

Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
Akzo Nobel India Limited
9th Floor, Magnum Towers,
Golf Course Extension Road,
Sector - 58, Gurugram - 122011
Haryana, India

1. We have reviewed the Standalone Unaudited Financial Results of Akzo Nobel India Limited (the "Company") for the quarter ended 31 December 2022 and the year to date results for the period 01 April 2022 to 31 December 2022, which are included in the accompanying 'Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31 December 2022' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (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



Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 23078571BGXZHH9558
Place: Gurugram
Date: 09 February 2023

Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurugram - 122 002
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Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

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 nine months ended 31 December 2022

Particulars	Quarter ended			Nine months ended		(Rs. in Million)
	31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	For the year ended 31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income						
(a) Revenue from operations	9,868	9,262	9,144	28,507	22,815	31,486
(b) Other income	124	48	47	213	176	227
Total income	9,992	9,310	9,191	28,720	22,991	31,713
2 Expenses						
(a) Cost of materials consumed	4,806	5,775	5,199	15,912	12,734	17,747
(b) Purchases of stock-in-trade	439	224	264	1,255	1,660	1,939
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	774	(291)	98	281	(798)	(902)
(d) Employee benefits expense	763	753	638	2,273	1,899	2,632
(e) Finance costs	26	34	32	84	88	145
(f) Depreciation and amortisation expense	211	196	190	600	567	759
(g) Other expenses	1,657	1,737	1,666	5,082	4,188	5,746
Total expenses	8,676	8,428	8,087	25,487	20,338	28,066
3 Profit / (Loss) from operations before exceptional items and tax (1-2)	1,316	882	1,104	3,233	2,653	3,647
4 Exceptional Items - Income / (Expense) (Refer note 2)	-	-	-	-	-	20
5 Profit / (Loss) before tax (3+4)	1,316	882	1,104	3,233	2,653	3,667
6 Tax expense						
(a) Current tax (net) (refer note 3)	352	236	279	868	513	782
(b) Deferred tax	(10)	(8)	(13)	(32)	(15)	(15)
7 Net Profit / (Loss) for the period / year (5-6)	974	654	838	2,397	2,155	2,900
8 Other comprehensive income						
Items that will not be reclassified to profit or loss						
(A) (i) Gain/(Loss) of defined benefit plans	(8)	(47)	(9)	(10)	(25)	-
(ii) Income tax relating to above	2	12	2	3	6	-
(B) (i) Changes in fair value of FVOCI equity instruments	-	-	-	-	-	-
(ii) Income tax relating to above	-	-	-	-	-	-
Other comprehensive income for the period / year	(6)	(35)	(7)	(7)	(19)	-
9 Total comprehensive income for the period / year (7+8)	968	619	831	2,390	2,136	2,900
10 Paid - up equity share capital (Shares of Rs. 10 each)	455	455	455	455	455	455
11 Earnings per equity share (of Rs. 10 each) (not annualised) from operations:						
(a) Basic	21.39	14.37	18.40	52.64	47.31	63.68
(b) Diluted	21.39	14.37	18.40	52.64	47.31	63.68

*Amount is below rounding off norms, adopted by the Company



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Akzo Nobel India Limited
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CIN: L24292WB1954PLC021516

Notes to the Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31 December 2022

1. The Statement of Standalone Unaudited Financial Results has been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 9 February 2023. The figures for the quarter and nine months ended 31 December 2022 have been subjected to limited review by the statutory auditors.
2. In the year ended 31 March 2022, the Company had reversed an excess provision amounting to INR 20 Mn which was created in earlier years in relation to its erstwhile divested business. This was disclosed as an exceptional item.
3. Current tax expense for nine months ended 31 December 2021 and year ended 31 March 2022 is net of INR 169 Mn and INR 162 Mn respectively on account of reversal of tax provision pursuant to conclusion of assessments of certain earlier years.
4. The Company operates in single segment viz. Coatings. Therefore, separate segment disclosures under the provisions of Ind AS 108 have not been given in respect of Standalone Unaudited Financial Results for the quarter and nine months ended 31 December 2022.
5. The Board of Directors have approved a payment of interim dividend of Rs.25 (Rupees twenty five only) per equity share of the face value of Rs.10 each for the financial year ending 31 March 2023. The record date for the purpose of payment of interim dividend is fixed as 21 February 2023. The interim dividend will be paid on or after 6 March 2023 to those members entitled thereto after deduction of TDS, where applicable, at the prescribed rates.
6. Previous period figures have been regrouped / reclassified, wherever necessary, to make them comparable to the current period figures.

Gurugram

09 February 2023




Rajiv Rajgopal

Managing Director

Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
Akzo Nobel India Limited
9th Floor, Magnum Towers,
Golf Course Extension Road,
Sector-58, Gurugram – 122011
Haryana, India

1. We have reviewed the Consolidated Unaudited Financial Results of Akzo Nobel India Limited (the “Parent”) and its subsidiary (the parent and its subsidiary hereinafter referred to as the “Group”), [refer Note 2 on the Statement] for the quarter ended 31 December 2022 and the year to date results for the period 01 April 2022 to 31 December 2022, which are included in the accompanying ‘Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended 31 December 2022’ (the “Statement”). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent’s Management and has been approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - Akzo Nobel India Limited (Parent)
 - ICI India Research and Technology Centre (Subsidiary Company)



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5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of the subsidiary included in the Consolidated Unaudited Financial Results, whose interim financial results reflect total revenues of Rs. 2 Million and Rs. 9 Million, total net profit after tax of Rs. Nil and Rs. Nil and total comprehensive income of Rs. Nil and Rs. Nil, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022, respectively, as considered in the Consolidated Unaudited Financial Results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

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



Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 23078571BGXZHJ6825
Place: Gurugram
Date: 09 February 2023

Akzo Nobel India Limited

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Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended 31 December 2022

(Rs. in Million)

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(b) Purchases of stock-in-trade	439	224	264	1,255	1,660	1,939
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	774	(291)	98	281	(798)	(902)
(d) Employee benefits expense	765	755	640	2,280	1,905	2,640
(e) Finance costs	26	34	32	84	88	145
(f) Depreciation and amortisation expense	211	196	190	600	567	759
(g) Other expenses	1,655	1,735	1,664	5,075	4,182	5,737
Total expenses	8,676	8,428	8,087	25,487	20,338	28,065
3 Profit / (Loss) from operations before exceptional items and tax (1-2)	1,316	882	1,104	3,233	2,653	3,648
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(a) Current tax (net) (refer note 4)	352	236	279	868	513	782
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8 Other comprehensive income						
Items that will not be reclassified to profit or loss						
(A) (i) Gain/(Loss) of defined benefit plans	(8)	(47)	(9)	(10)	(25)	(1)
(ii) Income tax relating to above	2	12	2	3	6	*
(B) (i) Changes in fair value of FVOCI equity instruments	-	-	-	-	-	-
(ii) Income tax relating to above	-	-	-	-	-	-
Other comprehensive income for the period / year	(6)	(35)	(7)	(7)	(19)	(1)
9 Total comprehensive income for the period / year (7+8)	968	619	831	2,390	2,136	2,900
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11 Earnings per share (of Rs. 10 each) (not annualised) from operations:						
(a) Basic	21.39	14.37	18.40	52.64	47.31	63.70
(b) Diluted	21.39	14.37	18.40	52.64	47.31	63.70

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2. The Consolidated Unaudited Financial Results include the results of the following entities namely, Akzo Nobel India Limited (Parent) and ICI India Research and Technology Centre (Subsidiary), hereinafter referred to as the Group.
3. In the year ended 31 March 2022, the Group had reversed an excess provision amounting to INR 20 Mn which was created in earlier years in relation to its erstwhile divested business. This was disclosed as an exceptional item.
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Rajiv Rajgopal

Managing Director



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