

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2007
(Rs. in millions)

| Sr. No. | Particulars | Audited 9 months ended 31.12.06 | Audited | | Audited | |
|---------|---|---------------------------------------|----------------|----------|----------------------|----------|
| | | | Quarter ended | | Financial Year ended | |
| | | | 31.03.07 | 31.03.06 | 31.03.07 | 31.03.06 |
| 1. | Net Sales and Operating Income (Net of Discounts & Excise duty) | 20942.66 | 7270.27 | 5644.83 | 28212.93 | 23191.55 |
| 2. | Other Income | 272.13 | 132.38 | 144.54 | 404.51 | 359.26 |
| 3. | Total Expenditure : | | | | | |
| a) | (Increase) / Decrease in stock in trade | (434.37) | (85.82) | (9.86) | (520.19) | 5.12 |
| b) | Consumption of raw and packing materials | 12675.78 | 4451.55 | 3269.91 | 17127.33 | 13512.23 |
| c) | Employees' remuneration | 1150.57 | 399.00 | 299.17 | 1549.57 | 1289.76 |
| d) | Other expenditure | 4398.18 | 1440.48 | 1273.16 | 5838.66 | 4865.24 |
| 4. | Interest | 53.55 | 15.18 | 6.52 | 68.73 | 38.31 |
| 5. | Depreciation | 336.63 | 117.52 | 120.06 | 454.15 | 455.28 |
| 6. | Profit Before Extraordinary item and Tax (1+2-3-4-5) | 3034.45 | 1064.74 | 830.41 | 4099.19 | 3384.87 |
| 7. | Extraordinary item (EOI) | - | - | 336.00 | - | 336.00 |
| 8. | Profit before tax (6-7) | 3034.45 | 1064.74 | 494.41 | 4099.19 | 3048.87 |
| 9. | Provision for Current tax | 1010.47 | 368.53 | 283.51 | 1379.00 | 1141.00 |
| 10. | Provision for Deferred Tax | (6.07) | (17.65) | (15.97) | (23.72) | (20.70) |
| 11. | Provision for Fringe Benefit Tax | 21.60 | 23.06 | 26.02 | 44.66 | 50.52 |
| 12. | Net Profit (8-9-10-11) | 2008.45 | 690.80 | 200.85 | 2699.25 | 1878.05 |
| 13. | Prior period items (net) | 0.47 | 20.76 | 2.00 | 21.23 | (10.25) |
| 14. | Net Profit after prior period items | 2008.92 | 711.56 | 202.85 | 2720.48 | 1867.80 |
| 15. | Paid-up Equity Share Capital (Face value of share : Rs.10 each) | 959.20 | 959.20 | 959.20 | 959.20 | 959.20 |
| 16. | Reserves excluding revaluation reserves (as per balance sheet) | | | | 6481.58 | 5263.64 |
| 17. | Earning Per Share (EPS) | | | | | |
| a. | Basic & diluted EPS (Rs.) before EOI | 20.94 | 7.42 | 5.62 | 28.36 | 22.98 |
| b. | Basic & diluted EPS (Rs.) after EOI | 20.94 | 7.42 | 2.11 | 28.36 | 19.47 |
| 18. | Aggregate of Non-promoter Shareholding / Public Shareholding | | | | | |
| - | Number of Shares | 50056816 | | | 50049391 | 50617763 |
| - | Percentage of Shareholding | 52.19 | | | 52.18 | 52.77 |

SEGMENT REPORTING
(Rs. in millions)

| Sr. No. | Particulars | Audited 9 months ended 31.12.06 | Audited | | Audited | |
|---------|--|---------------------------------------|----------------|----------|----------------------|----------|
| | | | Quarter ended | | Financial Year ended | |
| | | | 31.03.07 | 31.03.06 | 31.03.07 | 31.03.06 |
| 1. | Segment Revenue | | | | | |
| a. | Paints | 20434.26 | 7017.33 | 5503.91 | 27451.59 | 22548.30 |
| b. | Others | 1266.96 | 515.81 | 386.36 | 1782.77 | 1456.11 |
| | Total | 21701.22 | 7533.14 | 5890.27 | 29234.36 | 24004.41 |
| | Less: Inter-segment Revenue | 614.54 | 206.69 | 166.53 | 821.23 | 604.42 |
| | Net sales and income from operations | 21086.68 | 7326.45 | 5723.75 | 28413.13 | 23399.99 |
| 2. | Segment Results - Profit/(Loss) before tax and interest from each segment. | | | | | |
| a. | Paints | 3145.85 | 1080.56 | 843.55 | 4226.41 | 3560.26 |
| b. | Others | 174.90 | 71.38 | 26.70 | 246.28 | 119.62 |
| | Total | 3320.75 | 1151.94 | 870.25 | 4472.69 | 3679.88 |
| | Less: Interest | (53.55) | (15.18) | (6.52) | (68.73) | (38.31) |
| | Unallocated Corporate Expenses net of unallocable income | (232.75) | (72.02) | (369.32) | (304.77) | (592.70) |
| | Total profit before tax | 3034.45 | 1064.74 | 494.41 | 4099.19 | 3048.87 |
| | Capital Employed | | | | | |
| a. | Paints | 4099.42 | 4643.45 | 4365.89 | 4643.45 | 4365.89 |
| b. | Others | 547.45 | 552.03 | 499.78 | 552.03 | 499.78 |
| 3. | c. Unallocable Corporate Assets less Corporate Liabilities | 2969.81 | 2245.30 | 1357.17 | 2245.30 | 1357.17 |
| | Total capital employed | 7616.68 | 7440.78 | 6222.84 | 7440.78 | 6222.84 |

Note: Others include Company's business units manufacturing Phthalic Anhydride and Pentaerythritol.

Notes:

- Net sales and operating income include income arising out of processing charges for products manufactured for the Joint Venture unit, Asian PPG Industries Ltd., and wholly owned subsidiary, Asian Paints Industrial Coatings Ltd., lease rentals towards leasing of tinting machines to dealers and revenue from Home Solutions operations.
- During the quarter ended 31st March, 2007, 4 investor complaints were received and resolved. No investor complaints were pending at the beginning of the said quarter and no complaints were lying unresolved at the end of the quarter.
- The Company has opted for adoption of Accounting Standard (AS) 15 (Revised) - Employee Benefits with effect from 1st April, 2006. Pursuant to the adoption, the Company has adjusted the opening balance of net additional employee benefit obligations of Rs. 117.35 million, net of deferred tax asset thereon of Rs. 39.50 million against the opening balance of General Reserves.
- The new manufacturing industrial paint plant situated at Taloja, Maharashtra commenced commercial production on 9th February, 2007.
- The company paid an interim dividend of Rs 5.50 per equity share of Rs. 10/- each (55%) in November, 2006 and Rs. 6.50 per equity share of Rs. 10/- each (65%) in March, 2007. The Board of Directors have recommended a payment of final dividend of Re.1/- per equity share of Rs.10/- each (10%) for the financial year ended 31st March, 2007. The total dividend for the year including the final dividend (subject to the approval of shareholders at the ensuing Annual General Meeting) will be Rs.13/- per equity share of Rs.10/- each (130%).
- The above results were reviewed by the Audit Committee on 8th May, 2007 and approved by the Board of Directors at their meeting held on 10th May, 2007.
- The previous period figures have been regrouped wherever required.

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2007
(Rs. in millions)

| Sr. No. | Particulars | Unaudited 9 months ended 31.12.06 | Unaudited | | Audited | |
|---------|---|---|----------------|----------|----------------------|----------|
| | | | Quarter ended | | Financial Year ended | |
| | | | 31.03.07 | 31.03.06 | 31.03.07 | 31.03.06 |
| 1. | Net sales and Operating Income (Net of discounts and excise duty) | 27110.25 | 9589.48 | 7650.11 | 36699.73 | 30210.35 |
| 2. | Other income | 236.42 | 136.09 | 117.28 | 372.51 | 320.25 |
| 3. | Total expenditure : | | | | | |
| a) | (Increase) / Decrease in stock in trade | (575.48) | (49.08) | 775.29 | (624.56) | (112.64) |
| b) | Consumption of raw and packing materials | 16742.46 | 5876.05 | 3740.56 | 22618.51 | 18033.65 |
| c) | Employees' remuneration | 1947.91 | 672.93 | 520.07 | 2620.84 | 2233.25 |
| d) | Other expenditure | 5384.23 | 1919.92 | 1693.18 | 7304.15 | 6139.21 |
| 4. | Interest | 146.52 | 42.59 | 22.69 | 189.11 | 114.28 |
| 5. | Depreciation | 438.26 | 173.15 | 174.85 | 611.41 | 606.16 |
| 6. | Profit/(Loss) from associate company | (4.03) | 0.01 | (4.10) | (4.02) | (9.31) |
| 7. | Profit Before Tax and amortisation of Goodwill (1+2-3-4-5+6) | 3258.74 | 1090.02 | 836.66 | 4348.76 | 3507.38 |
| 8. | Impairment of Goodwill | - | - | 28.52 | - | 76.00 |
| 9. | Extraordinary item (Refer Note No.3) | - | 77.56 | - | 77.56 | - |
| 10. | Profit Before Tax after impairment of Goodwill & Extraordinary item (7-8-9) | 3258.74 | 1012.46 | 808.14 | 4271.20 | 3431.38 |
| 11. | Provision for current tax, deferred tax and fringe benefit tax | 1067.52 | 399.26 | 353.33 | 1466.78 | 1322.86 |
| 12. | Net Profit (10-11) | 2191.22 | 613.20 | 454.81 | 2804.42 | 2108.52 |
| 13. | Prior period items (net) | 0.47 | 26.01 | 1.96 | 26.48 | (10.29) |
| 14. | Net Profit after tax & prior period items | 2191.69 | 639.21 | 456.77 | 2830.90 | 2098.23 |
| 15. | Minority interest | 47.46 | (26.86) | (9.00) | 20.60 | (23.25) |
| 16. | Net Profit attributable to shareholders | 2144.23 | 666.07 | 465.77 | 2810.30 | 2121.48 |
| 17. | Paid-up equity share capital (Face value of share : Rs.10 each) | 959.20 | 959.20 | 959.20 | 959.20 | 959.20 |
| 18. | Reserves excluding revaluation reserves (as per balance sheet) | | | | 6818.71 | 5503.31 |
| 19. | Basic and diluted EPS (Rs.) | 22.35 | 6.94 | 4.86 | 29.30 | 22.12 |

Notes:

- The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles and comply with the Accounting Standard (AS 21) on Consolidated Financial Statements, Accounting Standard (AS 23) on Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS 27) on Financial Reporting of interests in Joint Venture issued by The Institute of Chartered Accountants of India.
- For the parent company, Indian subsidiaries and Joint Venture, the period considered in the above consolidated results is April, 2006 to March, 2007. In respect of overseas subsidiaries, the period considered in the above consolidated results is January, 2006 to December, 2006, except Nepal where the period considered is 14th January, 2006 to 13th January, 2007.
- The disposal of the Dutch Boy Philippines, Inc., an Associate Company of Berger International Limited (BIL) has been completed on 28th November, 2006. BIL has also disposed off its entire stake in its subsidiary, Berger Paints Manufacturing Limited, Myanmar on 31st December, 2006. The net loss of Rs. 77.56 million arising out of the above disposals has been considered in the financials for the quarter ended 31st March, 2007. The financials of these companies have been included in the above results upto the date of disposal.
- The provision for taxation includes write back of tax provision of Rs.35.76 million made in respect of notice for additional assessment received for the assessment years 2000 to 2004 by the Company's subsidiary Berger International Ltd (BIL), Singapore, pursuant to a favorable order. BIL had made a total tax provision of Rs.45.20 million in the financial year ended 31st December, 2005.
- Subsidiary of the Joint Venture: Asian PPG Industries Ltd acquired a 100% stake in Faaber Paints Pvt. Ltd. on 30th August, 2006 for Rs. 40 million. The accounts of the said company are incorporated with that of the Joint Venture for the purpose of consolidation. On 16th March, 2007, Asian PPG Industries Limited also acquired the '2K Business' from ICI India Limited. This business of purchase and sale of "an advanced refinish" paint was acquired as a going concern, on a slump sale basis, at an aggregate consideration of Rs. 518.00 million.
- Based on an assessment carried out as on 31st March, 2007, no impairment in the carrying value of goodwill is required for the current financial year. An amount of Rs. 76 million was provided in the previous year.

CONSOLIDATED SEGMENT REPORTING
(Rs. in millions)

| Sr. No. | Particulars | Audited | |
|---------|--|----------------------|------------|
| | | Financial Year ended | |
| | | 31.03.07 | 31.03.06 |
| 1. | Segment Revenue | | |
| a. | Paints | 36,110.70 | 29,540.54 |
| b. | Others | 1,782.77 | 1,456.11 |
| | Total | 37,893.47 | 30,996.65 |
| | Less: Inter-segment revenue | (821.23) | (604.42) |
| | Net Sales and income from operations | 37,072.24 | 30,392.23 |
| 2. | Segment results - Profit/(Loss) before tax and interest from each segment. | | |
| a. | Paints | 4,700.88 | 3,774.78 |
| b. | Others | 246.28 | 119.62 |
| | Total | 4,947.16 | 3,894.40 |
| | Less: Interest | (189.11) | (114.29) |
| | Unallocated Corporate Expenses net of unallocable income | (486.84) | (348.74) |
| | Total Profit Before Tax | 4,271.21 | 3,431.38 |
| 3. | Capital Employed | | |
| a. | Paints | 10,345.45 | 8,896.42 |
| b. | Others | 552.03 | 499.77 |
| | c. Unallocable Corporate Assets less Corporate Liabilities | (3119.56) | (2,933.68) |
| | Total capital employed | 7,777.92 | 6,462.51 |

Note : Others include Group's business units manufacturing Phthalic Anhydride and Pentaerythritol. Previous year's figures have been regrouped, wherever required.

FOR AND ON BEHALF OF THE BOARD

 Date: 10th May, 2007
 Place: Mumbai

**Sd/-
 ASHWIN CHOKSI
 CHAIRMAN**