

Annual Report 2013-14

AkzoNobel



Winning together

At AkzoNobel, we believe that what defines and differentiates successful organisations is their ability to bond and bind, to bring together diverse competencies and capabilities, to synergise efforts and excellence.

At the heart of our success is something that is deeply rooted in each of us:

Our values

Values define, determine and dictate our beliefs and behaviour. They form the shared pillar of our growth, progress and success. They connect and unify us, across locations and functions.

This year, we have chosen one of AkzoNobel's four values as the theme of our annual report:

Winning together

For it is when we develop, share and use our personal strengths to win as a team do we all take strides into the future. It is when we realise that if one of us wins, we all win – together, is when we have lived up to our highest aspirations. Only then is success truly ours!



Join us in **Winning together** as part of the Green Initiative

This Annual Report is now available in a digital format as we have created an ePub version compatible with your smart phones and devices.

Download this at:

https://www.akzonobel.com/in/investor_relations/annual_reports_and_results/

Contents

Corporate snapshot	04
Our strategy	06
Our values	07
Performance at a glance	08
Ten years at a glance	09
End-user segments	10
Chairman's statement	12
Managing Director's statement	14
Our brands and businesses	17
Manufacturing excellence	18
Narmada	20
Caring for life	22
Our Board of Directors	28
Company information	32
Directors' report	33
Report on Corporate Governance	39
Independent auditors' report	50
Balance Sheet	56
Statement of Profit & Loss	57
Cash Flow Statement	58
Notes to the accounts	62
Notice of Annual General Meeting	97
Attendance slip and Proxy form	107

Corporate snapshot

Present in India for over 60 years, the Company is a significant player in the coatings industry. Over the years, it has witnessed sustained expansion, growth and transformation. In 2008, the Company became a member of the AkzoNobel Group.

AkzoNobel India manufactures and markets a wide range of coatings covering Decorative paints, Performance coatings and Specialty Chemicals. Our portfolio includes well-known brands such as Dulux, Sikkens, International and Interpon. We provide solutions to many industries and sectors including automotive, consumer electronics, power, aviation, shipping and leisure craft, construction, oil and gas, water and waste water treatment, food and beverages, etc. We supply industries and consumers with innovative products and are passionate about developing sustainable solutions for our customers. With employee strength of close to 1900, AkzoNobel India has manufacturing sites, offices and distribution network spread across the country. All manufacturing facilities have state-of-art environmental management systems. Our commitment to Health, Safety, Environment & Security (HSE&S) is amongst the best in class globally, with due care being taken to protect the people and the environment.



Milestones

- 1954** Company incorporated as Indian Explosives Limited, co-promoted by Govt of India and Imperial Chemical Industries PLC, UK
- 1964** Paints plant commissioned at Rishra, West Bengal (since divested)
- 1971** Paints plant commissioned at Hyderabad
- 1976** ICI India Research & Technology Centre established at Thane
- 1997** Paints plant commissioned at Thane
- 1998** Paints plant commissioned at Mohali
- 2010** Name of the company changed to Akzo Nobel India Ltd
- 2012** Three AkzoNobel companies merged with Akzo Nobel India Ltd to create a Coatings powerhouse in India
- 2013** Investing for growth: commissioned Gwalior Plant for manufacturing water based Decorative paints
- 2014** Platinum Jubilee – 60 years of Winning together in India

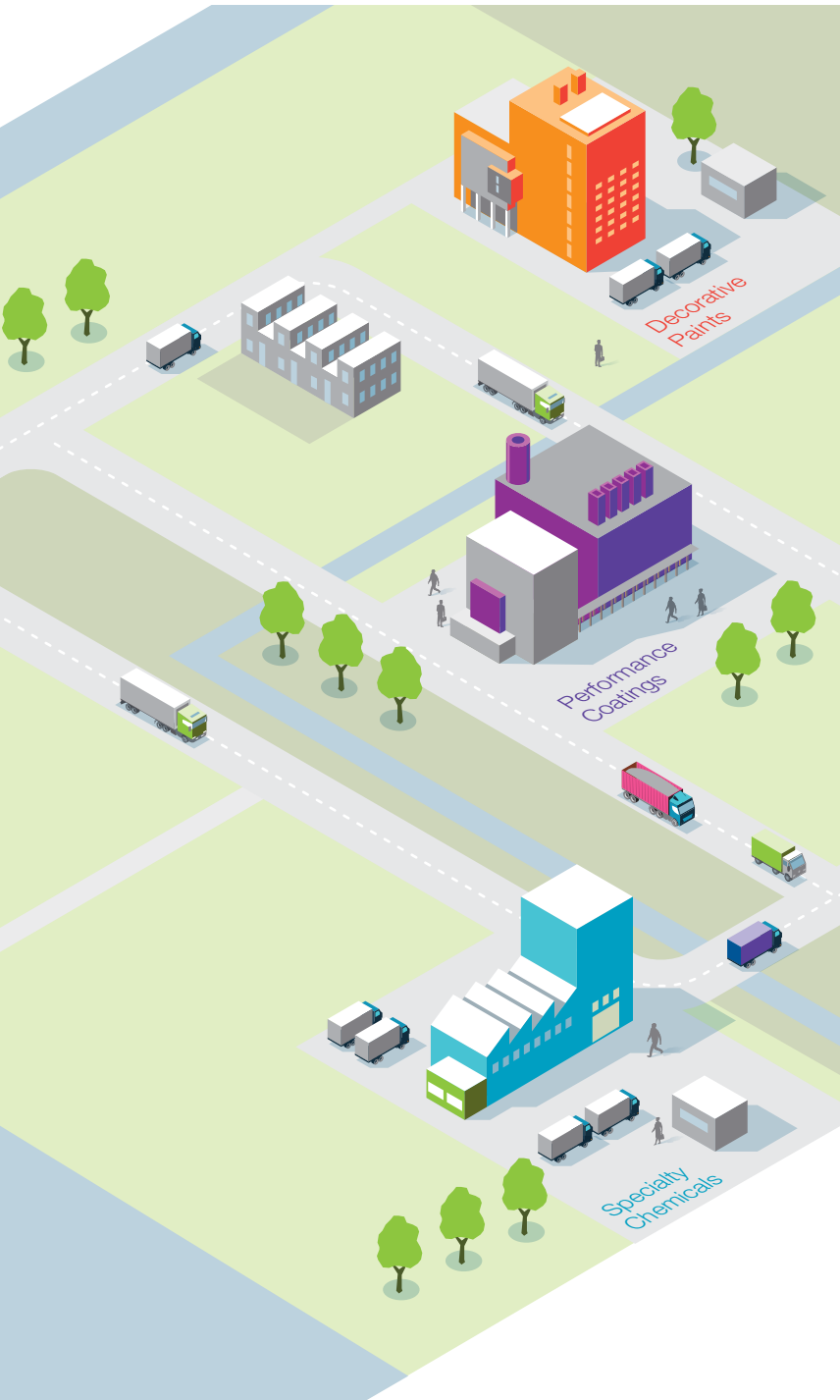
Reach and spread

- 6** Manufacturing Sites
- 4** Regional Offices
- 2** Research Centres
- 75** Warehouses
- 1854** Employees
- 9000** Dealers/ Distributors

Listing

- Bombay Stock Exchange**
Scrip ID 500710 – AKZOINDIA
Group B | Index – BSE 500
- National Stock Exchange**
Scrip ID – AKZOINDIA
Index : S & P CNX 500





Businesses

Decorative paints

Performance coatings

- Automobile and Aerospace Coatings
- Industrial Coil Coatings
- Marine and Protective Coatings
- Packaging Coatings
- Powder Coatings
- Wood finishes and Adhesives

Specialty chemicals

- Functional Chemicals
- Pulp and Performance Chemicals
- Surface Chemistry

Key numbers

(In ₹ Million)
(as on 31 March 2014)

Gross Block
5,331

Business ROI
24%

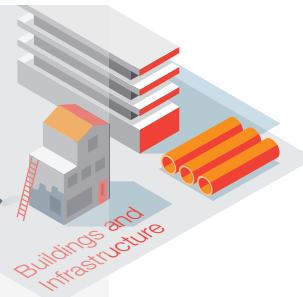
Net Worth
8,478

Asset Turnover (times)
3.5

Reserves
8,011

Market Capitalisation
42,000

Dividend Payout for FY 2013-14
3,499



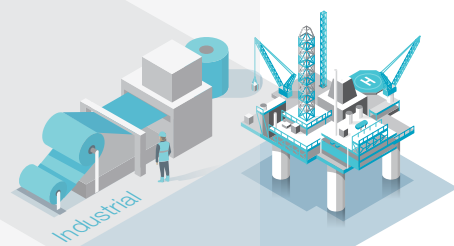
Buildings and Infrastructure



Transportation

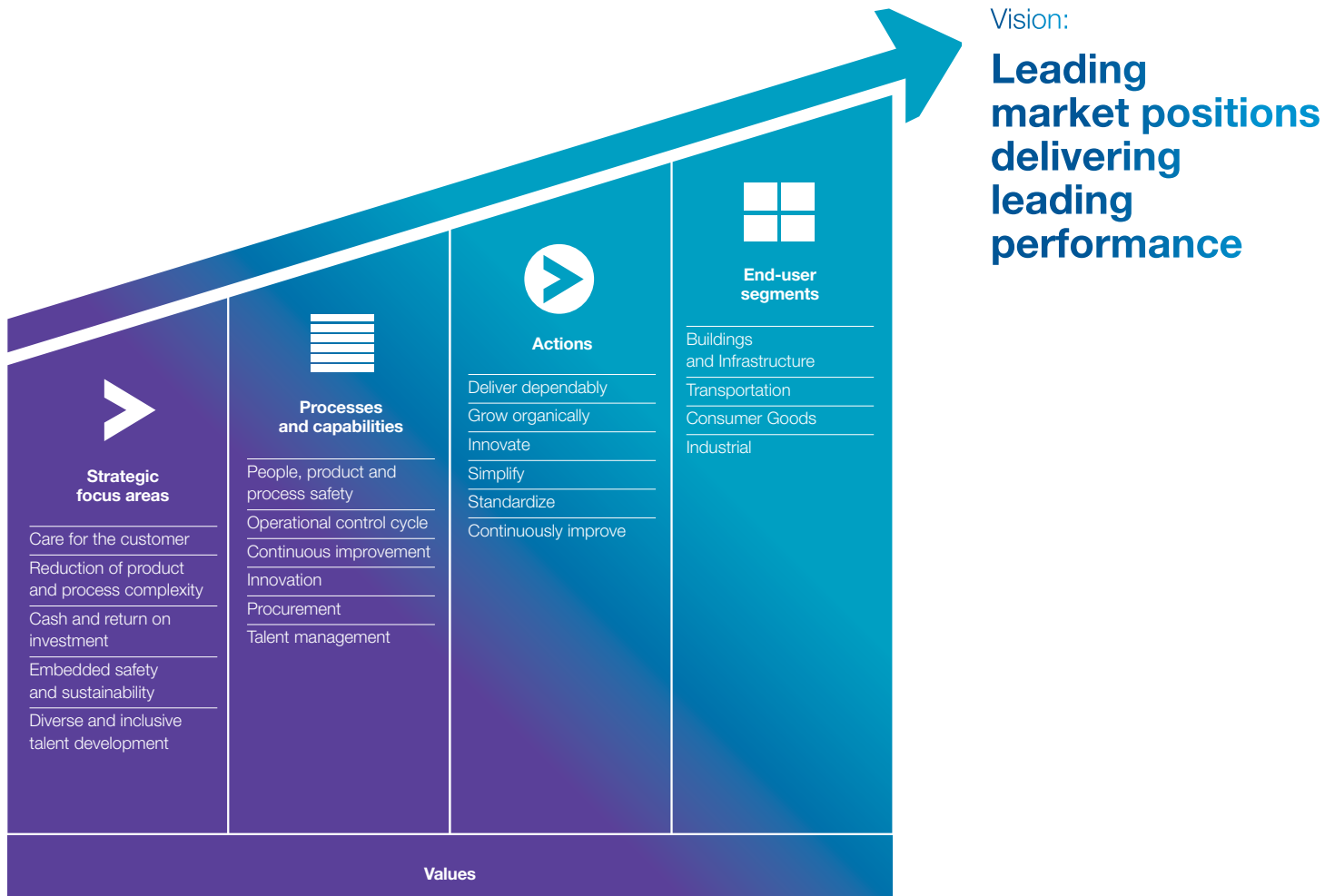


Consumer Goods

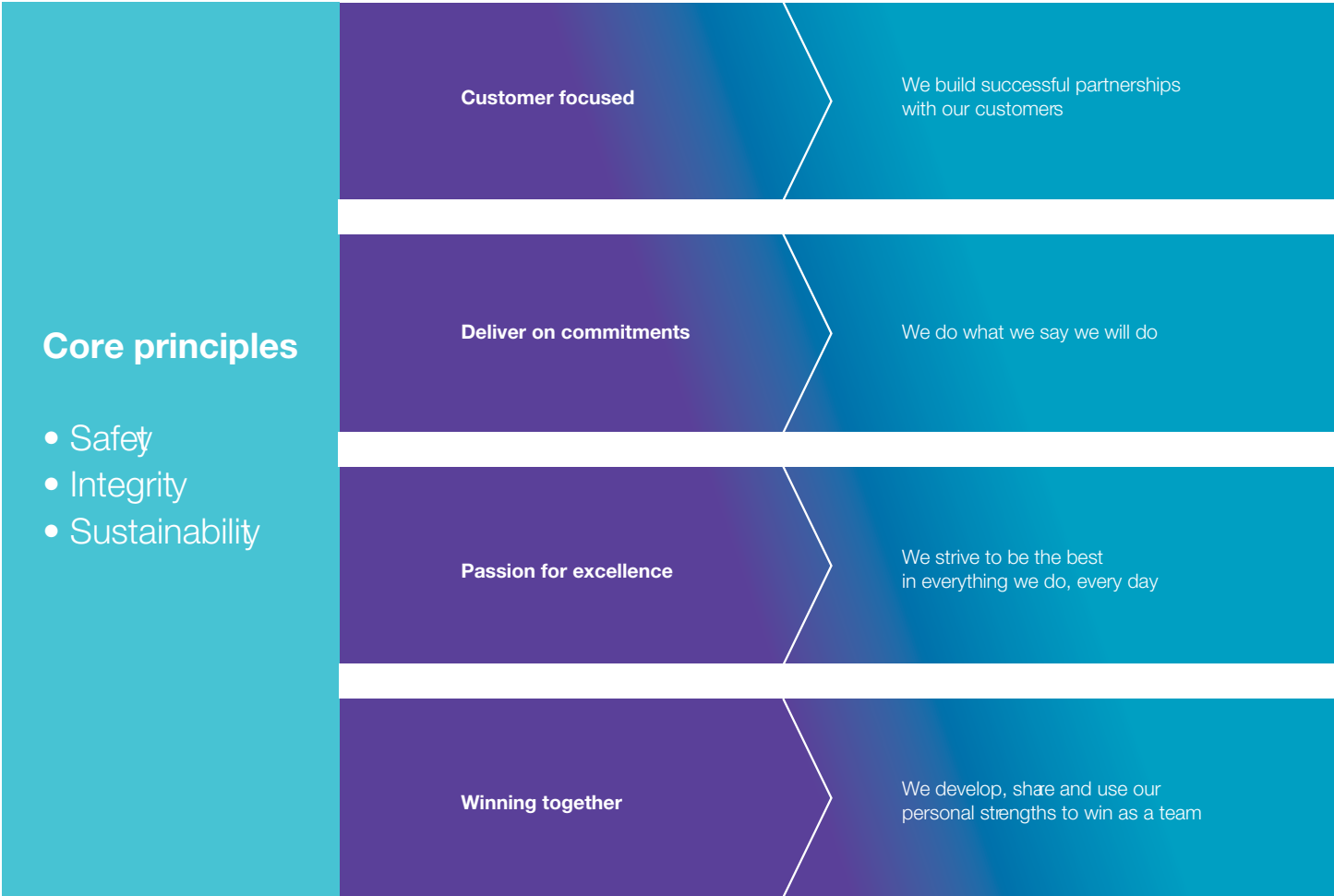


Industrial

Our strategy



Our values



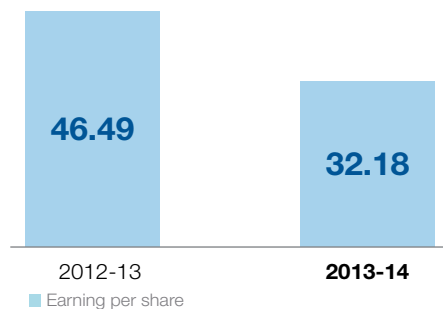
Performance at a glance

Statement of Income



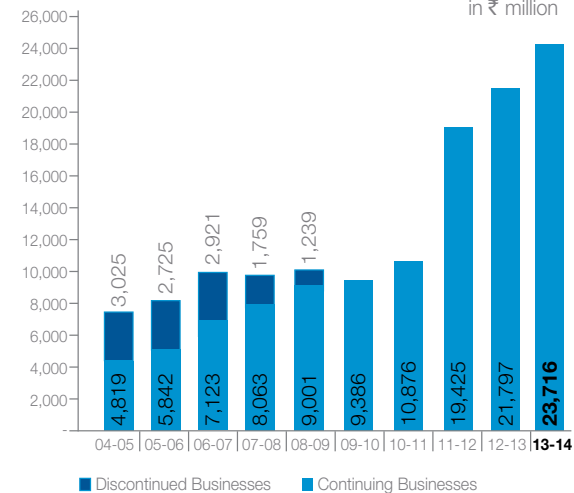
Earnings per share

in ₹



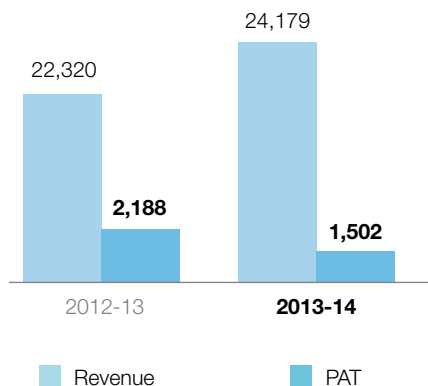
Sales performance trend

in ₹ million



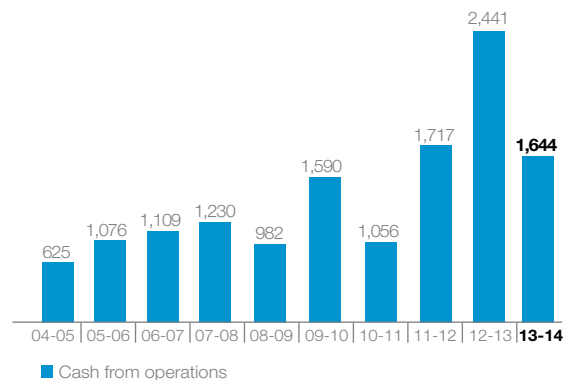
Revenue & PAT

in ₹ million



Cash flow from operations

in ₹ million



Profit before tax from operations

in ₹ million

