

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2006

(Rs. in millions)

Sr. No.	Particulars	AUDITED		AUDITED		AUDITED
		Quarter ended		Half year ended		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 & Excise duty)	7848.97	6192.30	13882.95	11292.03	23191.55
2.	Other Income	100.55	71.45	164.34	131.88	359.26
3.	Total Expenditure :					
a)	(Increase)/decrease in stock in trade	68.47	(586.88)	(593.83)	(635.95)	5.12
b)	Consumption of raw and packing materials	4556.09	4129.40	8617.38	7203.66	13512.23
c)	Employees' remuneration (Note: 3)	414.73	343.26	770.92	674.17	1289.76
d)	Other expenditure	1606.63	1300.65	2946.33	2316.40	4865.24
4.	Interest	17.67	8.84	30.71	14.33	38.31
5.	Depreciation	114.54	112.89	224.28	223.51	455.28
6.	Profit Before Extraordinary item and Tax (1+2-3-4-5)	1171.39	955.59	2051.50	1627.79	3384.87
7.	Extraordinary item (EOI)	-	-	-	-	336.00
8.	Profit before tax (6-7)	1171.39	955.59	2051.50	1627.79	3048.87
9.	Provision for Current tax	395.38	317.74	686.84	541.24	1141.00
10.	Provision for Deferred Tax	(7.13)	0.42	(6.25)	1.67	(20.70)
11.	Provision for Fringe Benefit Tax	5.80	8.28	13.80	14.00	50.52
12.	Net Profit (8-9-10-11)	777.34	629.15	1357.11	1070.88	1878.05
13.	Prior period items (net)	(1.74)	(17.45)	(1.34)	(15.50)	(10.25)
14.	Profit after prior period items	775.60	611.70	1355.77	1055.38	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)					5263.64
17.	Earning Per Share (EPS)					
a.	Basic and diluted EPS (Rs.) before EOI	8.09	6.38	14.13	11.00	22.98
b.	Basic and diluted EPS (Rs.) after EOI	8.09	6.38	14.13	11.00	19.47
18.	Aggregate of Non-promoter Shareholding					
	- Number of Shares			50070125	54824053	50617763
	- Percentage of Shareholding			52.20	57.16	52.77

SEGMENT REPORTING

(Rs. in millions)

Sr. No.	Particulars	AUDITED		AUDITED		AUDITED
		Quarter ended		Half year ended		Financial Year ended
		30.09.06	30.09.05	30.09.06	30.09.05	31.03.06
1.	Segment Revenue					
a.	Paints	7686.47	6039.02	13601.77	10966.17	22548.30
b.	Others	448.35	377.92	792.40	719.31	1456.11
	Total	8134.82	6416.94	14394.17	11685.48	24004.41
	Less: Inter-segment revenue	242.11	182.74	431.18	312.66	604.42
	Net sales/income from operations	7892.71	6234.20	13962.99	11372.82	23399.99
2.	Segment Results - Profit/(Loss) before tax and interest from each segment					
a.	Paints	1162.36	997.85	2112.46	1729.28	3560.26
b.	Others	84.46	26.50	127.58	50.52	119.62
	Total	1246.82	1024.35	2240.04	1779.80	3679.88
	Less: Interest	(17.67)	(8.84)	(30.71)	(14.33)	(38.31)
	Unallocated Corporate Expenses					
	net of unallocable income	(57.76)	(59.92)	(157.83)	(137.68)	(592.70)
	Total profit before tax	1171.39	955.59	2051.50	1627.79	3048.87
3.	Capital Employed					
a.	Paints	4028.40	4216.71	4028.40	4216.71	4365.89
b.	Others	658.53	614.40	658.53	614.40	499.78
c.	Unallocable Corporate assets less Corporate Liabilities	2878.15	1946.47	2878.15	1946.47	1357.17
	Total capital employed	7565.08	6777.58	7565.08	6777.58	6222.84
	Note: Others include Company's business units manufacturing Phthalic Anhydride and Pentaerythritol.					

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2006

(Rs. in millions)

Sr. No.	Particulars	UNAUDITED		UNAUDITED		AUDITED
		Quarter ended		Half year ended		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 items	849.92	576.10	1439.69	1011.56	2098.23
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:

- 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 quarter and half year ended 30th September, 2006.
- 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.
- 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.
- 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.

FOR AND ON BEHALF OF THE BOARD
**Sd/-
ASHWIN CHOKSI
CHAIRMAN**