

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 2014

PART I Particulars	Quarter ended			Year ended	Year ended
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013
	(Unaudited)			(Audited)	(Audited)
					(Rs. million)
1 Income from operations					
(a) Net sales (net of excise duty)	6,012.8	6,439.3	5,246.7	23,717.1	21,797.4
(b) Other operating income	103.4	123.7	157.3	462.0	522.4
Total income from operations (net)	6,116.2	6,563.0	5,404.0	24,179.1	22,319.8
2 Expenses					
(a) Cost of materials consumed	3,007.3	2,922.1	3,065.4	11,726.5	10,845.6
(b) Purchase of stock-in-trade	732.4	361.0	467.8	2,204.1	1,989.9
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(287.4)	570.4	(472.6)	(146.1)	119.9
(d) Employee benefits expense	463.5	487.5	417.4	1,938.9	1,752.3
(e) Depreciation and amortisation expense	116.7	118.8	95.5	436.7	386.5
(f) Other expenses	1,587.2	1,803.1	1,434.8	6,537.5	5,726.3
Total expenses	5,599.7	6,262.9	5,008.3	22,697.6	20,820.5
3 Profit from operations before other income, finance costs and exceptional items (1-2)	516.5	300.1	395.7	1,481.5	1,499.3
4 Other Income	225.5	43.2	511.9	566.9	1,381.2
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	742.0	343.3	907.6	2,048.4	2,880.5
6 Finance cost	1.8	3.8	74.2	14.7	89.3
7 Profit from ordinary activities before tax (5-6)	740.2	339.5	833.4	2,033.7	2,791.2
8 Tax expense	193.5	69.4	208.4	531.5	602.9
9 Net profit from ordinary activities after tax (7-8)	546.7	270.1	625.0	1,502.2	2,188.3
10 Paid - up equity share capital (ordinary shares of Rs 10/- each)	466.6	466.6	466.6	466.6	466.6
11 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				12,090.9	10,571.4
12 Basic and diluted Earnings per share (of Rs. 10 each) (not annualised)	11.72	5.79	13.38	32.18	46.49

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PART II

Particulars	Quarter ended			Year ended	Year ended
	31 Mar 2014	31 Dec 2013 (Unaudited)	31 Mar 2013	31 Mar 2014 (Audited)	31 Mar 2013 (Audited)
A PARTICULARS OF SHAREHOLDING					
1 Public shareholding					
- 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%
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	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 PARTICULARS OF INVESTOR COMPLAINTS

	Quarter ended 31 March 2014
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	-

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Statement of Assets and Liabilities as at 31 March 2014

(Rs. million)

Particulars	As at 31 March 2014 (Audited)	As at 31 March 2013 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' Funds		
(a) Share capital	466.6	466.6
(b) Reserves and surplus	8,010.9	10,585.7
Sub total - Shareholder's funds	8,477.5	11,052.3
2 Non-current liabilities		
(a) Deferred tax liabilities (net)	120.6	46.7
(b) Other long-term liabilities	143.0	190.3
(c) Long-term provisions	674.4	618.5
Sub total - Non-current liabilities	938.0	855.5
3 Current liabilities		
(a) Trade payables	4,926.5	4,784.8
(b) Other current liabilities	1,174.7	1,171.2
(c) Short-term provisions	4,872.2	5,188.1
Sub total - Current liabilities	10,973.4	11,144.1
TOTAL - EQUITY AND LIABILITIES	20,388.9	23,051.9
B ASSETS		
1 Non-current assets		
(a) Fixed assets	5,331.3	4,604.8
(b) Non-current investments	499.9	2,699.9
(c) Long term loans and advances	1,032.2	901.2
(d) Other non-current assets	18.0	16.0
Sub total - Non-current assets	6,881.4	8,221.9
2 Current assets		
(a) Current investments	5,786.3	6,771.7
(b) Inventories	3,242.1	3,149.4
(c) Trade receivables	3,075.5	2,515.6
(d) Cash and cash equivalents	722.1	856.8
(e) Short term loans and advances	513.5	1,291.3
(f) Other current assets	168.0	245.2
Sub total - Current assets	13,507.5	14,830.0
TOTAL - ASSETS	20,388.9	23,051.9

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**Segment wise Revenue, Results and Capital Employed
For the quarter and year ended 31 March 2014**

(Rs. million)

	Quarter ended			Year ended	Year ended
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013
	(Unaudited)			(Audited)	(Audited)
1 Segment Revenue					
a) Coatings	5,864.0	6,345.7	5,178.7	23,242.9	21,425.4
b) Others	252.2	217.3	225.3	936.2	894.4
Total income from operations (net)	6,116.2	6,563.0	5,404.0	24,179.1	22,319.8
2 Segment Results [Profit before interest and tax from each segment]					
a) Coatings	490.0	318.7	564.6	1,472.9	1,644.2
b) Others	28.3	3.2	63.0	103.0	144.2
Total	518.3	321.9	627.6	1,575.9	1,788.4
Interest expense	1.8	3.8	74.2	14.7	89.3
Other un-allocable income net of (un-allocable expenditure)	223.7	21.4	280.0	472.5	1,092.1
Profit before tax	740.2	339.5	833.4	2,033.7	2,791.2
3 Capital Employed (Segment Assets - Segment Liabilities)					
	As at			As at	As at
	31 Dec 2013			31 Mar 2014	31 Mar 2013
a) Coatings	5,941.6			6,665.2	5,308.6
b) Others	626.8			644.9	607.3
Unallocated	5,439.2			1,167.4	5,136.4
Total	12,007.6			8,477.5	11,052.3

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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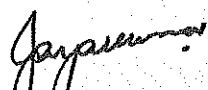
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Financial Results for the quarter and year ended 31 March 2014

Notes:

1. The above results have been approved by the Audit Committee and the Board of Directors at their meetings held on 16 May 2014.
2. The Statutory Auditors of the Company have audited the financial results for the year ended 31 March 2014. The figures for the quarter ended 31 March 2014, 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.
3. Other expenses for the current quarter include a reversal of Rs. 71 million which was charged to the financial results for the quarter ended 31 December 2013 in respect of certain services received during the calendar year 2013. On the basis of agreement with the service provider, the charge for 2013 has been reversed in the current quarter. This does not impact the financial results for the year.
4. The Board of Directors has recommended a dividend of Rs. 15.00 per share for the year ended 31 March 2014 (previous year: Rs. 20.00 per share). In addition, the Board has also recommended a special dividend of Rs. 60.00 per share (previous year: Rs. 60.00 per share). The dividend will be paid after the approval of the shareholders at the forthcoming Annual General Meeting.
5. Previous year/ period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current year/ period figures.

New Delhi
16 May 2014


Jayakumar Krishnaswamy
Managing Director

JK

B S R & Associates LLP

Chartered Accountants

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

Telephone: + 91 124 2549 191
Fax: + 91 124 2549 101

Independent Auditors' Report
To the Board of Directors
Akzo Nobel India Limited

1. We have audited the accompanying statement of annual Financial Results ('Statement') of Akzo Nobel India Limited ('the Company') for the year ended 31 March 2014, attached herewith, being submitted by the Company pursuant to the requirements of clause 41 of the Listing Agreement, 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. Attention is drawn to the fact that the figures for the quarter ended 31 March 2014 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 third quarter of the relevant financial year. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.
2. These financial results have been prepared by the Company on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared accordance with the recognition and measurement principles laid down in Accounting Standards notified under Companies Act, 1956 ("the Act") read with the General Circular 15/2003 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
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 net profit and other financial information for the year ended 31 March 2014.



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Further, we 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 shareholding 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 in accordance therewith.

For B S R & Associates LLP
Chartered Accountants
ICAI Firm registration number: 116231W



Rakesh Dewan
Partner
Membership No.: 092212

Place: Gurgaon
Date: 16 May 2014