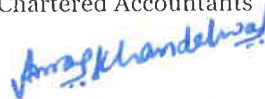


Price Waterhouse Chartered Accountants LLP

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 the half year ended 30 September 2018 which are included in the accompanying Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30 September 2018 and the statement of assets and liabilities as on that date (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 misstatement.

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



Anurag Khandelwal
Partner
Membership Number 078571

Place: Gurugram
Date: 3 November 2018

Price Waterhouse Chartered Accountants LLP, Building No. 8, 7th & 8th Floor, Tower - B, DLF Cyber City
Gurgaon - 122 002
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) 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)

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 and half year ended 30 September 2018

(Rs. in Million)

Particulars	Quarter ended			Half year ended		For the year ended 31 March 2018
	30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1 Income from operations						
(a) Revenue from operations	7,138.0	7,156.9	6,585.8	14,294.9	13,804.3	27,928.4
(b) Other Income	80.8	91.4	77.8	172.2	145.4	437.9
Total income from continuing operations	7,218.8	7,248.3	6,663.6	14,467.1	13,949.7	28,366.3
2 Expenses						
(a) Cost of materials consumed	3,709.9	3,849.2	3,184.1	7,559.1	6,328.2	13,208.4
(b) Purchase of stock-in-trade	621.8	372.8	475.1	994.6	1,014.3	1,808.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(260.5)	(82.8)	(135.4)	(343.3)	(174.9)	244.5
(d) Excise Duty	-	-	-	-	734.9	734.9
(e) Employee benefits expense	674.8	749.2	656.1	1,424.0	1,311.7	2,763.2
(f) Finance Costs	4.7	8.9	6.5	13.6	11.0	35.0
(g) Depreciation and amortisation expense	153.0	148.8	148.7	301.8	289.7	582.2
(h) Other expenses	1,740.0	1,544.0	1,780.5	3,284.0	3,305.3	6,178.0
Total expenses of continuing operations	6,643.7	6,590.1	6,115.6	13,233.8	12,820.2	25,554.2
3 Profit from continuing operations before exceptional items and tax (1-2)	575.1	658.2	548.0	1,233.3	1,129.5	2,812.1
4 Exceptional Items - Income	4.5	-	-	4.5	20.0	20.0
5 Profit before tax from continuing operations (3+4)	579.6	658.2	548.0	1,237.8	1,149.5	2,832.1
6 Tax expense						
(a) Current Tax (Net)	226.2	248.6	168.5	474.8	351.9	758.3
(b) Deferred Tax	(14.1)	(25.5)	(7.0)	(39.6)	0.1	16.7
7 Profit for the period from continuing operations (5-6)	367.5	435.1	386.5	802.6	797.5	2,057.1
8 Profit from discontinued operations (Refer Note 4)						
Profit before tax	-	-	9.4	-	10.0	148.5
Tax expense	-	-	8.0	-	6.9	62.0
Profit after tax	-	-	1.4	-	3.1	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	-	-	1.4	-	3.1	1,948.9
9 Profit before tax for the period from continuing and discontinued operations	579.6	658.2	557.4	1,237.8	1,159.5	5,422.6
Tax expenses	212.1	223.1	169.5	435.2	358.9	1,416.6
Profit for the period from continuing and discontinued operations	367.5	435.1	387.9	802.6	800.6	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	(0.5)	(8.1)	120.1	(8.6)	105.5	62.9
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.2	2.8	(41.6)	3.0	(36.5)	(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	-	-	0.3	-	(1.9)	2.8
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	(0.1)	-	0.6	(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	367.2	429.8	466.6	797.0	868.4	4,048.9
(i) arising from continuing operations	367.2	429.8	465.0	797.0	866.5	2,098.2
(ii) arising from discontinued operations	-	-	1.6	-	1.9	1,950.7
13 Paid - up equity share capital (Shares of Rs 10 each)	455.4	466.6	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	8.01	9.32	8.31	17.35	17.16	85.85
(b) Diluted	8.01	9.32	8.31	17.35	17.16	85.85
Earnings per share (of Rs. 10 each) (not annualised) from continuing operations (in Rs.) :						
(a) Basic	8.01	9.32	8.28	17.35	17.09	44.08
(b) Diluted	8.01	9.32	8.28	17.35	17.09	44.08
Earnings per share (of Rs. 10 each) (not annualised) from discontinued operations (in Rs.) :						
(a) Basic	-	-	0.03	-	0.07	41.77
(b) Diluted	-	-	0.03	-	0.07	41.77



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Akzo Nobel India Limited

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

CIN: L24292WB1954PLC021516

Statement of standalone unaudited assets and liabilities as at 30 September 2018

(Rs. in Million)

Particulars	As at 30	As at 31 March
	September 2018	2018
	(Unaudited)	(Audited)
A ASSETS		
1 Non-current assets		
(a) Property, plant & equipment	5,348.2	5,287.6
(b) Capital work-in-progress	134.2	267.6
(c) Intangible assets	93.9	100.9
(d) Financial assets		
(i) Investments	745.9	717.1
(ii) Other bank balances	6.0	6.0
(iii) Loans	3.8	3.4
(iv) Other financial assets	92.1	77.7
(e) Other non-current assets	525.9	559.2
Total non-current assets	6,950.0	7,019.5
2 Current assets		
(a) Inventories	4,360.0	3,508.3
(b) Financial assets		
(i) Investments	2,095.3	5,015.8
(ii) Trade receivables	3,648.5	3,953.1
(iii) Cash & cash equivalents	489.1	662.3
(iv) Bank balances other than (iii) above	287.0	179.3
(v) Loans	4.0	6.7
(vi) Other financial assets	135.5	172.3
(c) Other current assets	1,301.2	1,328.7
(d) Current tax assets (net)	442.5	467.1
Total current assets	12,763.1	15,293.6
Total Assets	19,713.1	22,313.1

B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	455.4	466.6
(b) Other equity	9,658.7	12,435.5
Total equity	10,114.1	12,902.1
Liabilities		
2 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	29.3	29.3
(ii) Other financial liabilities (other than those specified in item (i) above)	157.3	144.0
(b) Provisions	477.8	446.0
(c) Deferred tax liabilities (Net)	15.2	57.9
(d) Other non-current liabilities	25.1	47.0
Total non-current liabilities	704.7	724.2
3 Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	46.9	66.5
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,718.2	6,537.0
(ii) Other financial liabilities (other than those specified in item (i) above)	1,036.6	858.0
(b) Provisions	320.9	323.3
(c) Other current liabilities	771.7	902.0
Total current liabilities	8,894.3	8,686.8
Total liabilities	9,599.0	9,411.0
Total equity and liabilities	19,713.1	22,313.1



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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			Half year ended		For the year ended 31 March 2018
	30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1 Segment Revenue (including other operating revenue)						
a) Coatings	7,138.0	7,156.9	6,608.2	14,294.9	13,866.0	28,067.2
b) Others-Discontinued Operations	-	-	474.7	-	1,184.1	2,536.8
Inter - segment elimination : Continued operations	-	-	(22.4)	-	(61.7)	(138.8)
Inter - segment elimination : Others-Discontinued operations	-	-	(15.6)	-	(31.0)	(48.0)
Total	7,138.0	7,156.9	7,044.9	14,294.9	14,957.4	30,417.2
2 Segment Results [Profit before finance cost, exceptional items and tax from each segment]						
a) Coatings	579.8	667.1	493.0	1,247.0	1,041.8	2,493.0
b) Others-Discontinued Operations	-	-	25.0	-	40.6	195.6
Total	579.8	667.1	518.0	1,247.0	1,082.4	2,688.6
Finance Cost	(4.7)	(8.9)	(6.5)	(13.7)	(11.0)	(35.0)
Other un-allocable income (net of un-allocable expenditure)	-	-	45.9	-	68.1	307.0
Exceptional items - Income	4.5	-	-	4.5	20.0	20.0
Profit on sale of chemicals business	-	-	-	-	-	2,442.0
Profit before tax	579.6	658.2	557.4	1,237.8	1,159.5	5,422.6
	As at	As at	As at	As at		
	30 September 2018	30 June 2018	30 September 2017	31 March 2018		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)		
3 (a) Segment Assets						
a) Coatings	19,713.1	23,138.6	16,370.0	16,188.0		
b) Others-Discontinued Operations	-	-	933.6	-		
c) Unallocated	-	-	1,698.3	6,125.1		
Total	19,713.1	23,138.6	19,001.9	22,313.1		
(b) Segment Liabilities						
a) Coatings	9,599.0	9,813.8	7,949.3	8,474.6		
b) Others-Discontinued Operations	-	-	504.1	-		
c) Unallocated	-	-	827.4	936.4		
Total	9,599.0	9,813.8	9,280.8	9,411.0		
(c) Capital Employed (Segment Assets - Segment Liabilities)						
a) Coatings	10,114.1	13,324.8	8,420.7	7,713.4		
b) Others-Discontinued Operations	-	-	429.5	-		
c) Unallocated	-	-	870.9	5,188.7		
Total	10,114.1	13,324.8	9,721.1	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 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 quarters ended 30 June 2018 and 30 September 2018 and half year ended 30 September 2018.



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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 half year ended 30 September 2018

Notes:

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 3 November 2018. The figures for the quarter ended 30 September 2018 have been subjected to limited review by the statutory auditors.
2. Exceptional items reported during the quarter ended 30 September 2018, half year ended 30 September 2017 and 30 September 2018 and year ended 31 March 2018 represent divestment provisions no longer required written back.
3. In accordance with Ind AS 18 on Revenue and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the half year ended 30 September 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 half year ended 30 September 2018 and quarters ended 30 September 2018, 30 June 2018 and 30 September 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		Half year ended			Year ended 31 March 2018
	30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	
Revenue from continuing operations	7,138.0	7,156.9	6,585.8	14,294.9	13,804.3	27,928.4
Less : Excise Duty	-	-	-	-	734.9	734.9
Revenue from continuing operations net of excise duty	7,138.0	7,156.9	6,585.8	14,294.9	13,069.4	27,193.5
Revenue from discontinued operations	-	-	459.1	-	1,153.1	2,488.8
Less : Excise Duty	-	-	-	-	28.7	28.7
Revenue from discontinued operations net of excise duty	-	-	459.1	-	1,124.4	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 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:

(Rs in Million)

Particulars	Quarter ended 30 September 2017	Half year ended 30 September 2017	Year ended 31 March 2018
Total income from operations	461.7	1,153.1	2,488.8
Total expenses	452.3	1,143.1	2,340.3
Profit before income tax	9.4	10.0	148.5
Income tax expense	8.0	6.9	62.0
Profit after tax	1.4	3.1	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
Profit for the period from discontinued operations	1.4	3.1	1,948.9



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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. The Board of Directors had recommended a dividend of Rs. 22 per share for the year ended 31 March 2018 (previous year Rs. 22 per share). The Dividend has been paid after approval of shareholders during the quarter ended 30 September 2018.
8. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Gurugram
3 November 2018


Rajiv Rajgopal
Managing Director

