

Akzo Nobel India Limited

Minutes of 59th Annual General Meeting of Members of Akzo Nobel India Limited held on 8th August, 2013 at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017

Present on the dais

Mr Nihal Kaviratne CBE	Chairman
Mr Amit Jain	Managing Director - also representing Imperial Chemical Industries Limited, UK
Mr Partha Sarathi Basu	Wholetime Director - also representing Akzo Nobel Chemicals International B.V., The Netherlands
Mr Robert Molenaar	Director – also representing Akzo Nobel Coatings International B.V., The Netherlands
Mr Arvind Uppal	Director
Mr R Gopalakrishnan	Director
Ms Renu Sud Karnad	Director
Dr Sanjiv Misra	Director
Mr R Guha	Secretary

The attendance of members at the Meeting was as follows:

Members	No	No of shares
Members present in person	128	2633
Members present by Proxy	23	756830
Representation u/s 187	8	34076626
Total	159	34836089

The following documents were open for inspection by the members at the meeting:

- Register of Directors' Shareholding
- Minute Book containing inter alia the Minutes of the previous Annual General Meeting held on 9 August 2012.
- Agreement dated 15 May 2009 between Mr Amit Jain, Managing Director and the Company.

1. Chairman's address

The quorum being present, the Chairman called the 59th Annual General Meeting ("AGM") of the Company to order at 14:30 hrs and extended a warm welcome to the Members and Proxy holders present.

On invitation from the Chairman, Mr Kunal Kumar, **Regional HR Manager**, announced the administrative guidelines to be followed at the AGM venue and the steps to be taken in case of any safety or health emergency. Those present were requested to keep their mobile phones switched off to avoid any disturbance to the proceedings at the meeting.

After the safety announcement, the Chairman spoke briefly about the changes that have taken place in the Board since the previous year's Annual General Meeting. He noted that Mr G Armstrong had stepped down from the Board with effect from 29 March 2013 and placed on record Company's deep appreciation and thanked him for his valuable contributions during his tenure as a Director of the Company.

The Chairman then introduced the Board of Directors seated on the dais. He commenced with introducing Dr Sanjiv Misra, Director and Chairman of the Shareholder/Investor Grievance Committee and went on to introduce Mr Robert Molenaar who has joined in place of Mr G Armstrong in May 2013. He then introduced Mr R Gopalakrishnan, Director and Chairman of Remuneration & Nominations Committee, Mr Amit Jain, Managing Director, Mr Partha Sarathi Basu, Wholetime Director, Ms Renu S Karnad, Director and Chairperson of the Audit Committee, Mr Arvind Uppal, Director and Mr R Guha, the Company Secretary.

Thereafter, the Chairman shared some of his thoughts on the business environment in India and outlined the progress made by the Company during the year 2012-13, details of which are attached as **Annexure 1** to these minutes.

At the request of the Chairman, Mr Amit Jain, Managing Director, made a brief presentation giving an overview of the Company, its businesses and market conditions. He also highlighted the investments and efforts made by the Company to ensure sustainable growth for the Company.

The Chairman then proceeded to take up the formal business of the meeting:

2. **Notice of the Meeting**

Notice of the Annual General Meeting ('AGM'), which had been circulated to all the members, was taken as read with the consent of the members present. A copy of the said notice dated 20 May 2013 is attached as **Annexure 2** to these minutes.

3. **Items on agenda as per the AGM Notice**

The Chairman stated that all items on the agenda are 'Ordinary Business' and proceeded to take them up in sequence.

3.1 **Adoption of Accounts**

The first item of the Agenda was to consider and adopt the audited Statement of Profit and Loss of the Company for the financial year ended 31st March 2013 and the Balance Sheet as on that date and the Reports of the Auditors and the Directors thereon.

At the request of the Chairman, the report of the Auditors to the members was read out by Mr. Rakesh Dewan, Partner of B S R & Associates, Auditors of the Company.

Thereafter, Mr Arup Kumar Das (DP/ Client ID: IN30267932538105) proposed the following Resolution as an Ordinary resolution:

"Resolved the audited Statement of Profit and Loss for the financial year ended 31 March 2013, the audited Balance Sheet as at that date and the Reports of the Directors and Auditors thereon. be adopted."

Mr Manoj Kumar Gupta (Folio No. MKG044) seconded the above Resolution.

With the permission of the Chairman, some of the members present - listed in **Annexure 3**, sought certain clarifications and explanations relating to the accounts. After the Chairman answered the pertinent questions from the members, the above Resolution, having been duly proposed and seconded, was put to vote and was carried by requisite majority by show of hands.

3.2 Dividend

Mr B N Kundu (Folio No. BNK024) proposed the following Resolution as an Ordinary resolution:

"Resolved that dividend on the Equity Shares of the Company for the financial year ended 31st March, 2013 be and is hereby declared at the rate of Rs.80.00 per share payable to those members whose names appear on the Register of Members as on the last date of Book Closure in respect of their equity shareholding as on that date or the corresponding Ex-Dividend date for the Demat shareholders."

Mr L B Mehta (Folio No. LBM0003) seconded the above Resolution.

The above Resolution, duly proposed and seconded, was put to vote and was carried unanimously by show of hands.

3.3 Re-appointment of Ms R S Karnad as a Director

Mr R K Saraf (DP/ Client ID: IN30009510433769) proposed the following Resolution as an Ordinary resolution:

"Resolved that Ms R S Karnad be and is hereby re-appointed a Director of the Company."

Mr Arabinda Basu (DP/ Client ID: IN30044110745973) seconded the above Resolution.

The above Resolution, duly proposed and seconded, was put to vote and was approved unanimously by show of hands.

3.4 Re-appointment of Mr A Uppal as a Director

Mr S Gattani (DP/ Client ID: IN30044110570834) proposed the following Resolution as an Ordinary resolution:

"Resolved that Mr A Uppal be and is hereby reappointed as Director of the Company."

Mr S N Pal (DP/ Client ID: 1203450000021620) seconded the above Resolution.

The above Resolution, duly proposed and seconded, was put to vote and was carried unanimously by show of hands.

3.5 Re-appointment of Auditors

Mr A K Pal (DP/ Client ID 1204470002592457) proposed the following Resolution as an Ordinary resolution:

"Resolved that the Auditors, M/s B S R & Associates, Chartered Accountants, who retire at the conclusion of this meeting, be and are hereby re-appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at the remuneration as given below:

Statutory Audit	Rs 4.5 million
Tax Audit	Rs 1.2 million
Statutory certification	Rs 1.5 million

In addition, reasonable out-of-pocket expenses and service tax as applicable may also be reimbursed to the Auditors. Any other fees for certification and other services may be billed by the Auditors at such rates agreed between the Auditors and the Company."

Mr A K Ganguly (DP/ Client ID: IN30125028662269) seconded the above Resolution.

The above Resolution, duly proposed and seconded, was put to vote and was carried unanimously by show of hands.

4. Vote of Thanks

Mr B N Kundu (Folio No. BNK024) proposed and Mr S Gattani (DP/Client ID: IN30044110570834) seconded a vote of thanks to the Chair. It was carried unanimously.

The Chairman thanked the Members once again and the meeting ended at 1630hrs.

N Kaviratne
Chairman

59th AGM – Chairman's Address

By Mr Nihal Kaviratne CBE, Chairman

Distinguished Shareholders,

As I welcome you to the 59th Annual General Meeting of your company, I look back at the previous year, when we unleashed the power of 'One AkzoNobel' by merging various AkzoNobel Group entities in India into one company Akzo Nobel India of which you are now shareholders. That was a bold move which consolidated us as a major player in the coatings and chemicals sector. Today, we look ahead with resolve as we move to the next chapter of our growth story. We continue to invest in talent, in innovative processes, in infrastructure, in a pan-India presence and, most significant of all, in change. It is a journey that requires us to go forth with faith and fortitude. And, inevitably, it is a journey that requires your continued support.

You have received the Annual Report for 2012-13 with 'Investing for growth' as its underlying theme. The year saw the biggest investment in capacity expansion after nearly three decades, emphasizing the fact that we are here for the long term and will continue to invest in brands, infrastructure, distribution and capability. This also shows our commitment to invest in growth, even when business conditions in the country are challenging. Indeed, I am happy to share with you that, despite a slowdown in India's economy and the higher inflation rates, your company has used this period as an opportunity to invest in products and people. We are aware that there will be challenges and difficulties along the way, but we are fully geared to meet them. The coming year will be about execution excellence and operational efficiency where we will be investing in further growth.

As revealed in the Annual Report, the revenue for the year was Rs 22,320 million, which is 12% ahead of the previous year, with contributions from all segments. Profit after tax for the year, at Rs 2,188 million, is higher than the previous year by 8%. Your Board is pleased to recommend a special dividend of Rs 60 per share this year over and above a dividend of Rs 20 per share. This decision arises from a continuing assessment of the cash we generate and the funding requirements in the medium term to pursue growth opportunities. Our focus on cash has resulted in profitable growth. Your company has generated a cash flow of Rs 2,441 million from operations, as against the previous year's Rs 1,717 million. We have also invested in a state-of-the-art green-field factory at Gwalior, which is one of our largest investments in capacity since the 1980s. This facility, with its eco-friendly technology including low water and energy consumption norms, will be commissioned in the current year.

As you are aware, your company believes in adhering to the highest standards of corporate governance for which we have well-established systems in place. Some of you may recollect that at the last Annual General Meeting, I had stressed on accountability and transparency, referring to them as key pillars of governance in our company. They are what ensure that commitments are met and promises kept. Our thoughts have remained constant on this vital issue. They are what drive us and inspire us to be true to our shareholders.

The company augmented its position in the market this year with the introduction of new and innovative products. There were some remarkable initiatives in the Decorative Paints business, with new brand campaigns, the expansion of Dulux decorative centres to provide one-stop painting solutions and the launch of a new water-based wood care range. In the Automotive and Aerospace Coatings business, the focus on end user service and margin

management helped us to overcome adverse economic conditions. A series of initiatives have been planned to expand into new segments to support growth of our Marine Coatings division. The Protective Coatings business has identified new areas for generating demand, with a complete focus on the customers' needs. The year saw launches and better price realization in select product lines in the Coil Coatings segment. In the Powder Coatings business, a new range of products under the wood finish and adhesives banner were launched.

Though the Functional Chemicals business saw some slowdown, Surface Chemistry business recorded robust growth during the year, supported by a strong demand in personal care and agrochemical products.

We realize that our success story would be incomplete without the support of two very important partners—our customers and our vendors. Ours is a customer-centric approach and we believe in forging strong ties with our vendors.

I am pleased to tell you that our employee strength has grown this year as well to around 1800. There were several new initiatives launched in Health, Safety, Environment and Security, and for the development of our employees. Our vision for growth would be incomplete if our people did not participate in it.

Sustainability continues to drive our business — more growth, less waste; more value, less pollution; more durability, less cost. I am pleased to report that all our products and services endorse this belief. During the year, your company implemented several CSR projects in partnership with NGOs in the areas of health, education and the environment.

Tomorrow, an organization called St. Jude India ChildCare Centres (which provides holistic care to needy children from small towns and villages visiting large cities with their parents to undergo treatment for cancer) will open its second Centre in Kolkata, at Thakurpukur. Your Company provides all the paint requirements of these Centres throughout India, adding colour to the lives of these families in distress. All shareholders are welcome to visit the opening of the Thakurpukur Centre at 11 am on 9 August.

I would once again like to thank you all for being present today.

Notice of Annual General Meeting

Notice is hereby given that the 59th Annual General Meeting of the Members of Akzo Nobel India Limited will be held on Thursday, 8 August 2013 at 1430 hours at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 to transact the following business:

Ordinary business

1. To consider and adopt the audited Profit and Loss Account for the financial year ended 31 March 2013, the audited Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend on equity shares for the year ended 31 March 2013.
3. To appoint a Director in place of Mrs R S Karnad who retires by rotation. Being eligible, she has offered herself for reappointment as a Director of the Company. A brief resume of Mrs Karnad has been given in this Notice, after the Notes.

Accordingly, to consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“Resolved that Mrs R S Karnad be and is hereby re-appointed a Director of the Company.”

4. To appoint a Director in place of Mr Arvind Uppal who retires by rotation. Being eligible, he has offered himself for reappointment as a Director of the Company. A brief resume of Mr Uppal has been given in this Notice, after the Notes.

Accordingly, to consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“Resolved that Mr Arvind Uppal be and is hereby re-appointed a Director of the Company.”

5. To appoint Auditors and fix their remuneration and for this purpose to consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

“Resolved that the Auditors, M/s B S R & Associates, Chartered Accountants, who retire at the conclusion of this Meeting, be and are hereby re-appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at the remuneration as given below:

Statutory audit	Rs 4.5 million
Tax audit	Rs 1.2 million
Statutory certification	Rs 1.5 million

In addition, reasonable out-of-pocket expenses and service taxes as applicable may also be reimbursed to the Auditors. Any other fees for certification and other services may be billed by the Auditors at such rates as may be agreed between the Auditors and the Company.”

Gurgaon
20 May 2013

By order of the Board
R Guha
Company Secretary

Notes

i) **A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote on a poll instead of him but the Proxy shall not have any right to speak at the meeting. A Proxy need not be a member of the Company.**

The Proxy form, in order to be effective, should be received at the registered office of the Company or at the office of its Registrar and Share Transfer Agent M/s C B Management Services (P) Ltd, (the 'RTA'), P-22, Bondel Road, Kolkata 700 019 not later than 48 hours before the commencement of the Meeting.

ii) The Register of Members and Share Transfer books of the Company will remain closed from 1 August 2013 to 8 August 2013 both days inclusive.

iii) Dividend, if approved at the Meeting, will be paid on or around 16 August 2013 by means of direct bank credit (ECS) or dividend warrants to those members whose names appear on the Company's Register of Members,

- a. In case of shares held in electronic form, to the beneficial owners of shares as on 31 July 2013 as per the downloads furnished to the Company by the depositories for this purpose;
- b. In case of shares held in physical form, to those members whose names appear on the Company's Register of Members after giving effect to all valid stock transfers lodged with the Company before closing hours on 31 July 2013.

iv) As per current SEBI Regulations, dividend is required to be credited to shareholders through Electronic Clearing Service (ECS) wherever the facility is available and the requisite details/mandates have been provided by the Members. Members who are yet to provide their bank details are requested to send the details of their bank account details (account number, bank name, bank address, MICR Code and IFSC Code) to their Depository Participants (in case of shares held in dematerialized form) or to the RTA (in case of shares held in physical form) at the earliest.

v) Members having shares registered in the same name or in the same order of names but in several folios, may please write to the RTA for consolidation of the folios.

vi) Members holding shares in physical form and are desirous of making nomination in terms of Section 109A of the Companies Act, 1956, may write to the RTA for the prescribed form.

vii) Members/Proxy holders must bring the Attendance Slip to the Meeting and hand it over at the entrance, duly signed. A blank format is appended to the Annual Report

viii) Members who wish to obtain any information on the Company or the Accounts may visit the Company's website: www.akzonobel.co.in or may send their queries at least 10 days before the date of the Meeting to the Company Secretary at the Company's Corporate

Office at DLF Cyber Terraces, Block A, 20th Floor, Cyber City, DLF Phase III, Gurgaon 122 002.

ix) Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividends which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund (the 'Fund') of the Central Government. Shareholders who have not en-cashed the dividend warrants so far, for the financial year ended 31st March 2006 or any subsequent financial years, are requested to send unencashed dividend warrants, to the RTA for necessary action. Separate intimations have been sent to those Members whose dividend warrants remain outstanding as on 31 March 2013. All unclaimed dividends in respect of Financial Year 2005-06 onwards are due for transfer to the Fund on expiry of seven years from the date they fell due. Pursuant to the provisions of Section 205C of the Companies Act 1956, no claim shall lie against the Company or the Fund after the said transfer.

Brief resume of the Directors to be re-appointed

i. Ms R S Karnad

Ms R S Karnad is a Non Executive Director of the Company since August 2003. Ms Karnad is a Law Graduate from the University of Mumbai and a Post Graduate in Economics from the Delhi School of Economics, University of Delhi. She is a Director on the Board of various companies and also holds the Pravin Fellowship from Woodrow Wilson School of International Affairs, Princeton, USA.

Ms Karnad is currently the Managing Director of Housing Development Finance Corporation Ltd, which she joined in 1978. She is also a Member of the BTS Investment Advisory Committee advising the Swiss Tech Fund, set up by the Government of Switzerland.

Apart from Akzo Nobel India Limited, Ms Karnad is on the boards of the following companies:

Bosch Limited	Credit Information Bureau (India) Limited
GRUH Finance Limited	HDFC Limited
HDFC Asset Management Company Ltd	HDFC Bank Limited
HDFC ERGO General Insurance Co Ltd	HDFC Property Ventures Limited
HDFC Standard Life Insurance Co. Ltd	Indraprastha Medical Corporation Limited
EIH Limited	Credila Financial Services Pvt Ltd
HDFC Education & Dev. Services Pvt Ltd	HDFC PLC, Maldives
Feedback Infrastructure Services Pvt Ltd	G4S Corporate Services (India) Pvt Ltd
Value and Budget Housing Corpn (I) P Ltd	HT Parekh Foundation
Lafarge India Pvt Ltd	WMS Global Services (P) Ltd
HIREF International LLC	

ii. Mr Arvind Uppal

Mr A Uppal is a Non Executive Director of the Company since April 2011.

Mr. Uppal is a Chemical Engineer from the Indian Institute of Technology, New Delhi and a Masters in Business Administration from the Faculty of Management Studies, New Delhi. He has also attended a Program for Executive Development at I.M.D., Lausanne, Switzerland.

Mr Uppal is currently President, Whirlpool Asia Pacific and CMD Whirlpool India, which he joined in 2005 as the Managing Director when the company was incurring heavy losses. He is credited with the dramatic turnaround of the Whirlpool India business. Prior to joining Whirlpool, Mr. Uppal has worked with Nestle for over 18 years having joined that company as a management trainee in 1987 in India. After having spent the first 10 years in Sales and Marketing in India, Mr. Uppal moved to the Nestle Head Quarters in Switzerland. He has had extensive international experience in countries like China and Vietnam and held positions of increasing responsibilities in Operations and General Management before returning to India to join Whirlpool of India as Managing Director.

Apart from Akzo Nobel India Limited, Mr Uppal is on the boards of the following companies:

Whirlpool of India Limited
Tuscan Ventures Private Limited
Maytag (Australia) Pty Limited
Whirlpool (Australia) Pty Limited

Annexure 3

Member Speakers at the AGM

Sl. No	Name	Folio No/ DPID/ Client ID
1	MR ARABINDA BASU	IN30044110745793
2	MR BISWENDRA NARAYAN KUNDU	BNK024
3	MR MANOJ KUMAR GUPTA	MKG044
4	MR ARUP KUMAR DAS	IN30267932538105
5	MR AMIT KUMAR BANERJEE	IN30032710068402
6	MR B S SRIMAL	IN30131320251346
7	MR S GATTANI	IN30044110570834
8	MR S N PAL	1203450000021620
9	MR ALOK SHAH	IN30125028014280
10	MR ALOK KUMAR PAL	1204470002592457

