

**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 2015**

(Rs. Millions)

PART I

Particulars	Quarter ended			Year ended	Year ended
	31 March 2015	31 December 2014	31 March 2014	31 March 2015	31 March 2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>1 Income from operations</b>					
(a) Net sales (net of excise duty)	5,777.6	6,714.1	6,012.8	24,697.9	23,717.1
(b) Other operating income	144.0	156.1	103.4	572.0	462.0
<b>Total Income from operations (net)</b>	<b>5,921.6</b>	<b>6,870.2</b>	<b>6,116.2</b>	<b>25,269.9</b>	<b>24,179.1</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	2,815.6	2,695.1	3,007.7	11,969.5	11,726.5
(b) Purchase of stock-in-trade	593.0	508.4	732.0	2,219.0	2,204.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(273.4)	653.0	(287.4)	(125.5)	(146.1)
(d) Employee benefits expense	575.0	495.0	463.5	2,057.7	1,938.9
(e) Depreciation and amortisation expense	137.1	128.6	116.7	525.9	436.7
(f) Other expenses	1,596.5	1,714.9	1,567.2	6,534.9	6,537.5
<b>Total expenses</b>	<b>5,443.8</b>	<b>6,195.0</b>	<b>6,599.7</b>	<b>23,181.5</b>	<b>22,697.6</b>
<b>3 Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>477.8</b>	<b>675.2</b>	<b>516.5</b>	<b>2,088.4</b>	<b>1,481.5</b>
4 Other Income	136.3	67.8	225.5	650.0	566.9
<b>5 Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>614.1</b>	<b>743.0</b>	<b>742.0</b>	<b>2,738.4</b>	<b>2,048.4</b>
6 Finance cost	1.5	3.0	1.8	14.9	14.7
<b>7 Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>612.6</b>	<b>740.0</b>	<b>740.2</b>	<b>2,723.5</b>	<b>2,033.7</b>
8 Exceptional items - income	-	-	-	26.7	-
<b>9 Profit from ordinary activities before tax (7+8)</b>	<b>612.6</b>	<b>740.0</b>	<b>740.2</b>	<b>2,750.2</b>	<b>2,033.7</b>
10 Tax expense	166.2	232.6	193.5	887.1	531.5
<b>11 Net profit from ordinary activities after tax (9-10)</b>	<b>446.4</b>	<b>507.4</b>	<b>546.7</b>	<b>1,863.1</b>	<b>1,502.2</b>
12 Paid - up equity share capital (ordinary shares of Rs 10/- each)	466.6	466.6	466.6	466.6	466.6
13 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				8,719.0	7,996.6
<b>14 Basic and diluted Earnings per share (of Rs. 10 each) (not annualised)</b>	<b>9.57</b>	<b>10.87</b>	<b>11.72</b>	<b>39.93</b>	<b>32.18</b>

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**Financial Results for the quarter and year ended 31 March 2015**

PART # Particulars	Quarter ended			Year ended	Year ended
	31 March 2015	31 December 2014	31 March 2014	31 March 2015	31 March 2014
<b>A PARTICULARS OF SHAREHOLDING</b>					
<b>1 Public shareholding</b>					
- Number of shares	12,615,979	12,615,979	12,615,979	12,615,979	12,615,979
- Percentage of shareholding	27.04%	27.04%	27.04%	27.04%	27.04%
<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	34,044,335	34,044,335	34,044,335
- 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)	72.96%	72.96%	72.96%	72.96%	72.96%
<b>B PARTICULARS OF INVESTOR COMPLAINTS</b>					
	Quarter ended 31 March 2015				
Pending at the beginning of the quarter	-				
Received during the quarter	1				
Disposed off during the quarter	1				
Remaining unresolved at the end of the quarter	-				

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**Statement of Assets and Liabilities**

(Rs. Millions)

Particulars	As at 31 March	
	2015	2014
	(Audited)	(Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds</b>		
(a) Share capital	466.6	466.6
(b) Reserves and surplus	8,733.1	8,010.9
<b>Sub total - Shareholders funds</b>	<b>9,199.7</b>	<b>8,477.5</b>
<b>2 Non-current liabilities</b>		
(a) Deferred tax liabilities (net)	109.1	120.6
(b) Other long-term liabilities	160.8	143.0
(c) Long-term provisions	602.3	674.4
<b>Sub total - Non-current liabilities</b>	<b>872.2</b>	<b>938.0</b>
<b>3 Current liabilities</b>		
(a) Trade payables	4,590.1	4,926.5
(b) Other current liabilities	1,149.4	1,174.7
(c) Short-term provisions	2,179.9	4,872.2
<b>Sub total - Current liabilities</b>	<b>7,919.4</b>	<b>10,973.4</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>17,991.3</b>	<b>20,388.9</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets	5,283.5	5,331.3
(b) Non-current investments	499.9	499.9
(c) Long term loans and advances	1,075.1	1,032.2
(d) Other non-current assets	5.0	18.0
<b>Sub total - Non-current assets</b>	<b>6,863.5</b>	<b>6,881.4</b>
<b>2 Current assets</b>		
(a) Current investments	3,444.1	5,786.3
(b) Inventories	3,646.6	3,242.1
(c) Trade receivables	2,784.4	3,075.5
(d) Cash and cash equivalents	600.5	722.1
(e) Short term loans and advances	516.0	513.5
(f) Other current assets	136.2	168.0
<b>Sub total - Current assets</b>	<b>11,127.8</b>	<b>13,507.5</b>
<b>TOTAL - ASSETS</b>	<b>17,991.3</b>	<b>20,388.9</b>

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**Segment wise Revenue, Results and Capital Employed  
Financial Results for the quarter and year ended 31 March 2015**

(Rs. Millions)

	Quarter ended			Year ended	Year ended
	31 March 2015	31 December 2014	31 March 2014	31 Mar 2015	31 March 2014
	(Unaudited)			(Audited)	(Audited)
<b>1 Segment Revenue</b>					
a) Coatings	5,634.6	6,566.6	5,864.0	24,152.7	23,242.9
b) Others	287.0	303.6	252.2	1,117.2	936.2
<b>Total income from operations (net)</b>	<b>5,921.6</b>	<b>6,870.2</b>	<b>6,116.2</b>	<b>25,269.9</b>	<b>24,179.1</b>
<b>2 Segment Results [Profit before interest and tax from each segment]</b>					
a) Coatings	499.6	680.7	490.0	2,110.8	1,472.9
b) Others	53.9	14.3	28.3	129.5	103.0
<b>Total</b>	<b>553.5</b>	<b>695.0</b>	<b>518.3</b>	<b>2,240.3</b>	<b>1,575.9</b>
Finance Cost	1.5	3.0	1.8	14.9	14.7
Other un-allocable income (net of un-allocable expenditure)	60.6	48.0	223.7	498.1	472.5
	612.6	740.0	740.2	2,723.5	2,033.7
Exceptional items - Income	-	-	-	26.7	-
<b>Profit before tax</b>	<b>612.6</b>	<b>740.0</b>	<b>740.2</b>	<b>2,750.2</b>	<b>2,033.7</b>
<b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>		<b>As at</b>		<b>As at</b>	<b>As at</b>
		<b>31 December 2014</b>		<b>31 Mar 2015</b>	<b>31 March 2014</b>
a) Coatings		6,870.7		6,813.1	6,665.2
b) Others		732.7		525.9	644.9
Unallocated		2,269.3		1,860.7	1,167.4
<b>Total</b>		<b>9,872.7</b>		<b>9,199.7</b>	<b>8,477.5</b>

**Note :**

- Segment Revenue, Results 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.

-"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 2015**

**Notes:**

1. The above results have been approved by the Audit Committee and the Board of Directors at their meetings held on 28 May 2015.
2. The Statutory Auditors of the Company have audited the financial results for the year ended 31 March 2015. The figures for the quarter ended 31 March 2015, as reported in these financial results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. An unqualified report has been issued and the same is being filed with the Bombay and National Stock Exchanges, which is also available on the Company website- [www.akzonobel.co.in](http://www.akzonobel.co.in).
3. During the current year, pursuant to the Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has changed the useful life specified in Part 'C' of Schedule II of the Act. As a result of this change, the depreciation charge for the quarter and year ended 31 March 2015 is higher by Rs. 11.3 million and Rs. 30.2 million respectively. Further, based on the transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 32 million (before adjustment of related tax impact of Rs. 11 million) has been debited to the opening balance of Retained earnings in respect of the fixed assets where life has expired as per the said Schedule as on 31 March 2014.
4. Consequent on receipt of provisional approval from authorities, the Company, during the year, re-assessed the provision with regard to liability on sale of Catalyst business and the net impact of Rs. 27 million has been disclosed as an exceptional item. The tax impact of the transfer is being evaluated by the management and will be recognised in the period in which the transfer is consummated.
5. During the quarter ended 30 June 2014, the Company had paid Commission amounting to Rs. 3.6 million to its Non-Executive Directors for the year ended 31 March 2014, which has been approved by the shareholders at the Annual General Meeting held on 11 August 2014.
6. The Board of Directors has recommended a dividend of Rs. 20.00 per share for the year ended 31 March 2015 (previous year: Rs. 15.00 per share and a special dividend of Rs. 60.00 per share). The dividend will be paid after the approval of the shareholders at the forthcoming Annual General Meeting.

Gurgaon  
28 May 2015

  
**Jayakumar Krishnaswamy**  
Managing Director

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# B S R & Associates LLP

Chartered Accountants

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## Independent Auditor's Report

To the Board of Directors of Akzo Nobel India Limited

### Report on financial results

1. We have audited the accompanying Statement of financial results of Akzo Nobel India Limited ('the Company') for the year ended 31 March 2015, attached herewith, being submitted by the Company pursuant to the requirements of clause 41 of the Listing Agreement with stock exchanges, 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 audited by us. This statement has been prepared on the basis of annual financial statements, which is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement based on our audit of such annual financial statements, which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally acceptable in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall presentation of the Statement. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is drawn to the fact that the figures for the quarter ended 31 March 2015 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
4. In our opinion and to the best of our information and according to the explanations given to us, these financial results:
  - (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) give a true and fair view of the profit and other financial information for the year ended 31 March 2015.

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5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

*For B S R & Associate LLP*

*Chartered Accountants*

Firm Registration No.: 116231W/ W- 100024



**Rakesh Dewan**

*Partner*

Membership No.: 092212

Place: Gurgaon

Date : 28 May 2015