter ended 31 December 2017	Nine months ended 31 December 2017	Year ended 31 March 2018
Total income from operations	619.8	1,773.2	2,488.8
Total expenses	574.6	1,718.3	2,340.3
Profit before income tax	45.2	54.9	148.5
Income tax expense	15.8	23.2	62.0
Profit after tax	29.4	31.7	86.5
Profit on sale of Specialty chemicals business	-	-	2,442.0
Tax expense	-	-	579.6
Profit after tax from sale of Specialty chemicals business	-	-	1,862.4
Total profit for the period from discontinued operations	29.4	31.7	1,948.9



5. The buyback of shares has been closed on 26 July 2018 after obtaining requisite approvals. Under the said programme, 1,120,000 shares of Rs. 10 each were bought back at Rs. 2,100 per share and extinguished, resulting in reduction in paid up share capital by Rs. 11.2 million and other equity by Rs. 2,366.0 million.
6. Effective 1 April 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method which is applied to contracts that were not completed before 31 March 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial results.
7. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.


Gurugram
1 February 2019


R ;:i: . Jgopal
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,
Gurugram- 122002
Haryana, India

1. We have reviewed the unaudited financial results of Akzo Nobel India Limited (the "Company") for the quarter and nine months ended 31 December 2018 which are included in the accompanying Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31 December 2018 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatements.

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

Anurag Khandelwal
Partner
Membership Number 078571

Place: Gurugram
Date: 1 February 2019

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC45001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N).

Media release

Gurugram, February 1, 2019

AkzoNobel India announces Q3 FY 2018-19 results

Today, the Board of Directors of Akzo Nobel India Limited approved the unaudited financial results for the quarter ended December 31, 2018.

Performance highlights

Q3 2018-19 vs Q3 2017-18

- Revenue from operations at ₹783 crore grew 10%
- Profit after tax at ₹60.4 crore grew 5% on a comparable* basis

* Profit after tax in the previous year included tax refunds and interest thereon.

Comments

Rajiv Rajgopal, Managing Director, AkzoNobel India:

- Topline grew in double digits during the quarter. However, margins were impacted due to high input cost and competitive intensity.
- The company continues to drive its objective of improving its margins and profitability by enriching its product mix and effective cost management.
- AkzoNobel continued its positive engagement with community programs. Recently, we launched a partnership with SOS Children's Villages of India as part of a global partnership between AkzoNobel and SOS Children's Villages International. The initiative is designed to use education and renovation to drive a positive impact on youth unemployment and aims to uplift the lives of young people under the care of SOS Children's Villages.

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 are active in over 150 countries and employ around 35,000 talented people who are passionate about delivering the high performance products and services our customers expect. 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.

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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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