

Akzo Nobel India Limited

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

Unaudited Financial Results for the quarter and six months ended 30 September 2012

(Rs. million)

PART I

PART I Particulars	Quarter ended			Year to date for six months ended		Year ended
	30 September 2012	30 June 2012	30 September 2011	30 September 2012	30 September 2011	31 March 2012
	(Unaudited)			(Unaudited)		(Audited)
1 Income from operations						
(a) Net sales (net of excise duty)	5,112.5	5,497.7	3,014.9	10,610.2	6,400.5	19,425.2
(b) Other operating income	121.6	132.4	24.0	254.0	47.4	453.3
Total income from operations (net)	5,234.1	5,630.1	3,038.9	10,864.2	6,447.9	19,878.5
2 Expenses						
(a) Cost of materials consumed	2,513.2	2,584.3	2,045.6	5,097.5	3,727.8	10,126.1
(b) Purchase of stock-in-trade	519.4	515.7	11.5	1,035.1	31.5	1,868.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4.7	157.3	(427.0)	162.0	(287.9)	(603.9)
(d) Employee benefits expense	465.5	460.4	208.6	925.9	421.1	1,473.4
(e) Depreciation and amortisation expense	100.1	93.4	61.5	193.5	121.0	366.4
(f) Other expenses	1,368.0	1,379.5	967.6	2,747.5	1,845.5	5,268.8
Total expenses	4,970.9	5,190.6	2,867.8	10,161.5	5,859.0	18,499.3
3 Profit from operations before other income, finance costs and exceptional items (1-2)	263.2	439.5	171.1	702.7	588.9	1,379.2
4 Other Income	272.6	355.5	153.7	628.1	587.1	1,123.5
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	535.8	795.0	324.8	1,330.8	1,176.0	2,502.7
6 Finance cost	(3.9)	(6.3)	(1.6)	(10.2)	(4.0)	(39.2)
7 Profit from ordinary activities after finance costs but before exceptional items (5+6)	531.9	788.7	323.2	1,320.6	1,172.0	2,463.5
8 Exceptional Items	-	-	-	-	-	-
9 Profit from ordinary activities before tax (7+8)	531.9	788.7	323.2	1,320.6	1,172.0	2,463.5
10 Tax expense - Current tax	83.3	183.0	42.0	266.3	216.0	432.9
- Deferred tax	0.5	(3.2)	18.1	(2.7)	13.1	12.8
11 Net profit from ordinary activities after tax (9-10)	448.1	608.9	263.1	1,057.0	942.9	2,017.8
12 Paid - up equity share capital (ordinary shares of Rs 10/- each) (Note 2)	466.6	479.6	368.3	466.6	368.3	368.3*
13 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year						13,915.5
14 Basic and diluted Earnings per share (of Rs. 10 each) (not annualised)	9.53	12.70	7.14	22.26	21.84	42.08

* Excluding share capital pending allotment amounting to Rs. 111.2 million pursuant to Scheme of Amalgamation, as referred to in note 3.

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PART II

Particulars	Six months ended			Year ended 31 March 2012 * (Audited)
	30 September 2012	30 June 2012	30 September 2011	
	(Unaudited)			

A PARTICULARS OF SHAREHOLDING

1 Public shareholding

- Number of shares	12,615,979	14,925,979	16,058,118	14,866,787
- Percentage of shareholding	27.04%	31.12%	43.60%	40.36%

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	33,034,335	20,776,213	21,967,544
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	72.96%	68.88%	56.40%	59.64%

B PARTICULARS OF INVESTOR COMPLAINTS

	Six months ended 30 September 2012
Pending at the beginning of the quarter	-
Received during the quarter	4
Disposed of during the quarter	4
Remaining unresolved at the end of the quarter	-

* Excluding share capital pending allotment amounting to Rs. 111.2 million pursuant to Scheme of Amalgamation, as referred to in note 3.

Statement of Assets and Liabilities as at 30 September 2012

(Rs. million)

Particulars	September		As at 31 March 2012 (Audited)
	2012	2011	
	(Unaudited)		
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	466.6	368.3	479.6
(b) Reserves and surplus	13,822.2	11,490.5	13,930.9
Sub total - Shareholders' funds	14,288.8	11,858.8	14,410.5
2 Non-current liabilities			
(a) Deferred tax liabilities (net)	23.1	54.7	25.8
(b) Other long-term liabilities	188.7	193.9	191.0
(c) Long-term provisions	724.7	579.6	628.5
Sub total - Non-current liabilities	936.5	828.2	845.3
3 Current liabilities			
(a) Trade payables	4,029.1	2,574.5	4,161.4
(b) Other current liabilities	813.5	291.5	906.5
(c) Short-term provisions	619.6	279.6	1,756.6
Sub total - Current liabilities	5,462.2	3,145.6	6,824.5
TOTAL - EQUITY AND LIABILITIES	20,687.5	15,832.6	22,080.3
B ASSETS			
1 Non-current assets			
(a) Fixed assets	3,802.7	2,056.9	3,710.5
(b) Non-current investments	399.9	599.9	849.6
(c) Long term loans and advances	585.3	481.3	539.5
(d) Other non-current assets	11.0	-	4.0
Sub total - Non-current assets	4,798.9	3,138.1	5,103.6
2 Current assets			
(a) Current investments	7,821.2	8,985.4	9,185.5
(b) Inventories	3,471.5	1,963.3	3,334.1
(c) Trade receivables	2,494.5	875.2	2,260.5
(d) Cash and cash equivalents	773.0	300.2	739.4
(e) Short term loans and advances	1,222.7	570.4	1,190.9
(f) Other current assets	105.7	-	266.3
Sub total - Current assets	15,888.6	12,694.5	16,976.7
TOTAL - ASSETS	20,687.5	15,832.6	22,080.3

Also refer to Note 3

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**Segment wise Revenue, Results and Capital Employed
For the quarter and six months ended 30 September 2012**

(Rs. million)

	Quarter ended			Year ended	Year ended	Year ended
	30 September 2012	30 June 2012	30 September 2011	30 September 2012	30 September 2011	31 March 2012
	(Unaudited)			(Unaudited)	(Unaudited)	(Audited)
1 Segment Revenue						
a) Coatings	5,019.9	5,403.6	3,015.3	10,423.5	6,392.2	19,048.3
b) Others	214.2	226.5	23.6	440.7	55.7	830.2
Total income from operations (net)	5,234.1	5,630.1	3,038.9	10,864.2	6,447.9	19,878.5
2 Segment Results [Profit before interest and tax from each segment]						
a) Coatings	237.4	440.2	196.6	677.6	636.4	1,402.9
b) Others	38.0	18.4	5.4	56.4	14.6	121.8
Total	275.4	458.6	202.0	734.0	651.0	1,524.7
Finance Cost	(3.9)	(6.3)	(1.6)	(10.2)	(4.0)	(39.2)
Other un-allocable income net of (un-allocable expenditure)	260.4	336.4	122.8	596.8	525.0	978.0
	531.9	788.7	323.2	1,320.6	1,172.0	2,463.5
Exceptional items	-	-	-	-	-	-
Profit before tax	531.9	788.7	323.2	1,320.6	1,172.0	2,463.5
3 Capital Employed (Segment Assets - Segment Liabilities)				As at 30 September 2012	As at 30 September 2011	As at 31 March 2012
a) Coatings				5,334.5	2,114.1	4,887.6
b) Others				445.7	45.6	498.8
Unallocated				8,508.6	9,699.1	9,024.1
Total				14,288.8	11,858.8	14,410.5

Foot Notes:

- 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.

- Also refer to note 3.

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Page 4 of 5

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Unaudited Financial Results for the quarter and six months ended 30 September 2012

Notes:

1. The above results have been approved by the Board of Directors at its meeting held on 25 October 2012. The statutory auditors of the Company have carried out a Limited Review of the financial results for the quarter and six months ended 30 September 2012 and a modified (emphasis of matter without qualification) report has been issued with reference to para 3 below. The same has been filed with the stock exchange and is available on the website of the Company.
2. In terms of the share buy back scheme approved by the Board of Directors on 21 May 2012, the Company has, during the quarter, bought back 1.3 million shares for an aggregate consideration of Rs. 1,196 million. The nominal value of shares bought back has been adjusted against share capital. The difference between the consideration paid and nominal value of shares, and related expenses of Rs. 12.5 million, have been adjusted against free reserves. The share buy back scheme closed on 13 July 2012.

During the quarter, the promoters have intimated to the Company vide their letter dated 1 August 2012 that they have acquired 1.01 million shares in the Company on 31 July 2012. As a result of this share acquisition, promoter holding in the Company has gone up to 72.96%.

3. The Scheme of amalgamation ('Scheme') of Akzo Nobel Coatings India Private Limited, Akzo Nobel Car Refinishes India Private Limited and Akzo Nobel Chemicals (India) Limited (collectively referred to as 'transferor companies') with the Company became effective from 18 May 2012 with an Appointed Date of 1 April 2011. Accordingly, the results for the year ended 31 March 2012 included the results of the transferor companies for that year. Their income from operations and profit before tax for the year ended 31 March 2012 amounted to Rs. 6,250 million and Rs. 241 million respectively.

The results for the quarters ended 30 June 2012 and 30 September 2012 include the results of the transferor companies for the relevant period, whereas the results for the quarter and half year ended 30 September 2011 were as reported at the relevant times and have not been restated, and hence are not directly comparable.

The above treatment has been adopted awaiting clarification sought from stock exchanges in this regard. Accordingly, the figures reported under the aforesaid quarters (including in respect of segments) are not comparable.

4. The figures for the previous periods have been regrouped/ reclassified (primarily on account of adoption of Revised Schedule VI) to make them comparable.

Bangalore
25 October 2012

Amit Jain
Managing Director