

Akzo Nobel India Limited

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

Financial Results for the quarter and year ended 31 March 2012

(Rs. million)

PART I Particulars	Quarter ended			Year ended 31 Mar 2012 (Audited)	Year ended 31 Mar 2011 (Audited)
	31 Mar 2012	31 Dec 2011	31 Mar 2011		
	(Unaudited)				
1 Income from operations					
(a) Net sales (net of excise duty)	9,336.3	3,688.4	2,666.0	19,425.2	10,875.9
(b) Other operating income	381.2	24.7	30.0	453.3	92.3
Total income from operations (net)	9,717.5	3,713.1	2,696.0	19,878.5	10,968.2
2 Expenses					
(a) Cost of materials consumed	5,270.1	1,517.3	927.0	10,126.1	5,261.0
(b) Purchase of stock-in-trade	1,240.1	207.8	672.4	1,868.5	782.3
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(656.4)	340.4	(159.9)	(603.9)	(268.0)
(d) Employee benefits expense	809.4	242.9	170.6	1,473.4	696.6
(e) Depreciation and amortisation expense	178.6	66.8	54.2	366.4	216.6
(f) Other expenses	2,295.0	1,128.3	825.7	5,268.8	3,165.8
Total expenses	9,136.8	3,503.5	2,490.0	18,499.3	9,854.3
3 Profit from operations before other income, finance costs and exceptional items (1-2)	580.7	209.6	206.0	1,379.2	1,113.9
4 Other Income	380.9	154.9	491.1	1,123.5	987.0
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	961.6	364.5	697.1	2,502.7	2,100.9
6 Finance cost	(30.3)	(4.3)	(8.7)	(39.2)	(14.6)
7 Profit from ordinary activities after finance costs but before exceptional items (5+6)	931.3	360.2	688.4	2,463.5	2,086.3
8 Exceptional Items - income	-	-	-	-	112.8
9 Profit from ordinary activities before tax (7+8)	931.3	360.2	688.4	2,463.5	2,199.1
10 Tax expense - Current tax	153.9	63.0	157.6	432.9	470.6
- Deferred tax	(5.0)	4.7	10.6	12.8	20.0
- Excess provision written back	-	-	(58.0)	-	(58.0)
11 Net profit from ordinary activities after tax (9-10)	782.4	292.5	578.2	2,017.8	1,766.5
12 Paid - up equity share capital (ordinary shares of Rs 10/- each) *	368.3	368.3	368.3	368.3	368.3
13 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				13,915.5	10,532.4
14 Basic and diluted Earnings per share (of Rs. 10 each) (not annualised) **	16.31	7.94	15.70	42.08	47.94

See accompanying notes to the financial results

* excluding share capital pending allotment [refer note 2(c)]

** calculated on paid-up share capital and shares pending allotment [refer note 2 (c)]

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PART II

Particulars	Quarter ended			Year ended 31 Mar 2012 (Audited)	Year ended 31 Mar 2011 (Audited)
	31 Mar 2012	31 Dec 2011	31 Mar 2011		
A PARTICULARS OF SHAREHOLDING *					
1 Public shareholding					
- Number of shares	14,866,787	16,058,118	16,058,118	14,866,787	16,058,118
- Percentage of shareholding	40.36%	43.60%	43.60%	40.36%	43.60%
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	21,967,544	20,776,213	20,776,213	21,967,544	20,776,213
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	59.64%	56.40%	56.40%	59.64%	56.40%

B PARTICULARS OF INVESTOR COMPLAINTS

	Quarter ended 31 March 2012
Pending at the beginning of the quarter	-
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	-

* Excludes shares pending allotment [refer note 2(c)]

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Statement of Assets and Liabilities as at 31 March 2012

(Rs. million)

Particulars	As at 31 March 2012 (Audited)	As at 31 March 2011 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' Funds		
(a) Share capital	479.6	368.3
(b) Reserves and surplus	13,930.9	10,548.2
Sub total - Shareholder's funds	14,410.5	10,916.5
2 Non-current liabilities		
(a) Deferred tax liabilities (net)	25.8	41.4
(b) Other long-term liabilities	191.0	167.8
(c) Long-term provisions	628.5	854.5
Sub total - Non-current liabilities	845.3	1,063.7
3 Current liabilities		
(a) Trade payables	4,161.4	1,442.1
(b) Other current liabilities	906.5	1,135.0
(c) Short-term provisions	1,756.6	841.9
Sub total - Current liabilities	6,824.5	3,419.0
TOTAL - EQUITY AND LIABILITIES	22,080.3	15,399.2
B ASSETS		
1 Non-current assets		
(a) Fixed assets	3,710.5	1,563.5
(b) Non-current investments	849.6	400.0
(c) Long term loans and advances	539.5	1,029.4
(d) Other non-current assets	4.0	-
Sub total - Non-current assets	5,103.6	2,992.9
2 Current assets		
(a) Current investments	9,185.5	9,449.9
(b) Inventories	3,334.1	1,531.8
(c) Trade receivables	2,260.5	701.4
(d) Cash and cash equivalents	739.4	303.1
(e) Short term loans and advances	1,190.9	419.0
(f) Other current assets	266.3	1.1
Sub total - Current assets	16,976.7	12,406.3
TOTAL - ASSETS	22,080.3	15,399.2

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**Segment wise Revenue, Results and Capital Employed
For the quarter and year ended 31 March 2012**

(Rs. million)

	Quarter ended			Year ended	Year ended
	31 Mar 2012	31 Dec 2011	31 Mar 2011	31 Mar 2012	31 Mar 2011
	(Unaudited)			(Audited)	(Audited)
1 Segment Revenue					
a) Paints	8,973.4	3,682.7	2,674.2	19,048.3	10,793.3
b) Others	744.1	30.4	21.8	830.2	174.9
Total income from operations (net)	9,717.5	3,713.1	2,696.0	19,878.5	10,968.2
2 Segment Results [Profit before interest and tax from each segment]					
a) Paints	521.0	245.5	288.3	1,402.9	1,209.3
b) Others	99.1	8.1	4.2	121.8	36.4
Total	620.1	253.6	292.5	1,524.7	1,245.7
Interest expense	(30.3)	(4.3)	(8.7)	(39.2)	(14.6)
Other un-allocable income net of (un-allocable expenditure)	341.5	110.9	404.6	978.0	855.2
	931.3	360.2	688.4	2,463.5	2,086.3
Exceptional items - Income	-	-	-	-	112.8
Profit before tax	931.3	360.2	688.4	2,463.5	2,199.1
3 Capital Employed (Segment Assets - Segment Liabilities)		As at 31 Dec 2011		As at 31 Mar 2012	As at 31 Mar 2011
a) Paints		1,692.4		4,887.6	1,512.6
b) Others		51.6		498.8	35.3
Unallocated		10,407.4		9,024.1	9,368.6
Total		12,151.4		14,410.5	10,916.5

Note :

- 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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Financial Results for the quarter and year ended 31 March 2012

Notes:

1. The above results have been approved by the Board of Directors at its meeting held on 21 May 2012.
2. Amalgamation
 - a. The scheme of amalgamation ('Scheme') of Akzo Nobel Coatings India Private Limited, Akzo Nobel Car Refinishes India Private Limited and Akzo Nobel Chemicals (India) Limited (collectively referred to as 'transferor companies') with the Company, which was approved by the shareholders of the Company on 7 February 2012 and was sanctioned by the Honourable High Courts of Karnataka (on 18 April 2012), Calcutta (on 24 April 2012) and Bombay (on 11 May 2012).
 - b. Under the Scheme, the amalgamation has taken place with effect from 1 April 2011 ('Appointed Date'). Accordingly, above results for the year ended 31 March 2012 include the results of the transferor companies and the results for the quarter ended 31 March 2012 include the results of the transferor companies for the full year. The results for the quarter ended 31 December 2011 do not include results of the transferor companies, since the Company has already published results for this period. Consequently, the results reported for the quarter ended 31 March 2012 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the financial year ended 31 March 2012.
 - c. The Company will be issuing additional share capital of Rs. 111 million to the shareholders of transferor companies, in accordance with share swap ratio specified in the Scheme. This has been shown as 'Share Capital pending allotment in the Balance Sheet as on 31 March 2012. The record date for issue of shares has been determined as 18 May 2012.
 - d. The amalgamation has been accounted under the 'pooling of interests' method prescribed by Accounting Standard AS 14 "Accounting for amalgamations". Accordingly all assets, liabilities and reserves of the transferor companies were taken over at their book values as on 1 April 2011 and the difference between share capital held by shareholders of transferor companies and share capital of the Company issued to them, of Rs 244 million, was adjusted to Capital Reserves. Inter company balances, representing advances/borrowings and receivables/payables were set off against each other.
3. In view of the amalgamation referred to above, results for the quarter and year ended 31 March 2012 are not comparable with those of the corresponding previous periods.
4. The financial statements for the year ended 31 March 2012 have been prepared as per revised Clause 41 of stock exchange listing agreement to comply with the revised Schedule VI to the Companies Act, 1956. Accordingly, the previous period's figures have been reclassified/re-grouped to conform to this year's classification.
5. The Board of Directors has recommended a dividend of Rs 20.00 per share for the year ended 31 March 2012 (previous year: Rs. 18.00 per share). The dividend will be paid after the approval of the shareholders at the forthcoming Annual General Meeting.

Gurgaon
21 May 2012

Amit Jain
Managing Director