

**Akzo Nobel India Limited**

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

**Unaudited Financial Results for the quarter and nine months ended 31 December 2012**

(Rs. million)

**PART I**

Particulars	Quarter ended			Year to date for nine months ended		Year ended
	31 December 2012	30 September 2012	31 December 2011	31 December 2012	31 December 2011	31 March 2012
	(Unaudited)			(Unaudited)		(Audited)
<b>1 Income from operations</b>						
(a) Net sales (net of excise duty)	5,940.5	5,112.5	3,688.4	16,550.7	10,088.9	19,425.2
(b) Other operating income	111.1	121.6	24.7	365.1	72.1	453.3
<b>Total income from operations (net)</b>	<b>6,051.6</b>	<b>5,234.1</b>	<b>3,713.1</b>	<b>16,915.8</b>	<b>10,161.0</b>	<b>19,878.5</b>
<b>2 Expenses</b>						
(a) Cost of materials consumed	2,682.7	2,513.2	1,517.3	7,780.2	4,856.0	10,126.1
(b) Purchase of stock-in-trade	487.0	519.4	207.8	1,522.1	628.4	1,868.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	430.5	4.7	340.4	592.5	52.5	(603.9)
(d) Employee benefits expense	409.0	465.5	242.9	1,334.9	664.0	1,473.4
(e) Depreciation and amortisation expense	97.5	100.1	66.8	291.0	187.8	366.4
(f) Other expenses	1,544.0	1,368.0	1,128.3	4,291.5	2,973.8	5,268.8
<b>Total expenses</b>	<b>5,650.7</b>	<b>4,970.9</b>	<b>3,503.5</b>	<b>15,812.2</b>	<b>9,362.5</b>	<b>18,499.3</b>
<b>3 Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>400.9</b>	<b>263.2</b>	<b>209.6</b>	<b>1,103.6</b>	<b>798.5</b>	<b>1,379.2</b>
4 Other Income	241.2	272.6	154.8	869.3	741.2	1,123.5
<b>5 Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>642.1</b>	<b>535.8</b>	<b>364.4</b>	<b>1,972.9</b>	<b>1,539.7</b>	<b>2,502.7</b>
6 Finance cost	(4.9)	(3.9)	(4.2)	(15.1)	(7.5)	(39.2)
<b>7 Profit from ordinary activities after finance costs but before exceptional items (5+6)</b>	<b>637.2</b>	<b>531.9</b>	<b>360.2</b>	<b>1,957.8</b>	<b>1,532.2</b>	<b>2,463.5</b>
8 Exceptional Items	-	-	-	-	-	-
<b>9 Profit from ordinary activities before tax (7+8)</b>	<b>637.2</b>	<b>531.9</b>	<b>360.2</b>	<b>1,957.8</b>	<b>1,532.2</b>	<b>2,463.5</b>
10 Tax expense - Current tax	131.5	83.3	63.0	397.8	279.0	432.9
- Deferred tax	(0.6)	0.5	4.7	(3.3)	17.8	12.8
<b>11 Net profit from ordinary activities after tax (9-10)</b>	<b>506.3</b>	<b>448.1</b>	<b>292.5</b>	<b>1,563.3</b>	<b>1,235.4</b>	<b>2,017.8</b>
12 Paid - up equity share capital (ordinary shares of Rs 10/- each) (Note 2)	466.6	466.6	368.3	466.6	368.3	368.3*
13 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year						13,915.5
<b>14 Basic and diluted Earnings per share (of Rs. 10 each) (not annualised)</b>	<b>10.85</b>	<b>9.53</b>	<b>7.94</b>	<b>33.11</b>	<b>33.54</b>	<b>42.08</b>

\* Excluding share capital pending allotment amounting to Rs. 111.2 million pursuant to Scheme of Amalgamation. Also refer to note 2.

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**Unaudited Financial Results for the quarter and nine months ended 31 December 2012**

**PART II**

Particulars	Quarter ended			Year ended 31 March 2012 * (Audited)
	31 December 2012	30 September 2012 (Unaudited)	31 December 2011	
<b>A PARTICULARS OF SHAREHOLDING</b>				
<b>1 Public shareholding</b>				
- Number of shares	12,615,979	12,615,979	16,058,118	14,866,787
- Percentage of shareholding	<b>27.04%</b>	<b>27.04%</b>	<b>43.60%</b>	<b>40.36%</b>
<b>2 Promoter and Promoter Group Shareholding</b>				
<b>a) Pledged/ Encumbered</b>				
- 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>b) Non-encumbered</b>				
- Number of shares	34,044,335	34,044,335	20,776,213	21,967,544
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	<b>72.96%</b>	<b>72.96%</b>	<b>56.40%</b>	<b>59.64%</b>

**B PARTICULARS OF INVESTOR COMPLAINTS**

	Nine months ended 31 December 2012
Pending at the beginning of the quarter	-
Received during the quarter	10
Disposed of during the quarter	8
Remaining unresolved at the end of the quarter #	2

\* Excluding share capital pending allotment amounting to Rs. 111.2 million pursuant to Scheme of Amalgamation. Also refer to note 2.

# Since closed in January 2013

**Akzo Nobel India Limited**

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**Segment wise Revenue, Results and Capital Employed  
For the quarter and nine months ended 31 December 2012**

(Rs. million)

	Quarter ended			Year ended	Year ended	Year ended
	31 December 2012	30 September 2012	31 December 2011	31 December 2012	31 December 2011	31 March 2012
	(Unaudited)			(Unaudited)	(Unaudited)	(Audited)
<b>1 Segment Revenue</b>						
a) Coatings	5,823.2	5,019.9	3,682.7	16,246.7	10,074.9	19,048.3
b) Others	228.4	214.2	30.4	669.1	86.1	830.2
<b>Total income from operations (net)</b>	<b>6,051.6</b>	<b>5,234.1</b>	<b>3,713.1</b>	<b>16,915.8</b>	<b>10,161.0</b>	<b>19,878.5</b>
<b>2 Segment Results [Profit before interest and tax from each segment]</b>						
a) Coatings	402.0	237.4	245.5	1,079.6	881.9	1,402.9
b) Others	24.8	38.0	8.1	81.2	22.7	121.8
<b>Total</b>	<b>426.8</b>	<b>275.4</b>	<b>253.6</b>	<b>1,160.8</b>	<b>904.6</b>	<b>1,524.7</b>
Finance Cost	(4.9)	(3.9)	(4.2)	(15.1)	(7.5)	(39.2)
Other un-allocable income net of (un-allocable expenditure)	215.3	260.4	110.8	812.1	635.1	978.0
	637.2	531.9	360.2	1,957.8	1,532.2	2,463.5
Exceptional items	-	-	-	-	-	-
<b>Profit before tax</b>	<b>637.2</b>	<b>531.9</b>	<b>360.2</b>	<b>1,957.8</b>	<b>1,532.2</b>	<b>2,463.5</b>
<b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>						
	<b>As at 31 December 2012</b>	<b>As at 30 September 2012</b>	<b>As at 31 December 2011</b>			<b>As at 31 March 2012</b>
a) Coatings	4,328.8	5,334.5	1,692.4			4,887.6
b) Others	461.4	445.7	51.6			498.8
Unallocated	10,004.3	8,508.6	10,407.4			9,024.1
<b>Total</b>	<b>14,794.5</b>	<b>14,288.8</b>	<b>12,151.4</b>			<b>14,410.5</b>

**Foot Notes:**

- Segment Revenue, Results and Capital Employed 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.
- Also refer to note 2.

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

**Unaudited Financial Results for the quarter and nine months ended 31 December 2012**

**Notes:**

1. The above results have been approved by the Board of Directors at its meeting held on 14 February 2013. The statutory auditors of the Company have carried out a Limited Review of the financial results for the quarter and nine months ended 31 December 2012 and a modified (emphasis of matter without qualification) report has been issued with reference to para 2 below. The same has been filed with the stock exchange and is available on the website of the Company.
2. 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 became effective from 18 May 2012 with an Appointed Date of 1 April 2011. Accordingly, the results for the year ended 31 March 2012 included the results of the transferor companies for that year. Their income from operations and profit before tax for the year ended 31 March 2012 amounted to Rs. 6,250 million and Rs. 241 million respectively.

The results for the quarters ended 30 June 2012, 30 September 2012 and 31 December 2012 include the results of the transferor companies for the relevant periods, whereas, the results for the quarter and nine months ended 31 December 2011 were as reported at the relevant times and have not been restated. Accordingly, the figures reported under the aforesaid quarters (including in respect of segments) are not comparable.

Gurgaon  
14 February 2013

**Partha Sarathi Basu**  
**Wholetime Director**

# B S R & Associates

(Registered)  
Chartered Accountants

Building No.10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurgaon - 122 002 (India)

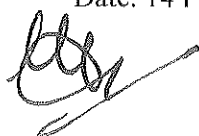
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## Review report to the Board of Directors of Akzo Nobel India Limited

- 1 We have reviewed the accompanying statement of un-audited financial results ('the Statement') of Akzo Nobel India Limited ('the Company') for the quarter and nine months ended 31 December 2012, 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 reviewed by us. This 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 these financial results 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 financial results are free of material misstatement. 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.
- 3 Without qualifying our report, attention is drawn to note 2 to the attached financial results, which explains that the results for the quarter ended 31 March 2012 include the results of the transferor companies in the Scheme of Amalgamation, as stated therein, for the full year. Since the Company had accounted for the Scheme of Amalgamation during the quarter ended 31 March 2012, the results of that quarter are the balancing figures between the audited figures in respect of the full financial year and the already published year to date figures up to the third quarter ended 31 December 2011, which were not restated. Further, the results for the quarter ended 31 December 2011 also do not include the results of the transferor companies for the quarter, since the Company had already published results for that period and, thus, not restated. The Company has sought clarification from the stock exchanges, the response to which is awaited.
- 4 Based on our review conducted as above and pending the clarification from the stock exchanges, as explained in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates**  
*Chartered Accountants*  
Firm Registration Number: 116231W

Place: Gurgaon  
Date: 14 February 2013



**Kaushal Kishore**  
*Partner*  
Membership number: 090075

