

## AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2004

(Rs. in millions)

Sr. No.	Particulars	Audited	Unaudited	Audited	Unaudited	Audited
		3 Months ended		9 Months Ended		Year ended 31.03.04
		31.12.04	31.12.03	31.12.04	31.12.03	
1.	Net Sales/Income from Operations (Net of Discounts & Excise duty)	5959.52	4510.72	15455.71	13255.88	17424.62
2.	Other Income	87.96	35.88	224.74	119.63	216.77
3.	Total Expenditure :					
	a) (Increase) / decrease in stock in trade	94.13	433.30	(288.71)	(180.46)	(35.07)
	b) Consumption of raw and packing materials	3536.24	2146.21	9405.14	7653.63	9934.73
	c) Employees' remuneration	287.77	255.20	858.39	798.81	1015.56
	d) Other expenditure	1138.92	929.97	3152.21	2874.85	3814.02
4.	Interest	7.67	13.07	21.19	42.28	52.65
5.	Depreciation	122.08	121.33	363.96	360.40	480.10
6.	Profit Before Extraordinary item and Tax (1+2-3-4-5)	860.67	647.52	2168.27	1826.00	2379.40
7.	Extraordinary item (Refer note 3 below)	43.06	-	43.06	-	68.06
8.	Profit before tax (6-7)	817.61	647.52	2125.21	1826.00	2311.34
9.	Provision for Current tax	296.48	239.07	772.92	674.49	880.00
10.	Provision for Deferred Tax	20.05	(6.29)	24.05	(18.87)	(44.46)
11.	Net Profit (8-9-10)	501.08	414.74	1328.24	1170.38	1475.80
12.	Prior period adjustments (net)	(0.01)	0.38	(4.45)	1.90	2.07
13.	Profit after prior period adjustments	501.07	415.12	1323.79	1172.28	1477.87
14.	Paid-up Equity Share Capital (Face value of share : Rs.10 each)	959.20	959.20	959.20	959.20	959.20
15.	Reserves excluding revaluation reserves (as per balance sheet)					4356.21
16.	Basic and diluted EPS (Rs.)	5.22	4.33	13.80	12.22	15.41
17.	Aggregate of Non-promoter Shareholding					
	- Number of Shares			54805913	54753268	54782566
	- Percentage of Shareholding			57.14	57.08	57.11

## SEGMENT REPORTING

(Rs. in millions)

Sr. No.	Particulars	Audited	Unaudited	Audited	Unaudited	Audited
		3 Months Ended		9 Months Ended		Year Ended 31.03.04
		31.12.04	31.12.03	31.12.04	31.12.03	
1.	Segment Revenue					
	a. Paints	5617.01	4265.08	14517.92	12484.37	16435.28
	b. Others	375.23	274.64	1020.58	847.53	1113.05
	Total	5992.24	4539.72	15538.50	13331.90	17548.33
	Less: Inter-segment Revenue	162.27	92.96	462.03	356.16	458.16
	Net sales/income from operations	5829.97	4446.76	15076.47	12975.74	17090.17
2.	Segment Results - Profit/(Loss)before tax and interest from each segment.					
	a. Paints	839.16	708.52	2224.04	2071.4	2661.89
	b. Others	62.08	19.34	112.52	51.19	49.57
	Total	901.24	727.86	2336.56	2122.59	2711.46
	Less: Interest	(7.68)	(13.07)	(21.19)	(42.28)	(52.65)
	Unallocated Corporate Expenses net of unallocable income	(75.95)	(67.27)	(190.16)	(254.31)	(347.47)
	Total profit before tax	817.61	647.52	2125.21	1826.00	2311.34
3.	Capital Employed					
	a. Paints	3191.15	3300.66	3191.15	3300.66	3156.92
	b. Others	565.52	519.53	565.52	519.53	502.01
	c. Unallocable Corporate assets					
	Less Corporate Liabilities	2447.49	1680.14	2447.49	1680.14	1656.48
	Total capital employed	6204.16	5500.33	6204.16	5500.33	5315.41
	Note:	Others include Company's business units manufacturing Phthalic Anhydride and Pentaerythritol.				

## UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2004

(Rs. in millions)

Sr. No.	Particulars	Unaudited		Unaudited		Audited
		3 Months Ended		9 Months Ended		Financial Year ended 31.03.04*
		31.12.04*	31.12.03*	31.12.04*	31.12.03*	
1.	Net Sales/Income from Operations (Net of Discounts & Excise duty)	7537.29	5854.44	19844.01	16920.73	22637.24
2.	Other Income	109.02	55.21	266.06	146.58	263.55
3.	Total Expenditure :					
	a) (Increase) / decrease in stock in trade	112.51	271.79	(582.12)	(355.85)	36.86
	b) Consumption of raw and packing materials	4376.00	3034.64	12233.69	9909.76	12884.67
	c) Employees' remuneration	509.53	452.19	1498.17	1396.05	1851.41
	D) Other expenditure	1513.17	1253.34	4049.92	3605.74	4892.72
4.	Interest	30.27	37.28	91.35	121.28	152.03
5.	Depreciation	157.05	159.36	469.63	476.52	628.35
6.	Profit from associate company	0.28	1.46	1.78	17.90	39.14
7.	Profit Before Tax and amortization of Goodwill (1+2-3-4-5+6)	948.06	702.51	2351.21	1931.71	2493.89
8.	Goodwill amortization	17.14	17.14	51.40	51.40	78.26
9.	Profit Before Tax after amortization of Goodwill (7-8)	930.92	685.37	2299.81	1880.31	2415.63
10.	Provision for current and deferred tax	350.28	262.76	878.33	718.58	940.50
11.	Net Profit (9-10)	580.64	422.61	1421.48	1161.73	1475.13
12.	Prior period adjustments (net)	(0.05)	0.38	(4.45)	1.90	2.07
13.	Profit after prior period adjustments	580.59	422.99	1417.03	1163.63	1477.20
14.	Minority interest	20.32	26.18	42.89	28.94	28.31
15.	Profit attributable to shareholders	560.27	396.81	1374.14	1134.69	1448.89
16.	Paid-up Equity Share Capital (Face value of share : Rs.10 each)	959.20	959.20	959.20	959.20	959.20
17.	Reserves excluding revaluation reserves (as per balance sheet)					4335.57
18.	Basic and diluted EPS (Rs.)	5.84	4.14	14.33	11.83	15.11

### Notes:

- Net sales and total expenditure include inter-division transfers of finished goods as per the Company's accounting policy. Net sales also 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.
- 'Other expenditure' includes provision made in the second quarter ended 30th September, 2004 of the current financial year towards initial project expenses incurred in setting up a paint plant in Pondicherry amounting to Rs. 22.9 million as the project is no longer pursued in view of the setting up of a paint plant at Sriperumbudur, Chennai in the state of Tamil Nadu.
- As at 31st March, 2004, the company had made a provision of Rs 68.06 Mn towards permanent diminution in the value of investments made in the company's subsidiary Asian Paints Mauritius Ltd. The Board of Directors had, in their meeting held on 3rd December, 2004, approved the disinvestment/transfer of shares held in Asian Paints Mauritius Ltd., subject to necessary approvals and due diligence. The company has provided for the balance amount of investment amounting to Rs 43.06 Mn as an Extraordinary item towards permanent diminution in the value of investments, pending the completion of the transaction.
- 'Other income' includes Rs 31.9 Mn towards profit on disposal of the company's property in Mumbai.
- During the quarter ended 31st December, 2004, a total of 10 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 above results were reviewed by the audit committee and approved by the Board of Directors at their meeting held on 19th January, 2005.
- The previous period figures have been regrouped wherever required.

### Notes:

- \* In respect of the overseas subsidiaries and associate company, the period considered in the above consolidated results is January to September 2004 for the nine months and July to September 2004 for the quarter and in respect of audited accounts as at 31st March, 2004, the period considered in the above consolidated results is January to December 2003.
- Figures for the nine months ended 31st December, 2004 include financials for the nine months ended 30th September 2004 of overseas subsidiaries - Samoa Paints Ltd., and Taubmans Paints (Fiji) Ltd., acquired in August 2003. In the corresponding period of the previous year, the same is included for the months of August and September 2003 and hence not comparable.
- During May 2004, Berger International Ltd., Singapore, a subsidiary of the Company, divested its stake in Berger Paints (Malta) Ltd., and the resulting gain amounting to Rs. 13.3 million is included in other income.

FOR AND ON BEHALF OF THE BOARD

Sd/-  
ASHWIN C. CHOKSI  
CHAIRMAN

Date: 19th January, 2005  
Place: Mumbai