

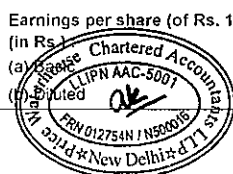
Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071
CIN: L24292WB1954PLC021516

Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2018

(Rs. in Million)

| Particulars | Quarter ended | | | For the year ended 31 March 2018 |
|---|----------------|----------------|----------------|----------------------------------|
| | 30 June 2018 | 31 March 2018 | 30 June 2017 | March 2018 |
| | (Unaudited) | (See Note 2) | (Unaudited) | (Audited) |
| 1 Income from operations | | | | |
| (a) Revenue from operations | 7,156.9 | 7,004.1 | 7,218.5 | 27,928.4 |
| (b) Other Income | 91.4 | 127.7 | 67.6 | 437.9 |
| Total income from continuing operations | 7,248.3 | 7,131.8 | 7,286.1 | 28,366.3 |
| 2 Expenses | | | | |
| (a) Cost of materials consumed | 3,849.2 | 3,899.4 | 3,144.1 | 13,208.4 |
| (b) Purchase of stock-in-trade | 372.8 | 534.7 | 539.2 | 1,808.0 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (82.8) | (414.1) | (39.5) | 244.5 |
| (d) Excise Duty | - | - | 734.9 | 734.9 |
| (e) Employee benefits expense | 749.2 | 811.8 | 655.6 | 2,763.2 |
| (f) Finance Costs | 8.9 | 16.5 | 4.5 | 35.0 |
| (g) Depreciation and amortisation expense | 148.8 | 150.0 | 141.0 | 582.2 |
| (h) Other expenses | 1,544.0 | 1,473.3 | 1,524.8 | 6,178.0 |
| Total expenses of continuing operations | 6,590.1 | 6,471.6 | 6,704.6 | 25,554.2 |
| 3 Profit from continuing operations before exceptional items and tax(1-2) | 658.2 | 660.2 | 581.5 | 2,812.1 |
| 4 Exceptional Items - Income | - | - | 20.0 | 20.0 |
| 5 Profit before tax from continuing operations (3+4) | 658.2 | 660.2 | 601.5 | 2,832.1 |
| 6 Tax expense | | | | |
| (a) Current Tax (Net) | 248.6 | 201.3 | 183.4 | 758.3 |
| (b) Deferred Tax | (25.5) | (2.8) | 7.1 | 16.7 |
| 7 Profit for the period from continuing operations (5-6) | 435.1 | 461.7 | 411.0 | 2,057.1 |
| 8 Profit from discontinued operations (Refer Note 5) | | | | |
| Profit before tax | - | 93.3 | 0.6 | 148.5 |
| Tax expense | - | 39.3 | (1.1) | 62.0 |
| Profit after tax | - | 54.0 | 1.7 | 86.5 |
| Profit on sale of chemicals business | - | 2,442.0 | - | 2,442.0 |
| Tax expense | - | 579.6 | - | 579.6 |
| Profit after tax from sale of chemicals business | - | 1,862.4 | - | 1,862.4 |
| Profit for the period from discontinued operation | - | 1,916.4 | 1.7 | 1,948.9 |
| 9 Profit before tax for the period from continuing and discontinued operations | 658.2 | 3,195.5 | 602.1 | 5,422.6 |
| Tax expenses | 223.1 | 817.4 | 189.4 | 1,416.6 |
| Profit for the period from continuing and discontinued operations | 435.1 | 2,378.1 | 412.7 | 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 | (8.1) | 6.2 | (14.6) | 62.9 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 2.8 | (2.2) | 5.1 | (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 | - | (5.5) | (2.2) | 2.8 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | - | 1.9 | 0.7 | (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 | 429.8 | 2,378.5 | 401.7 | 4,048.9 |
| (i) arising from continuing operations | 429.8 | 465.7 | 401.5 | 2,098.2 |
| (ii) arising from discontinued operations | - | 1,912.8 | 0.2 | 1,950.7 |
| 13 Paid - up equity share capital (Shares of Rs 10 each) | 466.6 | 466.6 | 466.6 | 466.6 |
| 14 Earnings per share (of Rs. 10 each) (not annualised) from continuing and discontinued operations (in Rs.) : | | | | |
| (a) Basic | 9.32 | 50.97 | 8.85 | 85.85 |
| (b) Diluted | 9.32 | 50.97 | 8.85 | 85.85 |
| Earnings per share (of Rs. 10 each) (not annualised) from continuing operations (in Rs.) : | | | | |
| (a) Basic | 9.32 | 9.89 | 8.81 | 44.08 |
| (b) Diluted | 9.32 | 9.89 | 8.81 | 44.08 |
| Earnings per share (of Rs. 10 each) (not annualised) from discontinued operations (in Rs.) : | | | | |
| (a) Basic | - | 41.08 | 0.04 | 41.77 |
| (b) Diluted | - | 41.08 | 0.04 | 41.77 |



Signature

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

| Particulars | Quarter ended | | | (Rs. in Million) |
|--|-----------------|-----------------|-----------------|----------------------------------|
| | 30 June 2018 | 31 March 2018 | 30 June 2017 | For the year ended 31 March 2018 |
| | (Unaudited) | (See Note 2) | (Unaudited) | (Audited) |
| 1 Segment Revenue (including other operating revenue) | | | | |
| a) Coatings | 7,156.9 | 7,041.2 | 7,257.8 | 28,067.2 |
| b) Others-Discontinued Operations | - | 725.9 | 709.4 | 2,536.8 |
| Inter - segment elimination : Continued operations | - | (37.1) | (39.3) | (138.8) |
| Inter - segment elimination : Others-Discontinued operations | - | (7.6) | (15.4) | (48.0) |
| Total | 7,156.9 | 7,722.4 | 7,912.5 | 30,417.2 |
| 2 Segment Results [Profit before interest, exceptional items and tax from each segment] | | | | |
| a) Coatings | 667.1 | 553.9 | 548.8 | 2,493.0 |
| b) Others-Discontinued Operations | - | 100.0 | 15.6 | 195.6 |
| Total | 667.1 | 653.9 | 564.4 | 2,688.6 |
| Finance Cost | (8.9) | (16.5) | (4.5) | (35.0) |
| Other un-allocable income (net of un-allocable expenditure) | - | 116.1 | 22.2 | 307.0 |
| Profit on sale of chemicals business | - | 2,442.0 | - | 2,442.0 |
| | 658.2 | 3,195.5 | 582.1 | 5,402.6 |
| Exceptional items - Income | - | - | 20.0 | 20.0 |
| Profit before tax | 658.2 | 3,195.5 | 602.1 | 5,422.6 |
| 3 (a) Segment Assets | | | | |
| a) Coatings | 23,138.6 | 16,188.0 | 14,868.2 | |
| b) Others-Discontinued Operations | - | - | 1,195.2 | |
| c) Unallocated | - | 6,125.1 | 3,548.2 | |
| Total | 23,138.6 | 22,313.1 | 19,611.6 | |
| (b) Segment Liabilities | | | | |
| a) Coatings | 9,813.8 | 8,474.6 | 7,461.9 | |
| b) Others-Discontinued Operations | - | - | 732.6 | |
| c) Unallocated | - | 936.4 | 928.1 | |
| Total | 9,813.8 | 9,411.0 | 9,122.6 | |
| (c) Capital Employed (Segment Assets - Segment Liabilities) | | | | |
| a) Coatings | 13,324.8 | 7,713.4 | 7,406.3 | |
| b) Others-Discontinued Operations | - | - | 462.6 | |
| c) Unallocated | - | 5,188.7 | 2,620.1 | |
| Total | 13,324.8 | 12,902.1 | 10,489.0 | |

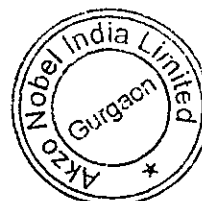
Note :

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 of 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 quarter ended 30 June 2018.



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Akzo Nobel India Limited
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Standalone Unaudited Financial Results for the quarter ended 30 June 2018

Notes:

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 2 August 2018. The figures for the quarter ended 30 June 2018 and 30 June 2017 have been subjected to limited review by the statutory auditors.
2. The figures for the quarter ended 31 March 2018 have not been subjected to review/audit by the statutory auditors. These are balancing figures between audited financial statements for the full financial year ended 31 March 2018 and year to date figures of nine months ended 31 December 2017.
3. Exceptional items reported during the quarter ended 30 June 2017 and year ended 31 March 2018 represent divestment provisions no longer required written back.
4. In accordance with Ind AS 18 on Revenue and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for quarter ended 30 June 2017 and year ended 31 March 2018 are reported inclusive of Excise Duty. 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 Ind AS 18, revenue for the quarters ended 31 March 2018 and 30 June 2018 are reported net of GST. Had the previously reported revenues been shown net of Excise Duty, the comparative revenue would have been as under-

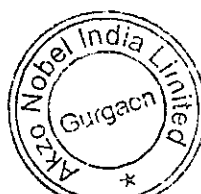
| Particulars | Quarter Ended | | | Year Ended |
|---|---------------|---------------|--------------|---------------|
| | 30 June 2018 | 31 March 2018 | 30 June 2017 | 31 March 2018 |
| Revenue from continuing operations | 7,156.9 | 7,004.1 | 7,218.5 | 27,928.4 |
| Less : Excise Duty | - | - | 734.9 | 734.9 |
| Revenue from continuing operations net of excise duty | 7,156.9 | 7,004.1 | 6,483.6 | 27,193.5 |
| Revenue from discontinued operations | - | 718.3 | 694.0 | 2,488.8 |
| Less : Excise Duty | - | - | 28.7 | 28.7 |
| Revenue from discontinued operations net of excise duty | - | 718.3 | 665.3 | 2,460.1 |

5. The shareholders of Akzo Nobel India Limited have approved on 18 December 2017 through postal ballot the sale Company's Specialty Chemicals Business as a going concern to an affiliate of the Akzo Nobel Group. The Company has since executed a Business Transfer Agreement ('BTA') dated 30 March 2018 and addendum thereto for transfer of the Business to Akzo Nobel Chemicals India Private Limited ('ANCIPL'). The Company has classified this business as discontinued operation in each of the previous period presented as follows :

| Particulars | Quarter Ended | | Year Ended |
|--|---------------|--------------|---------------|
| | 31 March 2018 | 30 June 2017 | 31 March 2018 |
| Total income from operations | 718.3 | 694.0 | 2,488.8 |
| Total expenses | 625.0 | 693.4 | 2,340.3 |
| Profit before income tax | 93.3 | 0.6 | 148.5 |
| Income tax expense | 39.3 | (1.1) | 62.0 |
| Profit after tax | 54.0 | 1.7 | 86.5 |
| Profit on sale of Specialty chemicals business | 2,442.0 | - | 2,442.0 |
| Tax expense | 579.6 | - | 579.6 |
| Profit after tax from sale of Specialty chemicals business | 1,862.4 | - | 1,862.4 |
| Profit for the period from discontinued operations | 1,916.4 | 1.7 | 1,948.9 |



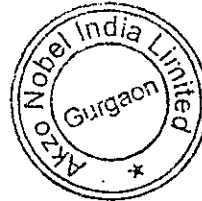
/s/



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6. The company has concluded share buyback programme on 26 July 2018 after obtaining requisite approvals. Under the said programme, 1,120,000 shares have been bought back at a price of Rs 2,100 per share, at a cost of Rs 2,352.0 million plus transaction costs.
7. 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.
8. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Kolkata
2 August 2018




Jayakumar Krishnaswamy
Managing Director

