ASIAN PAINTS LIMITED

(Rs. in millions)

Regd. Office : 6A, Shanti Nagar, Santacruz (East), Mumbai - 400 055 www.asianpaints.com

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE

QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2006

asianpaints

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2006							SEGMENT REPORTING							
(Rs. in millions)								(Rs. in millions)						
		AUDITED		AUDITED		AUDITED		_	AUDITED		AUDITED		AUDITED	
Sr.	Particulars	Quarter ended		Half year ended		Financial Year ended		Sr. Particulars	Quarter ended		Half year ended		Financial Year ended	
No.	Particulars	30.09.06	30.09.05	30.09.06	30.09.05	31.03.06		No.	30.09.06	30.09.05	30.09.06	30.09.05	31.03.06	
1.	Net Sales and Operating Income						[
	(Net of Discounts & Excise duty)	7848.97	6192.30	13882.95				1. Segment Revenue						
	Other Income	100.55	71.45	164.34	131.88	359.26		a. Paints	7686.47	6039.02	13601.77	10966.17	22548.30	
	Total Expenditure :							b. Others	448.35	377.92	792.40	719.31	1456.11	
	a) (Increase)/decrease in stock in trade	68.47	(586.88)	(593.83)	(635.95)	5.12		Total	8134.82	6416.94	14394.17			
	b) Consumption of raw and packing							Less: Inter-segment	0104.02	0110.01	14004.11	11000.10		
	materials	4556.09	4129.40	8617.38	7203.66			revenue	242.11	182.74	431.18	312.66	604.42	
	c) Employees' remuneration (Note: 3)	414.73	343.26	770.92	674.17	1289.76		Net sales/income from	7892.71	6234.20	13962.99		23399.99	
	d) Other expenditure	1606.63	1300.65	2946.33	2316.40			operations	1092.11	0234.20	13902.99	11372.02	23399.99	
	Interest	17.67	8.84	30.71	14.33			operations						
5.	Depreciation	114.54	112.89	224.28	223.51	455.28								
6.	Profit Before Extraordinary item and							2. Segment Results -						
	Tax (1+2-3-4-5)	1171.39	955.59	2051.50	1627.79	3384.87		Profit/(Loss) before tax and						
7.	Extraordinary item (EOI)	-	-	-	-	336.00		interest from each segment						
8.	Profit before tax (6-7)	1171.39	955.59	2051.50	1627.79	3048.87		a. Paints	1162.36	997.85	2112.46		3560.26	
	Provision for Current tax	395.38	317.74	686.84	541.24	1141.00		b. Others	84.46	26.50	127.58	50.52	119.62	
10.	Provision for Deferred Tax	(7.13)	0.42	(6.25)	1.67	(20.70)		Total	1246.82	1024.35	2240.04	1779.80	3679.88	
11.	Provision for Fringe Benefit Tax	5.80	8.28	13.80	14.00	50.52		Less:Interest	(17.67)	(8.84)	(30.71)	(14.33)	(38.31)	
12.	Net Profit (8-9-10-11)	777.34	629.15	1357.11	1070.88	1878.05		Unallocated Corporate						
13.	Prior period items (net)	(1.74)	(17.45)	(1.34)	(15.50)	(10.25)		Expenses						
14.	Profit after prior period items	775.60	611.70	1355.77	1055.38	1867.80		net of unallocable income	(57.76)	(59.92)	(157.83)	(137.68)	(592.70)	
15.	Paid-up Equity Share Capital							Total profit before tax	1171.39	955.59	2051.50	1627.79	3048.87	
	(Face value of share : Rs.10 each)	959.20	959.20	959.20	959.20	959.20								
16.	Reserves excluding revaluation					5263.64		3. Capital Employed						
	reserves (as per balance sheet)							a. Paints	4028.40	4216.71	4028.40	4216.71	4365.89	
	Earning Per Share (EPS)							b. Others	658.53	614.40	658.53	614.40	499.78	
	a. Basic and diluted EPS (Rs.)							c. Unallocable Corporate	030.33	014.40	030.33	014.40	499.70	
	before EOI	8.09	6.38	14.13	11.00	22.98		assets less Corporate						
	b. Basic and diluted EPS (Rs.)							· · ·	007045	4040 47	0070 45	1010 17	4057.47	
	after EOI	8.09	6.38	14.13	11.00	19.47		Liabilities		1946.47				
18.	Aggregate of Non-promoter					50617763		Total capital employed	7565.08	6777.58	7565.08	6777.58	6222.84	
	Shareholding							Note: Others include Company's business units manufacturing Phthalic Anhydride and Pentaerythritol.						
	- Number of Shares			50070125	54824053									
	- Percentage of Shareholding			52.20	57.16	52.77		and i enderythild.						
Notes:														

1. Net sales and operating income include income arising out of processing charges for products manufactured for the Joint Venture unit, Asian PPG Industries Limited and wholly owned subsidiary, Asian Paints Industrial Coatings Limited lease rentals towards leasing of tinting machines to dealers and revenue from Home Solutions operations.

- 2. With effect from the financial year ended 31st March, 2006, the Company has discontinued the method of reporting Sales net of excise duty expense incurred on production of finished goods pursuant to Accounting Standard Interpretation (ASI) 14 (Revised) "Disclosure of Revenue from Sales Transactions" issued by the Institute of Chartered Accountants of India. The excise duty expense has since been bifurcated into two components: excise duty expense relatable to sales is reduced from Gross Sales and the balance amount relating to the difference between the closing stock and opening stock is recognized in the '(Increase)/decrease in stock in trade'. The figures of the previous periods have been regrouped accordingly. The same has no impact on the profits of the Company.
- 3. The Company had announced a voluntary retirement scheme (VRS) in Bhandup plant. The total amount of Rs. 30.82 million paid under the VRS has been charged to the Profit and Loss Account in the quarter ended 30th September, 2006.
- 4. The Board of Directors have approved the payment of interim dividend of Rs. 5.50 (Rupees five and paise fifty only) per equity share of Rs. 10/- each (55%) for the financial year ending 31st March, 2007. The record date for the purpose of payment of interim dividend is fixed as 6th November, 2006.
- 5. During the quarter ended 30th September, 2006, a total of 9 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.
- 6. The above results were reviewed by the Audit Committee on 27th October, 2006 and approved by the Board of Directors at their meeting held on 30th October, 2006.

7. The previous period figures have been regrouped wherever required.

FOR AND ON BEHALF OF THE BOARD

		UNAU	DITED	UNAU	AUDITED	
Sr. No.	Particulars	Quarter	r ended	Half yea	Financial Year ended	
		30.09.06	30.09.05	30.09.06	30.09.05	31.03.06
1.	Net sales and Operating Income					
	(Net of discounts and excise duty)	9980.84	7907.15	17753.83	14532.92	30210.35
2.	Other income	97.78	68.18	160.08	122.90	320.25
3.	Total expenditure :					
	a) (Increase)/decrease in stock in trade	136.89	(779.31)	(821.81)	(857.94)	(112.64)
	b) Consumption of raw and packing					
	materials	5877.49	5420.78	11303.02	9475.74	18033.65
	c) Employees' remuneration	686.30	580.52	1295.67	1141.62	2233.25
	d) Other expenditure	1938.11	1596.46	3600.27	2871.14	6139.21
4.	Interest	49.75	29.29	89.98	53.35	114.28
5.	Depreciation	148.86	144.52	291.59	288.07	606.16
6.	Profit from associate company	(1.86)	(5.17)	(3.96)	(4.77)	(9.31)
7.	Profit Before Tax and amortisation					
	of Goodwill (1+2-3-4-5+6)	1239.36	977.90	2151.23	1679.07	3507.38
8.	Amortisation of Goodwill (Note : 2)	0.00	14.96	0.00	32.20	76.00
9.	Profit Before Tax after amortisation					
	of Goodwill (7-8)	1239.36	962.94	2151.23	1646.87	3431.38
10.	Provision for current tax, deferred					
	tax and fringe benefit tax (Note: 3)	387.70	369.39	710.20	619.81	1322.86
11.	Net Profit (9-10)	851.66	593.55	1441.03	1027.06	2108.52
12.	Prior period items (net)	(1.74)	(17.45)	(1.34)	(15.50)	(10.29)
13.	Profit after tax and prior period	849.92	576.10	1439.69	1011.56	2098.23
	items					
14.	Minority interest	22.62	(15.49)	9.39	(17.84)	(23.25)
15.	Profit attributable to shareholders	827.30	591.59	1430.30	1029.40	2121.48
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)					5503.31
18.	Basic and diluted EPS (Rs.)	8.62	6.17	14.91	10.73	22.12

Notes:

- 1. For the parent Company, Indian subsidiaries and the Joint Venture, the period considered in the above consolidated results for six months ended 30th September, 2006 is April to September 2006. In respect of the overseas subsidiaries and associate company, the period considered in the above consolidated results is January June 2006 except Nepal subsidiary. The period considered for Nepal subsidiary is 15th January to 14th July, 2006.
- From the financial year ended 31st March, 2006, the carrying value of Goodwill is tested for impairment as at the balance sheet date. Accordingly, no amortisation of Goodwill has been carried out for the guarter and half year ended 30th September, 2006.
- 3. The results for the quarter and half year ended 30th September, 2006 include write back of tax provision of Rs.36.90 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, Singapore (BIL). BIL had made a total tax provision of Rs. 45.20 million in the financial year ended 31st December, 2005 out of which a provision of Rs.23.80 million was made in the results for the quarter and half year ended 30th September, 2005.
- 4. The Company has invested Rs. 111.06 million in the equity capital of its wholly owned subsidiary Asian Paints (International) Limited for onward investment in Asian Paints (Bangladesh) Limited. Further, an additional investment of Rs.20.97 million was made by Asian Paints (International) Ltd. in Asian Paints (Bangladesh) Limited.
- 5. The joint venture Company, Asian PPG Industries Limited has acquired 100% equity interest in Faaber Paints Private Limited. Faaber Paints Private Limited has paint manufacturing facilities near Chennai.

-/Sd ASHWIN CHOKSI CHAIRMAN