

B S R & Associates

(Registered)
Chartered Accountants

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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 2013, 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 2013 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 in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 in terms of Section 211(3C) of the Companies Act, 1956, 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 also 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 2013.



5. Emphasis of matter

Attention is drawn to note 4 to the attached financial results, which explains that the results for the quarter ended 31 March 2012 include the results of the transferor companies in the Scheme of Amalgamation, as stated therein, for the full year. Since the Company had accounted for the Scheme of Amalgamation during the quarter ended 31 March 2012, the results of that quarter are the balancing figures between the audited figures in respect of the full financial year and the already published year to date figures up to the third quarter ended 31 December 2011, which were not restated. Our opinion is not qualified in respect of this matter.

Further, we report that we, on the basis of the books of account and other records and information and explanations given to us by the management, have 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 have found the same to be in accordance therewith.

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

Place: Gurgaon
Date: 20 May 2013

Kaushal Kishore
Partner
Membership No.: 090075

