



## MEDIA STATEMENT

### **ROYALTY ARRANGEMENT**

Akzo Nobel India Limited at its Board meeting held on 21 October 2011 had announced a royalty proposal for its Paints Business, in order to gain smooth access to AkzoNobel group's technology and brands.

Taking cognizance of the views expressed by certain shareholders, Akzo Nobel India had sought a reduction in the royalty rates.

At its meeting held today, 14<sup>th</sup> February 2012, the Akzo Nobel India Board approved a reduction of 1% in the effective royalty rates from a level of approximately 3% approved earlier w.e.f., from October 2014.

As announced earlier, upto Sep 2014, the rate of Royalty applicable will remain unchanged at approximately 1% of net sales.

### **About AkzoNobel India**

Present in India for 100 years and a significant player in the Paints industry, the Company has primarily operated under the 'Dulux' brand name. Over the years, it witnessed sustained expansion, growth and transformation. In 2008, Akzo Nobel N.V. became owner of the entire equity share capital of Imperial Chemical Industries Ltd., by virtue of which the Company became a member of the AkzoNobel Group. AkzoNobel India manufactures and markets paints and specialty chemicals. With employee strength of about 1100, Akzo Nobel India has manufacturing sites, offices and distribution network spread across the country. Its commitment to Health, Safety, Environment & Security (HSE&S) has been amongst the best in class globally, with due care being taken to protect the people and the environment.

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### **Safe Harbour Statement:**

This press release contains 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 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.