

9 November 2020

Department of Corporate Services
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001

The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400051

Dear Sir,

Outcome of Board Meeting held on 09 November 2020


The Board of Directors of the Company, at its meeting held today has, inter alia, approved the Standalone & Consolidated Financial Results of the Company for the quarter and half year ended 30th September, 2020.

Accordingly, please find enclosed the following:

1. Unaudited standalone financial results of the Company for the quarter and half year ended 30th September, 2020 together with the Limited Review Report;
2. Unaudited consolidated financial results of the Company for the quarter and half year ended 30th September, 2020 together with the Limited Review Report;
3. Press Release issued by the Company today.

The meeting ended at 2:55 pm.

Yours faithfully
for Akzo Nobel India Limited



Harshi Rastogi
Company Secretary
Membership#A13642

Akzo Nobel India Limited
Registered Office: Geetanjali Apartment, 1st Floor, 8B Middleton Street, Kolkata - 700 071
CIN: L24292WB1954PLC021516

Standalone Unaudited Financial Results for the quarter and six months ended 30 September 2020

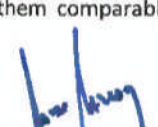
Notes:

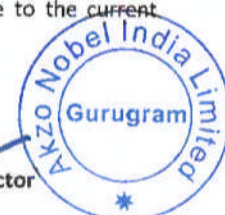
1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 9 November 2020. The figures for the quarter and six months ended 30 September 2020 have been subjected to limited review by the statutory auditors.
2. Exceptional Items - Income/(Expense), net represent:

Particulars	Quarter ended		Six months ended		Rs. In Million
	30	30	30	30	For the year ended
	September 2020	June 2020	September 2020	September 2019	31 March 2020
VRS Payment and other termination benefits	-	-	-	-	(87.2)
Divestment provisions and indirect taxes on divested businesses no longer required	-	-	-	-	34.9
	-	-	-	-	(52.3)

3. 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 Financial Results for the quarter and six months ended 30 September 2020.
4. The Company has revised useful lives of certain assets with effect from 1 April 2020 based on their expected period of use and physical condition, which has resulted in reduction in depreciation and amortisation expense by Rs. 34 Mn and Rs. 47 Mn for the quarter and six months ended 30 September 2020 respectively with corresponding impact on profit before tax.
5. The Indian parliament has approved the Code on Social Security, 2020 ('the code') which, inter alia, deals with employee benefits during the employment and post-employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, for the Company will be assessed and recognised post notification of the relevant provisions.
6. Estimation of uncertainties relating to the global health pandemic (COVID-19)
 The Company has considered the possible effects that may result from COVID-19 in the preparation of these interim financial results for the quarter and six months ended 30 September 2020. In assessing the carrying value of its assets and liabilities, the Company has considered internal and external information including the economic forecasts available and based on such information and assessment, no further adjustments are required to be made. The impact of the pandemic may differ from the estimates as at the date of approval of these interim financial results. The Company will continue to closely monitor any material changes to future economic conditions.
7. The Company had chosen to exercise the option of lower tax rate of 25.17% (inclusive of surcharge & cess) under Section 115BAA of the Income Tax Act, 1961 introduced vide Taxation Laws (Amendment) Act, 2019. Consequent to this change, the tax balances were remeasured at this reduced rate of 25.17%, which had resulted in reversal of current tax of Rs. 99.8 Mn and deferred tax asset (net) balance of Rs. 31.9 Mn during the quarter and six months ended 30 September 2019. Accordingly, the tax expense for the period and consequently, the profit after tax are not comparable with the corresponding figures of the previous year.
8. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Gurugram
9 November 2020


Rajiv Rajgopal
 Managing Director





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 six months ended 30 September 2020

Particulars	Quarter ended					For the year ended 31 March 2020
	30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1 Income						
(a) Revenue from operations						
(b) Other income	6,068.6	2,585.0	6,338.2	8,653.6	13,535.1	26,618.1
Total income	57.9	60.0	66.8	117.9	148.2	376.2
2 Expenses	6,126.5	2,645.0	6,405.0	8,771.5	13,681.3	26,994.3
(a) Cost of materials consumed						
(b) Purchase of stock-in-trade	3,335.5	606.1	2,621.2	3,941.6	6,403.7	12,009.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	103.2	656.4	735.3	759.6	1,081.0	2,675.0
(d) Employee benefits expense	(327.9)	164.3	(9.6)	(163.6)	(198.5)	(258.8)
(e) Finance costs	594.1	598.5	646.7	1,192.6	1,335.0	2,550.8
(f) Depreciation and amortisation expense	25.9	29.5	28.1	55.4	53.4	93.4
(g) Other expenses	187.1	175.1	203.6	362.2	405.6	790.1
Total expenses	1,318.2	685.8	1,616.6	2,004.0	3,150.1	5,850.9
3 Profit / (Loss) from operations before exceptional items and tax (1-2)	5,236.1	2,915.7	5,841.9	8,151.8	12,232.3	23,710.4
4 Exceptional items - Income / (Expense) (Refer note 2)	890.4	(270.7)	563.1	619.7	1,449.0	3,283.9
5 Profit / (Loss) before tax from operations (3+4)	-	-	-	-	-	(52.3)
6 Tax expense	890.4	(270.7)	563.1	619.7	1,449.0	3,231.6
(a) Current tax (net)	146.5	-	61.7	146.5	431.4	929.7
(b) Deferred tax	81.1	(68.1)	8.9	13.0	(46.3)	(72.2)
7 Profit / (Loss) for the period from operations (5-6)	662.8	(202.6)	492.5	480.2	1,063.9	2,374.1
8 Other comprehensive income, net of income tax items that will not be reclassified to profit or loss						
(A) (i) Gain/(Loss) of defined benefit obligations						
(ii) Income tax relating to above	19.0	(55.8)	(18.2)	(38.8)	(61.2)	(50.7)
(B) (i) Changes in fair value of FVOCI equity instruments	(4.8)	14.1	4.6	9.3	19.6	13.1
(ii) Income tax relating to above	-	-	-	-	-	(1.2)
Other comprehensive income for the period / year, net of income tax	14.2	(41.7)	(13.6)	(27.5)	(41.6)	(38.5)
9 Total comprehensive income for the period (7+8)	677.0	(244.3)	478.9	432.7	1,022.3	2,336.6
10 Paid - up equity share capital (Shares of Rs. 10 each)	455.4	455.4	455.4	455.4	455.4	455.4
11 Earnings per share (of Rs. 10 each) (not annualised) from operations:						
(a) Basic	14.56	(4.45)	10.81	10.11	23.36	52.13
(b) Diluted	14.56	(4.45)	10.81	10.11	23.36	52.13

M. Anand



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Akzo Nobel India Limited

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

Statement of Standalone Unaudited Assets and Liabilities as at 30 September 2020

Particulars	(Rs. in Million)	
	As at 30 September 2020	As at 31 March 2020
A ASSETS	(Unaudited)	(Audited)
1 Non-current assets		
(a) Property, plant & equipment	4,519.3	4,659.4
(b) Right-of-use assets	978.0	1,002.3
(c) Capital work-in-progress	136.7	159.4
(d) Intangible assets	68.2	73.7
(e) Financial assets		
(i) Investments	5.3	4.6
(ii) Other bank balances	0.9	0.9
(iii) Loans	71.3	79.5
(f) Deferred tax assets	113.0	115.8
(g) Other non-current assets	1,003.7	737.1
(h) Non current tax assets (net)	1,161.5	922.3
Total non-current assets	8,057.9	7,755.0
2 Current assets		
(a) Inventories	4,416.0	4,236.9
(b) Financial assets		
(i) Investments	868.9	835.3
(ii) Trade receivables	3,615.0	3,961.2
(iii) Cash & cash equivalents	2,295.8	2,541.3
(iv) Bank balances other than (iii) above	1,564.7	2,984.9
(v) Loans	21.6	20.0
(vi) Other financial assets	75.2	69.7
(c) Other current assets	977.3	849.9
Total current assets	13,834.5	15,499.2
Total Assets	21,892.4	23,254.2
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	455.4	455.4
(b) Other Equity	11,712.1	11,917.1
Total equity	12,167.5	12,372.5
Liabilities		
2 Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	538.6	531.6
(ii) Other financial liabilities (other than those specified in item (i) above)	171.1	169.1
(b) Provisions	662.3	633.4
(c) Other non-current liabilities	66.1	66.3
Total non-current liabilities	1,438.1	1,400.4
3 Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	94.4	111.3
(ii) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	37.0	39.3
- Total outstanding dues of creditors other than micro enterprises and small enterprises	5,596.7	6,726.9
(iii) Other financial liabilities (other than those specified in item (i) & (ii) above)	944.6	909.7
(b) Provisions	305.6	308.3
(c) Other current liabilities	1,308.5	1,385.8
Total current liabilities	8,286.8	9,481.3
Total liabilities	9,724.9	10,881.7
Total equity and liabilities	21,892.4	23,254.2



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Statement of Standalone Unaudited Cash Flows

(Rs. In Million)

Particulars	Six months ended 30 September 2020 (Unaudited)	Six months ended 30 September 2019 (Unaudited)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	619.7	1,449.0
Adjustments for:		
Depreciation and amortisation expense	362.2	405.6
Loss on sale of property, plant and equipment (net)	14.0	-
Adjustment on termination of leases (net)	(11.8)	-
Provision for inventory obsolescence	(52.0)	2.1
Provision for doubtful debts and advances	(1.0)	55.2
Net foreign exchange differences	14.0	-
Government grants	(4.3)	(6.2)
Interest income	(67.4)	(56.3)
Interest income from financial assets at amortised cost - Bonds	(33.7)	(31.4)
Net fair value gain/(loss) on investments measured at FVTPL	-	138.6
Gain on sale of investments	-	(191.0)
Finance costs	55.5	53.4
Operating Profit before working capital changes	895.2	1,819.0
Movements in working capital:		
(Increase) / Decrease in trade receivables	332.4	909.7
(Increase) / Decrease in inventories	(127.0)	(439.1)
(Increase) / Decrease in loans	2.3	(27.0)
(Increase) / Decrease in other financial assets	3.0	5.8
(Increase) / Decrease in other assets	(402.4)	311.7
Increase / (Decrease) in trade payables	(1,125.5)	(517.2)
Increase / (Decrease) in other financial liabilities	6.7	159.6
Increase / (Decrease) in provisions	(5.7)	(18.5)
Increase / (Decrease) in other liabilities	(81.6)	(41.1)
Net cash generated from / (used in) operations	(502.6)	2,162.9
Income taxes paid	(386.0)	(665.5)
Net cash inflow / (outflow) from operating activities (A)	(888.6)	1,497.4
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment	(94.9)	(259.7)
Payments for purchase of investments	-	(2,930.0)
Proceeds from sale of investments	-	5,976.4
Fixed deposits balances with banks	1,359.3	(1,821.3)
Interest received	130.2	9.9
Net cash inflow from investing activities (B)	1,394.6	975.3
C CASH FLOW FROM FINANCING ACTIVITIES		
Principal elements of lease payments	(69.7)	(61.6)
Dividend paid	(637.6)	(1,093.0)
Dividend distribution tax paid	-	(225.0)
Interest paid	(44.2)	(53.4)
Net cash (outflow) from financing activities (C)	(751.5)	(1,433.0)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(245.5)	1,039.7
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,541.3	324.1
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2,295.8	1,363.8
Components of cash and cash equivalents are as under:		
Balances with banks		
- In current account	294.4	1,204.8
- In EEFC account	299.0	159.0
Deposits with maturity of less than three months	1,702.4	-
Cash and cash equivalents	2,295.8	1,363.8

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

Notes:

- (i) The statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows.
(ii) Amounts in brackets represent a cash outflow or a loss.



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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 – 122 011
Haryana, India

1. We have reviewed the unaudited financial results of Akzo Nobel India Limited (the “Company”) for the quarter and six months ended 30 September 2020, which are included in the accompanying Statement of Standalone Unaudited Financial Results for the quarter and six months ended 30 September 2020, the Statement of Standalone Unaudited Assets and Liabilities as on that date and the Statement of Standalone Unaudited Cash Flows for six months ended on that date (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.
5. We draw your attention to note 6 to the Statement, which describes the management’s assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company and the adjustment made to these Standalone Unaudited Financial Results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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

ANURAG
KHANDELWAL

Digitally signed by
ANURAG KHANDELWAL
Date: 2020.11.09
14:41:04 +05'30'

Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 20078571AAAACS4025
Place: Gurugram
Date: 9 November 2020

Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurgaon - 122002
T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-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, 8B Middleton Street, Kolkata - 700 071
CIN: L24292WB1954PLC021516

Consolidated Unaudited Financial Results for the quarter and six months ended 30 September 2020

Notes:

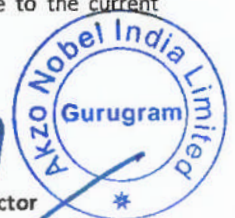
1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 9 November 2020. The figures for the quarter and six months ended 30 September 2020 have been subjected to limited review by the statutory auditors.
2. Exceptional Items - Income/(Expense), net represent:

Particulars	Rs. In Million					
	Quarter ended			Six months ended		For the year ended
	30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
VRS Payment and other termination benefits	-	-	-	-	-	(87.2)
Divestment provisions and indirect taxes on divested businesses no longer required	-	-	-	-	-	34.9
	-	-	-	-	-	(52.3)

3. The Group operates in single segment viz. Coatings. Therefore, separate segment disclosures under the provisions of Ind AS 108 have not been given in respect of Consolidated Financial Results for the quarter and six months ended 30 September 2020.
4. The Group has revised useful lives of certain assets with effect from 1 April 2020 based on their expected period of use and physical condition, which has resulted in reduction in depreciation and amortisation expense by Rs. 34 Mn and Rs. 47 Mn for the quarter and six months ended 30 September 2020 respectively with corresponding impact on profit before tax.
5. The Indian parliament has approved the Code on Social Security, 2020 ('the code') which, inter alia, deals with employee benefits during the employment and post-employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, for the Group will be assessed and recognised post notification of the relevant provisions.
6. Estimation of uncertainties relating to the global health pandemic (COVID-19)
 The Group has considered the possible effects that may result from COVID-19 in the preparation of these interim financial results for the quarter and six months ended 30 September 2020. In assessing the carrying value of its assets and liabilities, the Group has considered internal and external information including the economic forecasts available and based on such information and assessment, no further adjustments are required to be made. The impact of the pandemic may differ from the estimates as at the date of approval of these interim financial results. The Group will continue to closely monitor any material changes to future economic conditions.
7. The Group had chosen to exercise the option of lower tax rate of 25.17% (inclusive of surcharge & cess) under Section 115BAA of the Income Tax Act, 1961 introduced vide Taxation Laws (Amendment) Act, 2019. Consequent to this change, the tax balances were remeasured at this reduced rate of 25.17%, which had resulted in reversal of current tax of Rs. 99.8 Mn and deferred tax asset (net) balance of Rs. 31.9 Mn during the quarter and six months ended 30 September 2019. Accordingly, the tax expense for the period and consequently, the profit after tax are not comparable with the corresponding figures of the previous year.
8. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Gurugram
9 November 2020

Rajiv Rajgopal
Managing Director




Akzo Nobel India Limited

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

Statement of Consolidated Unaudited Financial Results for the quarter and six months ended 30 September 2020

(Rs. in Million)

Particulars	Quarter ended			Six months ended		For the year ended 31 March 2020
	30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1 Income						
(a) Revenue from operations	6,068.6	2,585.0	6,339.2	8,653.6	13,535.1	26,618.1
(b) Other income	57.9	60.0	66.8	117.9	148.2	376.2
Total income	6,126.5	2,645.0	6,406.0	8,771.5	13,683.3	26,994.3
2 Expenses						
(a) Cost of materials consumed	3,335.5	606.1	2,621.2	3,941.6	6,403.7	12,009.0
(b) Purchase of stock-in-trade	103.2	656.4	735.3	759.6	1,081.0	2,675.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(327.9)	164.3	(9.6)	(163.6)	(196.5)	(258.8)
(d) Employee benefits expense	595.6	600.1	648.0	1,195.7	1,338.5	2,557.5
(e) Finance costs	25.9	29.5	28.1	55.4	53.4	93.4
(f) Depreciation and amortisation expense	187.1	175.1	203.6	362.2	405.6	790.1
(g) Other expenses	1,316.7	684.2	1,615.3	2,000.9	3,146.6	5,843.7
Total expenses	5,236.1	2,915.7	5,841.9	8,151.8	12,232.3	23,709.9
3 Profit / (Loss) from operations before exceptional items and tax (1-2)	890.4	(270.7)	563.1	619.7	1,449.0	3,284.4
4 Exceptional items - Income / (Expense) (Refer note 2)	-	-	-	-	-	(52.3)
5 Profit / (Loss) before tax from operations (3+4)	890.4	(270.7)	563.1	619.7	1,449.0	3,232.1
6 Tax expense						
(a) Current tax (net)	146.5	-	61.7	146.5	431.4	929.7
(b) Deferred tax	81.1	(68.1)	8.9	13.0	(46.3)	(72.2)
7 Profit / (Loss) for the period from operations (5-6)	662.8	(202.6)	492.5	460.2	1,063.9	2,374.6
8 Other comprehensive (expense)/income, net of income tax from operations						
Items that will not be reclassified to profit or loss						
(A) (i) Gain/(Loss) of defined benefit obligations	19.0	(55.8)	(18.2)	(36.8)	(61.2)	(51.2)
(ii) Income tax relating to above	(4.8)	14.1	4.6	9.3	19.6	13.1
(B) (i) Changes in fair value of FVOCI equity instruments	-	-	-	-	-	(1.2)
(ii) Income tax relating to above	-	-	-	-	-	0.3
Other comprehensive income for the period / year, net of income tax	14.2	(41.7)	(13.6)	(27.5)	(41.6)	(39.0)
9 Total comprehensive income for the period	677.0	(244.3)	478.9	432.7	1,022.3	2,335.6
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(b) Diluted	14.56	(4.45)	10.81	10.11	23.36	52.13



Akzo Nobel India Limited

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CIN: L24292WB1954PLC021516

Statement of Consolidated Unaudited Assets and Liabilities as at 30 September 2020

Particulars	(Rs. in Million)	
	As at 30 September 2020	As at 31 March 2020
	(Unaudited)	(Audited)
A ASSETS		
1 Non-current assets		
(a) Property, plant & equipment	4,521.1	4,659.4
(b) Right-of-use assets	978.1	1,002.3
(c) Capital work-in-progress	136.7	159.4
(d) Intangible assets	68.2	73.7
(e) Financial assets		
(i) Investments	5.3	4.6
(ii) Other bank balances	0.9	0.9
(iii) Loans	71.3	79.5
(f) Deferred tax assets	113.0	115.8
(g) Other non-current assets	1,003.7	737.1
(h) Non current tax assets (net)	1,161.5	922.3
Total non-current assets	8,059.8	7,755.0
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(a) Inventories	4,416.0	4,236.9
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(i) Investments	868.9	835.3
(ii) Trade receivables	3,615.0	3,961.2
(iii) Cash & cash equivalents	2,302.4	2,545.1
(iv) Bank balances other than (iii) above	1,564.7	2,984.9
(v) Loans	21.6	20.0
(vi) Other financial assets	75.2	69.7
(c) Other current assets	977.3	849.9
Total current assets	13,841.1	15,503.0
Total Assets	21,900.9	23,258.0
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	455.4	455.4
(b) Other Equity	11,719.2	11,923.7
Total equity	12,174.6	12,379.1
Liabilities		
2 Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	538.6	531.6
(ii) Other financial liabilities (other than those specified in item (i) above)	171.1	169.1
(b) Provisions	663.7	633.7
(c) Other non-current liabilities	66.1	66.2
Total non-current liabilities	1,439.5	1,400.6
3 Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	94.4	111.3
(ii) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	37.0	39.3
- Total outstanding dues of creditors other than micro enterprises and small enterprises	5,595.7	6,722.0
(iii) Other financial liabilities (other than those specified in item (i) & (ii) above)	945.3	910.1
(b) Provisions	305.6	308.3
(c) Other current liabilities	1,308.8	1,387.3
Total current liabilities	8,286.8	9,478.3
Total liabilities	9,726.3	10,878.9
Total equity and liabilities	21,900.9	23,258.0



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Akzo Nobel India Limited

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

CIN: L24292WB1954PLC021516

Statement of Consolidated Unaudited Cash Flows

(Rs. in Million)

Particulars	Six months ended	Six months ended
	30 September 2020	30 September 2019
	(Unaudited)	(Unaudited)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	619.7	1,449.0
Adjustments for:		
Depreciation and amortisation expense	362.2	405.6
Loss on sale of property, plant and equipment (net)	14.0	-
Adjustment on termination of leases (net)	(11.8)	-
Provision for inventory obsolescence	(52.0)	2.1
Provision for doubtful debts and advances	(1.0)	55.2
Net foreign exchange differences	14.0	-
Government grants	(4.3)	(6.2)
Interest income	(67.4)	(56.3)
Interest income from financial assets at amortised cost - Bonds	(33.7)	(31.4)
Net fair value gain/(loss) on investments measured at FVTPL	-	138.6
Gain on sale of investments	-	(191.0)
Finance costs	55.5	53.4
Operating Profit before working capital changes	895.2	1,819.0
Movements in working capital:		
(Increase) / Decrease in trade receivables	332.4	909.7
(Increase) / Decrease in inventories	(127.0)	(439.1)
(Increase) / Decrease in loans	2.3	(27.0)
(Increase) / Decrease in other financial assets	3.0	5.8
(Increase) / Decrease in other assets	(402.4)	309.2
Increase / (Decrease) in trade payables	(1,120.9)	(517.2)
Increase / (Decrease) in other financial liabilities	7.1	159.6
Increase / (Decrease) in provisions	(5.7)	(18.5)
Increase / (Decrease) in other liabilities	(81.9)	(41.1)
Net cash generated from / (used in) operations	(497.9)	2,160.4
Income taxes paid	(386.0)	(665.5)
Net cash inflow / (outflow) from operating activities (A)	(883.9)	1,494.9
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment	(96.8)	(259.7)
Payments for purchase of investments	-	(2,930.0)
Proceeds from sale of investments	-	5,976.4
Fixed deposits balances with banks	1,359.3	(1,821.3)
Interest received	130.2	9.9
Net cash inflow from investing activities (B)	1,392.7	975.3
C CASH FLOW FROM FINANCING ACTIVITIES		
Principal elements of lease payments	(69.7)	(61.6)
Dividend paid	(637.6)	(1,093.0)
Dividend distribution tax paid	-	(225.0)
Interest paid	(44.2)	(53.4)
Net cash (outflow) from financing activities (C)	(751.5)	(1,433.0)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(242.7)	1,037.2
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,545.1	332.9
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	*	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2,302.4	1,370.1
Components of cash and cash equivalents are as under:		
Balances with banks		
- In current account	301.0	1,211.1
- In EEFC account	299.0	159.0
Deposits with maturity of less than three months	1,702.4	-
Cash and cash equivalents	2,302.4	1,370.1

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

Notes:

- (i) The statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows.
- (ii) Amounts in brackets represent a cash outflow or a loss.



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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 – 122 011
Haryana, India

1. We have reviewed the unaudited consolidated financial results of Akzo Nobel India Limited (the “Parent”) and its subsidiary (the parent and its subsidiary hereinafter referred to as the “Group”), for the quarter and six months ended 30 September 2020, which are included in the accompanying Statement of Consolidated Unaudited Financial Results for the quarter and six months ended 30 September 2020, the Statement of Consolidated Unaudited Statement of Assets and Liabilities as on that date and the Statement of Consolidated Unaudited Cash Flows for six months ended on that date (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 & Technology Centre (subsidiary company)
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 draw your attention to note 6 to the Statement, which describes the management’s assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group and the adjustment made to these Consolidated Unaudited Financial Results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurgaon - 122002
T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-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)

7. We did not review the interim financial results of the subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 9.8 million and net assets of Rs. 7.1 million as at 30 September 2020 and total revenues of Rs. 2.2 million and Rs. 4.0 million, total net profit/(loss) after tax of Rs. Nil and Rs. Nil and total comprehensive income / (loss) of Rs. Nil and Rs. Nil, for the quarter ended and for the period from 01 April 2020 to September 30, 2020, respectively, and cash flows (net) of Rs. 2.8 million for the period from 01 April 2020 to September 30, 2020, as considered in the consolidated unaudited financial results. According to the information and explanations given 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 this matter.

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

ANURAG
KHANDELWAL

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ANURAG KHANDELWAL
Date: 2020.11.09
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Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 20078571AAAAC2470
Place: Gurugram
Date: 9 November 2020

Media release

Gurugram, November 9, 2020

AkzoNobel India announces Q2 FY 2020-2021 results

The Board of Directors of Akzo Nobel India Limited approved the unaudited financial results for the quarter ended September 30, 2020.

Performance highlights

Q2 FY21¹ versus Q2 FY20

- **Revenue from operations at ₹606.9 crores** declined by 4% over the previous year and recovered to pre-COVID 19 levels by September 2020
- **Gross Margin at ₹295.8 crores.** Positive gross margin development, GM% up from previous quarter & same quarter last year, aided by benign raw material costs and cost re-engineering programmes
- **EBIT from operations at ₹85.8 crores**, up 64% year-on-year. **EBIT% at 14%** up by ~600 bps
- **PAT at ₹66.3 crores**, up 35%. Like to like PAT growth at 58%. Reported PAT growth lower due to benefit of tax rate change being reported in same quarter last year

Commenting on the quarterly results, **Rajiv Rajgopal, Managing Director, AkzoNobel India** said “Business has seen improved recovery reaching pre-COVID 19 levels in the rural and non-metro markets during the quarter. The demand in the metro cities remained muted during the quarter and has improved due to festive season and pent-up demand. Hence, we witnessed volume growth during the quarter. The revival in automotive sector benefitted our business while infrastructure, oil & gas and power segments continued to see demand challenge.”

He added, “Our profitability improvement this quarter is led by transformation initiatives taken last year, benign raw material costs and some rephasing of festival campaigns to next quarter.”

Recent highlights

AkzoNobel India relaunched Dulux SuperClean

AkzoNobel India launched Dulux SuperClean with superior washability properties. Dulux SuperClean is a premium interior emulsion with high-bind technology providing washability from common household stains keeping the walls beautiful.

Launch of Dulux Promise SmartChoice in the economy segment

AkzoNobel India unveiled Dulux Promise SmartChoice, water-based emulsion for interior and exterior walls specially formulated for the Indian market. Aimed at the economy segment, Dulux Promise SmartChoice with special anti-chalking, anti-peeling properties provides better coverage and opacity.

AkzoNobel India extends quality healthcare to 200,000 painter community through Aarogya Sakha

AkzoNobel India has partnered with Telerad Foundation to start a telehealth project, Aarogya Sakha, to improve the healthcare status of the painter community. In the first phase of this project, the healthcare service will be accessible to 200,000 painters and their families across states of Uttar Pradesh, Karnataka, Bihar, Chhattisgarh and Madhya Pradesh. Aarogya Sakha offers both audio and video consultation, thrice a week. The initiative provides impetus to AkzoNobel India's ongoing efforts to connect blue collar communities with affordable healthcare care.

1 FY is Financial Year, started on 1 April 2020 and ends on 31 March 2021.

About AkzoNobel

AkzoNobel has a passion for paint. We're experts in the proud craft of making paints and coatings, setting the standard in color and protection since 1792. Our world class portfolio of brands – including Dulux, International, Sikkens and Interpon – is trusted by customers around the globe. Headquartered in the Netherlands, we are active in over 150 countries and employ around 33,000 talented people who are passionate about delivering the high-performance products and services our customers expect.

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About AkzoNobel India

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. With employee strength of over 1482, 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 media release contains statements which address such key issues as AkzoNobel'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 forecast and actual results to differ 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, as well as significant market disruptions such as the impact of pandemics. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies. For a more comprehensive discussion of the risk factors affecting our business, please see our latest annual report. www.akzonobel.com.

Company Contacts

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