

21 October 2016

The Secretary
Bombay Stock Exchange Ltd.
Market Operations Department
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Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001
Fax 022 22723121, 3719, 2037

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No C/1, G Block,
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Bandra (E)
Mumbai - 400051
Fax No 022 26598237/38

Dear Sir,

Un-audited Financial Results

This is to inform you that the Board of Directors of Akzo Nobel India Limited in its meeting held today has approved the Un-audited Financial Results of the Company for the quarter and half-year ended 30 September 2016.

Copy of the Financial Results and the Press Release issued by the Company today are attached herewith.

Yours faithfully,
For Akzo Nobel India Limited



R Guha
Company Secretary

Encl: as above.

Media release

Gurgaon, October 21, 2016

Akzo Nobel India Limited Financial results for Q2 FY 2016-17

Q2 FY 2016 - 2017

Revenue at ₹761 cr; up by 7%

Operating profit at ₹56 cr; up by 28%

Today, the Board of Directors of Akzo Nobel India Limited approved the unaudited financial results for the quarter ended September 30, 2016.

Performance highlights

Akzo Nobel India Limited (Q2 FY17 versus Q2 FY16)

- **Revenue at ₹761 cr** as compared to **₹711 cr** of the corresponding quarter of the previous year; **growth of 7%**
- **Operating Profit at ₹56 cr** as compared to **₹44 cr** of the corresponding quarter of the previous year; **growth of 28%**
- **Profit after tax (PAT) at ₹42 cr** as compared to **₹35 cr** of the corresponding quarter of the previous year; **growth of 18%**

Comments

Jayakumar Krishnaswamy, Managing Director, AkzoNobel India:

"This quarter Akzo Nobel India delivered a double digit growth in volume and 28% growth in operating profit continuing its growth momentum. The company's robust performance has been driven by innovation through growing brands, strong cost management and focus on sustainable operations. The company has also broken ground on its new powder coatings plant in Mumbai. The new facility will complement the company's existing plant in Bangalore, doubling its installed capacity.

AkzoNobel India, under its global Human Cities initiative, has taken great strides in contributing towards the community through projects that make cities more liveable. Our flagship endeavor, the AkzoNobel Paint Academy, has been instrumental in facilitating a positive change in skill enhancement for a better livelihood."

About AkzoNobel India:

AkzoNobel creates everyday essentials to make people's lives more liveable and inspiring. As a leading global paints and coatings company and a major producer of specialty chemicals, we supply essential ingredients, essential protection and essential colour to industries and consumers worldwide. Backed by a pioneering heritage, our innovative products and sustainable technologies are designed to meet the growing demands of our fast-changing planet, while making life easier. Consistently ranked as a leader in sustainability, we are dedicated to energising cities and communities while creating a protected, colourful world where life is improved by what we do.

AkzoNobel India has been present in India for over 60 years and is a significant player in the paints industry. In 2008, the company became a member of the AkzoNobel Group. Our portfolio includes well-known brands such as Dulux, Sikkens, International and Interpon. With employee strength of close to 1,900, AkzoNobel India has manufacturing sites, offices and a distribution network spread across the country. All manufacturing facilities have a state-of-the art environmental management system. Its commitment to Health, Safety, Environment & Security (HSE&S) has been among the best in class globally, with due care being taken to protect the people and the environment

Safe Harbour Statement:

This press release may contain statements which address such key issues as Akzo Nobel's growth strategy, future financial results, market positions, product development, products in the pipeline, and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecasted and actual results to differ materially from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures.

Not for publication-for more information:

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Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071
CIN: L24292WB1954PLC021516

Statement of unaudited Financial Results for the quarter and half year ended 30 September 2016

(Rs. in Million)

Particulars	Quarter ended			Half year ended	
	30 September 2016	30 June 2016	30 September 2015	30 September 2016	30 September 2015
	(Unaudited)	(Unaudited)	(Not subjected to review/audit)	(Unaudited)	(Not subjected to review/audit)
1 Income from operations					
(a) Sales/Income from operations	7,438.8	7,669.1	6,945.6	15,107.9	13,966.3
(b) Other operating income	168.1	122.4	167.3	290.5	288.1
Total Income from operations	7,606.9	7,791.5	7,112.9	15,398.4	14,254.4
2 Expenses					
(a) Cost of materials consumed	3,399.4	3,180.4	3,261.9	6,579.8	6,236.7
(b) Purchase of stock-in-trade	713.4	924.1	658.0	1,637.5	1,178.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(343.0)	(189.1)	(274.7)	(532.1)	(180.5)
(d) Excise Duty	731.9	757.8	707.9	1,489.5	1,398.5
(e) Employee benefits expense	571.4	602.8	591.2	1,274.2	1,183.0
(f) Depreciation and amortisation expense	134.1	130.3	130.1	264.4	267.7
(g) Other expenses	1,739.5	1,539.0	1,598.1	3,278.5	3,147.3
Total expenses	7,046.7	6,945.1	6,676.5	13,991.8	13,211.2
3 Profit from operations before other income, finance costs and exceptional items (1-2)	560.2	846.4	436.4	1,406.6	1,043.2
4 Other Income	114.7	125.0	101.2	239.7	201.5
5 Profit before finance costs and exceptional items (3+4)	674.9	971.4	537.6	1,646.3	1,244.7
6 Finance costs	4.2	6.0	4.6	10.2	10.3
7 Profit after finance costs but before exceptional items (5-6)	670.7	965.4	533.0	1,636.1	1,234.4
8 Exceptional Items	-	-	-	-	-
9 Profit before tax (7+8)	670.7	965.4	533.0	1,636.1	1,234.4
10 Tax expense	254.8	322.8	181.9	577.6	415.8
11 Net profit for the period (9-10)	415.9	642.6	351.1	1,058.5	818.6
12 Other comprehensive expense/(income), net of income tax					
(a) Items that will not be reclassified to profit or loss	1.9	1.7	1.6	3.6	3.2
(b) Items that will be reclassified to profit or loss	-	-	-	-	-
Total other comprehensive expense/(income), net of income tax	1.9	1.7	1.6	3.6	3.2
13 Total comprehensive income for the period (11-12)	414.0	640.9	349.5	1,054.9	815.4
14 Paid - up equity share capital (Shares of Rs 10/- each)	466.6	466.6	466.6	466.6	466.6
15 Earnings per share (of Rs. 10 each) (not annualised) :					
(a) Basic	8.91	13.77	7.52	22.68	17.54
(b) Diluted	8.91	13.77	7.52	22.68	17.54



Signature



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Statement of Unaudited Assets and Liabilities as at 30 September 2016

		(Rs. in Million)
Particulars		As at 30 September 2016
		(Unaudited)
A ASSETS		
1 Non-current assets		
(a) Property, plant & equipment		5,136.2
(b) Capital work-in-progress		160.6
(c) Financial assets		633.3
(i) Investments		14.8
(ii) Loans		95.9
(iii) Others		548.6
(d) Other non-current assets		6,589.4
Sub total - Non-current assets		
2 Current assets		4,286.9
(a) Inventories		2,082.9
(b) Financial assets		3,649.5
(i) Investments		359.8
(ii) Trade receivables		177.9
(iii) Cash & cash equivalents		5.9
(iv) Bank balances other than (iii) above		95.5
(v) Loans		585.7
(vi) Others		11,244.1
(c) Other current assets		
Sub total - Current assets		
TOTAL - ASSETS		17,833.5
B EQUITY AND LIABILITIES		
1 Equity		468.6
(a) Equity Share capital		8,222.0
(b) Other Equity		8,688.6
Sub total - Equity		
LIABILITIES		
2 Non-current liabilities		
(a) Financial Liabilities		29.3
(i) Borrowings		121.2
(ii) Other financial liabilities (other than those specified in item (i) above)		488.7
(b) Provisions		79.2
(c) Deferred tax liabilities (Net)		10.2
(d) Other non-current liabilities		728.6
Sub total - Non-current liabilities		
3 Current liabilities		
(a) Financial Liabilities		6,111.9
(i) Trade Payables		863.0
(ii) Other financial liabilities (other than those specified in item (i) above)		686.2
(b) Other current liabilities		369.0
(c) Provisions		386.2
(d) Current tax liabilities (Net)		8,416.3
Sub total - Current liabilities		
TOTAL - EQUITY AND LIABILITIES		17,833.5



Jay

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CIN: L24292WB1954PLC021516

Segment wise Revenue, Results, Assets & Liabilities and Capital Employed

(Rs. in Million)

Quarter ended			Half year ended	
30 September 2016	30 June 2016	30 September 2015	30 September 2016	30 September 2015
(Unaudited)	(Unaudited)	(Not subjected to review/audit)	(Unaudited)	(Not subjected to review/audit)

1 Segment Revenue (including other operating income)

- a) Coatings
b) Others

Total Income from operations

7,051.2	7,039.5	6,656.6	14,090.7	13,374.5
555.7	752.0	458.3	1,307.7	879.9
7,606.9	7,791.5	7,112.9	15,398.4	14,254.4

2 Segment Results [Profit before interest and tax from each segment]

- a) Coatings
b) Others

Total

Finance Cost

Other un-allocable income (net of un-allocable expenditure)

557.4	785.9	436.5	1,343.3	1,042.7
38.6	80.7	21.9	119.3	52.8
596.0	866.6	458.4	1,462.6	1,095.5
4.2	6.0	4.6	10.2	10.4
78.9	104.8	79.2	183.7	149.3
670.7	965.4	533.0	1,636.1	1,234.4
-	-	-	-	-
670.7	965.4	533.0	1,636.1	1,234.4

Exceptional items

Profit before tax

3 (a) Segment Assets

- a) Coatings
b) Others
Unallocated
Total

As at 30 September 2016	As at 30 June 2016	As at 30 September 2015
15,509.5	14,328.3	13,455.5
1,146.9	1,298.9	1,028.5
1,177.1	5,663.4	4,051.7
17,833.5	21,290.6	18,535.7

(b) Segment Liabilities

- a) Coatings
b) Others
Unallocated
Total

7,263.3	6,727.9	6,377.1
572.2	744.8	383.1
1,319.4	1,897.9	1,583.8
9,144.9	9,170.6	8,344.0

(c) Capital Employed (Segment Assets - Segment Liabilities)

- a) Coatings
b) Others
Unallocated
Total

8,256.2	7,600.4	7,078.4
574.7	554.1	645.4
(142.3)	3,985.5	2,467.9
8,688.6	12,120.0	10,191.7

Note :

- Segment Revenue, Results, Assets, Liabilities 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.



Signature



Unaudited Financial Results for the quarter and half year ended 30 September 2016

Notes:

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 21 October 2016.
2. The Statutory Auditor of the Company have reviewed the financial results for the quarter and half year ended 30 September 2016. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1 April 2016, the Company has for the first time adopted Indian Accounting standards ("Ind AS") with a transition date of 1 April 2015. An unqualified report has been issued and the same is being filed with the Bombay Stock Exchange and National Stock Exchange, which is also available on the Company website- www.akzonobel.co.in.
3. The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 has been modified to comply with requirements of SEBI's Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, NSE Circular NSE/CML/2016/12 dated 20 September 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
4. The Ind AS compliant corresponding figures for the quarter and half year ended 30 September 2015 have not been subjected to limited review or audit. However, the Company's management has exercised necessary diligence to ensure that such financial results provide a true and fair view of its affairs.
5. The statement does not include Ind AS compliant statement of results and statement of assets & liabilities for the previous year ended 31 March 2016 as the same is not mandatory as per aforesaid SEBI circular dated 5 July 2016.
6. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS for the quarter and half year ended 30 September 2015 is given below:

Particulars	Rs in Million	
	Quarter ended 30 September 2015	Half Year ended 30 September 2015
Net Profit as per Indian IGAAP	409.8	862.9
Adjustments		
Fair Value of Investments	(46.5)	(23.1)
Deferred Taxes	14.9	5.2
Others	(27.1)	(26.4)
Net Profit as per Ind AS	351.1	818.6
Other Comprehensive Expense (Net of Tax)	1.6	3.2
Total Comprehensive Income	349.5	815.4

7. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Gurgaon
21 October 2016



Jaya Kumar Krishnaswamy
Managing Director

Price Waterhouse Chartered Accountants LLP

The Board of Directors
Akzo Nobel India Limited
DLF Epitome
Building No. 5, Tower A,
20th Floor, DLF Cyber City Phase III,
Gurgaon-122002
Haryana, India

1. We have reviewed the unaudited financial results of Akzo Nobel India Limited (the "Company") for the quarter ended 30 September 2016 which are included in the accompanying Statement of Unaudited Financial Results and the statement of assets and liabilities on that date together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated 5 July 2016, 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. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at 1 April 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. 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 Ind AS 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 and SEBI circular dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters:
 - a. Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from 1 April 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
 - b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter and half year ended on 30 September 2015 and accordingly, we do not express any conclusion on the results in the Statement for the quarter and half year ended on 30 September 2015. As set out in note 4 to the Statement, these figures have been furnished by the Management.



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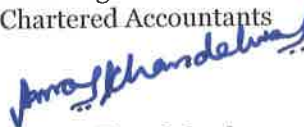
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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)

- c. The unaudited financial results of the Company for the quarter and half year ended 30 September, 2015 prepared in accordance with Companies (Accounting Standards) Rules, 2006 (following the then Indian GAAP), were reviewed by another firm of chartered accountants who, vide their review report dated 21 October 2015, expressed an unmodified conclusion on those financial results. Accordingly, the net profit included in the reconciliation to the Company's Total Comprehensive Income for the quarter and half year ended on 30 September 2015 is based on such financial results.
- d. The standalone financial statements of the Company for the year ended 31 March 2016 prepared in accordance with Companies (Accounting Standards) Rules, 2006, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated 13 May 2016, expressed an unmodified opinion on those financial statements.

Our conclusion is not qualified in respect of these matters.

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



Anurag Khandelwal

Partner

Membership Number No 078571

Place: Gurgaon
Date: 21 October 2016