

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ASIAN PAINTS LIMITED

Opinion

We have audited the accompanying Statement of Standalone Financial Results of **Asian Paints Limited** ("the Company") for the quarter and six months ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, these Standalone Financial Results:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the quarter and six months ended September 30, 2019.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited interim financial information. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This



responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to



the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle
Partner

Membership No 102912
UDIN: 19102912AAAAEG8400

Place: Mumbai
Date: October 22, 2019

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2019

Part I - Statement of Standalone Audited Financial Results for the Quarter and Six Months Ended 30 th September, 2019							(₹ in crores)
Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2019 Audited	30.06.2019 Audited	30.09.2018 Audited	30.09.2019 Audited	30.09.2018 Audited	31.03.2019 Audited
	Income						
	Revenue from operations	4,278.04	4,380.16	3,914.17	8,658.20	7,620.41	16,391.78
	Other Income	114.14	85.50	73.21	199.64	142.08	284.81
1	Total income	4,392.18	4,465.66	3,987.38	8,857.84	7,762.49	16,676.59
	Expenses						
	a) Cost of materials consumed	2,350.46	2,194.45	2,182.94	4,544.91	4,199.31	8,647.82
	b) Purchases of stock-in-trade	322.89	277.30	229.50	600.19	441.00	1,010.66
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(251.03)	(53.75)	(95.55)	(304.78)	(270.91)	(247.86)
	d) Employee benefits expense	253.23	247.53	214.77	500.76	429.76	900.14
	e) Finance costs	20.24	19.25	18.87	39.49	34.42	78.60
	f) Depreciation and amortisation expense	174.31	169.79	123.38	344.10	239.18	540.77
	g) Other expenses	729.04	624.78	605.22	1,353.82	1,173.36	2,576.21
2	Total expenses	3,599.14	3,479.35	3,279.13	7,078.49	6,246.12	13,506.34
3	Profit before tax (1-2) (Refer note 4)	793.04	986.31	708.25	1,779.35	1,516.37	3,170.25
	Tax expense						
	a) Current Tax	132.59	311.77	177.69	444.36	404.45	879.47
	b) Deferred Tax expense	(130.07)	22.09	49.93	(107.98)	89.65	158.61
4	Total tax expense	2.52	333.86	227.62	336.38	494.10	1,038.08
5	Profit for the period (3-4)	790.52	652.45	480.63	1,442.97	1,022.27	2,132.17
	Other Comprehensive Income (OCI)						
	A (i) Items that will not be reclassified to Profit or Loss	12.51	4.88	(56.49)	17.39	(41.70)	(31.18)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(0.54)	0.22	0.55	(0.32)	0.38	14.17
	B (i) Items that will be reclassified to Profit or Loss	0.90	0.78	3.03	1.68	2.31	(1.32)
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	(0.12)	(0.08)	(0.35)	(0.20)	(0.27)	0.15
6	Total Other Comprehensive Income	12.75	5.80	(53.26)	18.55	(39.28)	(18.18)
7	Total Comprehensive Income for the period (5+6)	803.27	658.25	427.37	1,461.52	982.99	2,113.99
8	Paid-up equity share capital (Face value of ₹1 per share)	95.92	95.92	95.92	95.92	95.92	95.92
9	Reserves excluding Revaluation Reserves as at Balance Sheet date						8,747.04
10	Basic and Diluted Earnings Per Share (EPS) (₹) (*not annualised)	8.24*	6.80*	5.01*	15.04*	10.66*	22.23

STANDALONE - SEGMENT REPORTING

(₹ in crores)

Sr. No.	Particulars	Quarter Ended			Six Month Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Audited	Audited	Audited	Audited	Audited	Audited
1.	Segment Revenue						
	a. Paints	4,219.57	4,328.94	3,864.91	8,548.51	7,525.17	16,189.66
	b. Home Improvement	58.47	51.22	49.26	109.69	95.24	202.12
	Revenue from operations	4,278.04	4,380.16	3,914.17	8,658.20	7,620.41	16,391.78
2.	Segment Results						
	Profit/(Loss) before tax from each segment						
	a. Paints	848.50	1,014.47	786.99	1,862.97	1,652.90	3,403.92
	b. Home Improvement	(8.06)	(6.80)	(9.48)	(14.86)	(15.07)	(30.32)
	Total	840.44	1,007.67	777.51	1,848.11	1,637.83	3,373.60
	Less: Finance costs	0.42	0.50	1.46	0.92	2.23	6.78
	Less: Other Un-allocable Expenditure	100.06	85.07	110.38	185.13	208.25	372.13
	Add: Un-allocable income	53.08	64.21	42.58	117.29	89.02	175.56
	Total Profit Before Tax	793.04	986.31	708.25	1,779.35	1,516.37	3,170.25
3.	Segment Assets						
	a. Paints	10,194.41	9,801.65	9,858.34	10,194.41	9,858.34	9,807.35
	b. Home Improvement	182.73	174.17	155.44	182.73	155.44	174.91
	Total Segment Assets	10,377.14	9,975.82	10,013.78	10,377.14	10,013.78	9,982.26
	Un-allocable Assets	3,818.99	3,681.39	2,946.29	3,818.99	2,946.29	3,700.63
	Total	14,196.13	13,657.21	12,960.07	14,196.13	12,960.07	13,682.89
4.	Segment Liabilities						
	a. Paints	4,263.81	4,019.78	4,199.50	4,263.81	4,199.50	4,148.59
	b. Home Improvement	78.70	62.78	61.20	78.70	61.20	78.34
	Total Segment Liabilities	4,342.51	4,082.56	4,260.70	4,342.51	4,260.70	4,226.93
	Un-allocable Liabilities	431.63	955.93	658.08	431.63	658.08	613.00
	Total	4,774.14	5,038.49	4,918.78	4,774.14	4,918.78	4,839.93
5.	Capital Employed						
	a. Paints	5,930.60	5,781.87	5,658.84	5,930.60	5,658.84	5,658.76
	b. Home Improvement	104.03	111.39	94.24	104.03	94.24	96.57
	Un-allocable Assets less Liabilities	3,387.36	2,725.46	2,288.21	3,387.36	2,288.21	3,087.63
	Total	9,421.99	8,618.72	8,041.29	9,421.99	8,041.29	8,842.96

Note:

1. There are no inter segment transfers.



(₹ in crores)

Standalone Audited Balance Sheet

Particulars	Audited As at 30.09.2019	Audited As at 31.03.2019
ASSETS		
Non-Current assets		
Property, Plant and Equipment	4,276.48	4,430.62
Right of Use Assets	761.26	700.61
Capital work in progress	147.75	179.31
Goodwill	35.36	35.36
Other Intangible Assets	45.64	54.61
Investments in subsidiaries and associate	1,210.19	830.35
Financial Assets		
Investments	962.73	987.02
Loans	69.10	76.00
Other Financial Assets	169.04	220.70
Current tax assets (net)	81.38	81.48
Other Non-Current Assets	45.32	33.48
	7,804.25	7,629.54
Current assets		
Inventories	3,027.30	2,585.10
Financial Assets		
Investments	659.05	1,146.63
Trade Receivables	1,324.06	1,244.95
Cash and Cash Equivalents	62.57	98.33
Other Balances with Banks	101.45	69.19
Loans	14.51	13.98
Other Financial Assets	891.20	567.63
Other Current Assets	311.74	327.54
	6,391.88	6,053.35
TOTAL ASSETS	14,196.13	13,682.89
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	95.92	95.92
Other Equity	9,326.07	8,747.04
	9,421.99	8,842.96
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	16.31	10.89
Lease Liabilities	527.83	473.86
Other Financial Liabilities	0.13	1.38
Provisions	126.30	118.48
Deferred Tax Liabilities (net)	284.95	392.39
Other Non-Current Liabilities	3.20	1.52
	958.72	998.52
Current Liabilities		
Financial Liabilities		
Borrowings	-	4.35
Lease Liabilities	139.17	125.22
Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises	47.79	42.22
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,229.90	2,020.07
Other Financial Liabilities	1,180.35	1,429.38
Other Current Liabilities	116.87	119.23
Provisions	47.64	52.27
Current Tax Liabilities (net)	53.70	48.67
	3,815.42	3,841.41
TOTAL EQUITY AND LIABILITIES	14,196.13	13,682.89



(₹ in crores)

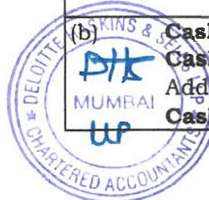
Standalone Audited Cash Flow Statement

S.No	Particulars	Audited Six months Ended 30.09.2019	Audited Six months ended 30.09.2018
A	Cash Flow from Operating Activities		
	Profit before tax	1,779.35	1,516.37
	Adjustments for:		
	Depreciation and amortisation expense	344.10	239.18
	Interest income	(18.34)	(12.47)
	Dividend income	(26.59)	(18.89)
	Finance costs	39.49	34.42
	Allowance for doubtful debts and advances	8.14	3.57
	Bad debts written off	-	0.63
	Deferred income arising from government grant	(0.70)	(0.53)
	Net unrealised foreign exchange loss	18.43	24.42
	(Gain) on sale of property, plant and equipment (net)	(4.69)	(10.83)
	Net gain on lease modification	(0.19)	(1.56)
	Net gain arising on financial assets measured at fair value through profit or loss (FVTPL)	(26.86)	(18.50)
	Operating Profit before working capital changes	2,112.14	1,755.81
	Adjustments for :		
	(Increase) in trade receivables	(89.36)	(83.90)
	Decrease in financial assets	8.01	34.92
	(Increase) in inventories	(442.20)	(426.54)
	(Increase) in other assets	(2.52)	(134.23)
	Increase in trade and other payables	16.85	221.19
	Increase/(Decrease) in provisions	3.18	(2.37)
	Cash generated from Operating activities	1,606.10	1,364.88
	Income Tax paid (net of refund)	(439.23)	(295.79)
	Net Cash generated from Operating activities	1,166.87	1,069.09
B	Cash Flow from Investing Activities		
	Purchase of Property, plant and equipment	(167.65)	(772.92)
	Sale of Property, plant and equipment	5.59	10.88
	Payment for acquiring right of use assets	(6.01)	(15.55)
	Purchase of non-current investments - Subsidiaries	(379.84)	-
	Purchase of non-current investments - others	-	(60.50)
	Sale of non current investments	76.77	181.38
	Purchase of term deposits	(753.05)	(333.50)
	Proceeds from maturity of term deposits	449.12	318.50
	Sale of current investments (net)	3.33	112.94
	Interest received	18.05	3.38
	Dividend received from subsidiaries	-	7.11
	Dividend received from others	26.59	11.78
	Net Cash (used in) Investing activities	(727.10)	(536.50)
C	Cash Flow from Financing Activities		
	Proceeds from non-current borrowings	7.70	-
	Acceptances (net)	30.14	168.30
	Payment of lease liabilities	(72.41)	(71.63)
	Finance costs paid	(38.79)	(33.98)
	Dividend and Dividend tax paid	(882.16)	(697.34)
	Net Cash (used in) Financing activities	(955.52)	(634.65)
D	Net (Decrease) in cash and cash equivalents [A+B+C]	(515.75)	(102.06)
	Add: Cash and cash equivalents as at 1st April	1,156.36	683.07
	Cash and cash equivalents as at 30th September	640.61	581.01

Notes:

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

	As at 30.09.2019	As at 30.09.2018
(b) Cash and Cash Equivalents comprises of		
Cash and cash equivalents	62.57	115.71
Add: Investment in liquid mutual funds	578.04	465.30
Cash and cash equivalents in Cash Flow Statement	640.61	581.01



1. The above results have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
2. The Board of Directors have approved a payment of interim dividend of ₹ 3.35 (Rupee three and paise thirty five only) per equity share of the face value of ₹ 1 each for the financial year ending 31st March, 2020. Record date for the purpose of payment of interim dividend is fixed as 31st October, 2019. The interim dividend will be paid on or after 2nd November, 2019.
3. The Company has chosen to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. The full impact of this change has been recognized in tax expense for the quarter and six months ended 30th September, 2019. This has resulted in reversal of current tax and deferred tax expense of ₹ 62.80 crores and ₹ 24.20 crores respectively accrued in quarter ended 30th June, 2019 and reversal of deferred tax expense of ₹ 107.60 crores on account of remeasurement of deferred tax liability as at 31st March 2019.
4. The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from 1st April, 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost, subject to certain remeasurement adjustments. The Company has elected to apply this Standard to its leases retrospectively to each prior reporting period presented (Retrospective application). Consequent to the retrospective application (a) the opening balance of equity as at 1st April, 2018 has been reduced by ₹ 42.01 crores and (b) the amount of the adjustments to each of the reported line items for the comparable prior periods and the year are as under:

(₹ in crores)

Particulars	Quarter Ended	Six Months Ended	Year Ended
	30.09.2018	30.09.2018	31.03.2019
Increase in Finance Costs	12.24	23.03	48.59
Increase in Depreciation and Amortization expense	40.62	77.46	158.59
Decrease in Other expense	49.30	94.33	194.21
Increase in Other heads (Net)	2.25	3.00	8.65
Decrease in Profit before tax	1.31	3.16	4.32
Decrease in Tax expense	0.45	1.31	1.73
Decrease in Profit after tax	0.86	1.85	2.59

Further, the net assets and net liabilities as at 31st March, 2019 have increased by ₹ 530.52 crores and ₹ 575.12 crores respectively.

The net impact of adopting this Standard on the profit for the reported periods and the previous year, and on the earnings per share, is not material.



5. The above results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 22nd October, 2019.

FOR AND ON BEHALF OF THE BOARD



K.B.S. Anand

MANAGING DIRECTOR & CEO

DIN: 03518282

Date: 22nd October, 2019

Place: Mumbai



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ASIAN PAINTS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Asian Paints Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its associates for the quarter and six months ended September 30, 2019 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Entity	Relationship
Asian Paints International Private Limited	Wholly owned Subsidiary
Asian Paints Industrial Coatings Limited	Wholly owned Subsidiary
Maxbhumi Developers Limited	Wholly owned Subsidiary
Sleek International Private Limited	Wholly owned Subsidiary
Reno Chemicals Pharmaceuticals and Cosmetics Private Limited	Wholly owned Subsidiary
Asian Paints PPG Private Limited	Subsidiary
Asian Paints (Nepal) Private Limited	Subsidiary
Subsidiaries of Asian Paints International Private Limited :	
Asian Paints (Lanka) Limited	Subsidiary
Berger Paints Singapore Pte Limited (upto 17 th September, 2019)	Wholly owned Subsidiary



Enterprise Paints Limited	Wholly owned Subsidiary
Universal Paints Limited	Wholly owned Subsidiary
Kadisco Paint and Adhesive Industry Share Company	Subsidiary
PT Asian Paints Indonesia	Wholly owned Subsidiary
PT Asian Paints Color Indonesia	Wholly owned Subsidiary
Asian Paints (Tonga) Limited	Wholly owned Subsidiary
Asian Paints (South Pacific) Pte Limited	Subsidiary
Asian Paints (S.I.) Limited	Subsidiary
Asian Paints (Bangladesh) Limited	Subsidiary
Asian Paints (Middle East) LLC	Subsidiary
SCIB Chemicals S.A.E.	Subsidiary
Samoa Paints Limited	Subsidiary
Asian Paints (Vanuatu) Limited	Subsidiary
Causeway Paints Lanka Private Limited	Wholly owned Subsidiary
Subsidiary of Enterprise Paints Limited:	
Nirvana Investments Limited	Wholly owned Subsidiary
Subsidiary of Nirvana Investments Limited:	
Berger Paints Emirates LLC	Wholly owned Subsidiary
Subsidiary of Universal Paints Limited:	
Berger Paints Bahrain W.L.L.	Wholly owned Subsidiary
Associate	
PPG Asian Paints Private Limited	Associate
Subsidiary of PPG Asian Paints Private Limited	
PPG Asian Paints Lanka Private Limited	Associate
Revocoat India Private Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of 3 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total assets of Rs. 799.92 crores as at September 30, 2019, total revenues of Rs. 246.47 crores and Rs. 460.03 crores for the quarter and six months ended September 30, 2019 respectively, total net profit after tax of Rs. 29.49 crores and Rs. 44.19 crores for the quarter and six months ended September 30, 2019 respectively, and total comprehensive income of Rs. 29.49 crores and Rs. 44.19 crores for the quarter and six month ended September 30, 2019 respectively, and net cash flows of Rs. 4.39 crores for the six months ended September 30, 2019, as considered in the Statement. This interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.



7. The consolidated unaudited financial results includes the interim financial information of 19 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total assets of Rs. 1,988.31 crores as at September 30, 2019, total revenue of Rs. 228.36 crores and Rs. 451.84 crores for the quarter and six months ended September 30, 2019 respectively, total profit after tax of Rs. 3.99 crores and Rs. 9.59 crores for the quarter and six months ended September 30, 2019 respectively, total comprehensive income Rs. (1.20) crores and Rs. (0.53) crores for the quarter and six months ended September 30, 2019 respectively, and net cash flows of Rs. 9.22 crores as at September 30, 2019, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 15.38 crores and Rs. 27.57 crores for the quarter and six months ended September 30, 2019 respectively and total comprehensive income of Rs. 15.25 crores and Rs. 27.50 crores for the quarter and six months ended September 30, 2019 respectively, as considered in the Statement, in respect of 3 associates based on their interim financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial information results certified by the Management.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No: 117366W/W-100018



Abhijit A. Damle
Partner

Membership No: 102912
UDIN: 19102912AAAAEH3986

Mumbai: October 22, 2019

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTH ENDED 30th SEPTEMBER, 2019

Part -I Statement of Unaudited Consolidated Financial Results for the Quarter and Six Month Ended 30 th September, 2019							(₹ in crores)
Particulars	Unaudited					Audited	
	Quarter Ended			Six Month Ended		Year Ended	
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019	
Income							
Revenue from operations	5,050.66	5,104.72	4,615.49	10,155.38	8,993.91	19,248.45	
Other Income	105.16	73.52	64.86	178.68	126.52	233.04	
1 Total income	5,155.82	5,178.24	4,680.35	10,334.06	9,120.43	19,481.49	
Expenses							
a) Cost of materials consumed	2,777.02	2,593.88	2,593.00	5,370.90	5,009.01	10,319.25	
b) Purchases of stock-in-trade	382.68	326.59	283.33	709.27	538.44	1,238.58	
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(252.50)	(43.77)	(101.16)	(296.27)	(293.39)	(293.26)	
d) Excise duty	-	-	-	-	8.32	8.32	
e) Employee benefits expense	347.56	339.91	298.78	687.47	597.07	1,236.83	
f) Finance costs	25.94	26.66	25.74	52.60	46.60	105.27	
g) Depreciation and amortisation expense	197.17	191.75	143.61	388.92	278.60	622.14	
h) Other expenses	841.08	730.17	696.84	1,571.25	1,359.75	2,973.19	
2 Total expenses	4,318.95	4,165.19	3,940.14	8,484.14	7,544.40	16,210.32	
3 Profit for the period before share of profit of associate (1 - 2)	836.87	1,013.05	740.21	1,849.92	1,576.03	3,271.17	
4 Share in profit of associate	15.38	12.19	7.98	27.57	19.51	40.73	
5 Profit before tax (3+4) (Refer note 3)	852.25	1,025.24	748.19	1,877.49	1,595.54	3,311.90	
Tax expense							
a) Current Tax	156.96	327.65	195.94	484.61	433.43	942.75	
b) Deferred Tax expense	(149.73)	23.43	46.51	(126.30)	85.42	155.31	
6 Total tax expense	7.23	351.08	242.45	358.31	518.85	1,098.06	
7 Profit for the period from continuing operations (5-6)	845.02	674.16	505.74	1,519.18	1,076.69	2,213.84	
8 Profit/ (Loss) before tax from discontinued operation (Refer note 2)	(3.11)	(2.62)	(1.32)	(5.73)	(2.54)	(7.28)	
9 Tax expense of discontinued operation	(0.23)	(0.55)	(0.32)	(0.78)	(0.62)	(1.48)	
10 Profit/ (Loss) for the period from discontinued operation (8-9)	(2.88)	(2.07)	(1.00)	(4.95)	(1.92)	(5.80)	
11 Profit for the period (7+10)	842.14	672.09	504.74	1,514.23	1,074.77	2,208.04	
Other Comprehensive Income (OCI)							
A. (i) Items that will not be reclassified to profit or loss	12.28	4.96	(56.53)	17.24	(41.25)	(30.02)	
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.49)	0.19	0.67	(0.30)	0.33	14.07	
B. (i) Items that will be reclassified to profit or loss	(4.29)	(4.15)	15.83	(8.44)	57.25	2.04	
(ii) Income tax relating to items that will be reclassified to profit or loss	(0.12)	(0.08)	(0.35)	(0.20)	(0.27)	0.15	
12 Total Other Comprehensive Income	7.38	0.92	(40.38)	8.30	16.06	(13.76)	
13 Total Comprehensive Income for the period (11+12)	849.52	673.01	464.36	1,522.53	1,090.83	2,194.28	
14 Profit for the period attributable to:							
-Owners of the Company	823.41	655.44	491.58	1,478.85	1,048.44	2,155.92	
-Non-controlling interest	18.73	16.65	13.16	35.38	26.33	52.12	
15 Other Comprehensive Income for the period attributable to:							
-Owners of the Company	4.10	1.86	(49.89)	5.96	(2.89)	(22.95)	
-Non-controlling interest	3.28	(0.94)	9.51	2.34	18.95	9.19	
16 Total Comprehensive Income for the period attributable to:							
-Owners of the Company	827.51	657.30	441.69	1,484.81	1,045.55	2,132.97	
-Non-controlling interest	22.01	15.71	22.67	37.72	45.28	61.31	
17 Paid-up equity share capital (Face value of ₹1 per share)	95.92	95.92	95.92	95.92	95.92	95.92	
18 Reserves excluding Revaluation Reserves as at Balance Sheet date						9,374.63	
19 Basic and Diluted Earnings Per Share from continuing operations (EPS) (₹) (*not annualised)	8.61*	6.85*	5.13*	15.47*	10.95*	22.54	
20 Basic and Diluted Earnings Per Share from discontinued operations (EPS) (₹) (*not annualised)	(0.03)*	(0.02)*	(0.01)*	(0.05)*	(0.02)*	(0.06)	
21 Basic and Diluted Earnings Per Share from continuing and discontinued operations (EPS) (₹) (*not annualised)	8.58*	6.83*	5.12*	15.42*	10.93*	22.48	



Consolidated Balance Sheet

Particulars	Unaudited	Audited
	As at 30.09.2019	As at 31.03.2019
ASSETS		
Non-Current assets		
Property, Plant and Equipment	4,870.81	5,030.44
Right of Use assets	919.02	871.12
Capital work in progress	171.63	209.67
Goodwill	318.11	321.30
Other Intangible assets	261.19	273.70
Investments in Associate	433.29	405.83
Financial Assets		
Investments	963.94	988.22
Loans	71.21	78.60
Trade Receivables	4.00	6.09
Other financial assets	188.77	226.79
Deferred Tax Assets (net)	24.98	29.26
Current tax assets (net)	160.61	158.87
Other Non-Current assets	60.16	51.26
	8,447.72	8,651.15
Current assets		
Inventories	3,535.84	3,149.86
Financial Assets		
Investments	709.39	1,174.53
Trade Receivables	2,015.81	1,907.33
Cash and Cash Equivalents	282.33	275.97
Other Balances with Banks	238.13	168.91
Loans	16.26	15.59
Other financial assets	841.63	525.97
Assets classified as held for sale	14.93	14.93
Other current assets	375.85	393.86
	8,030.17	7,626.95
TOTAL ASSETS	16,477.89	16,278.10
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	95.92	95.92
Other Equity	9,974.85	9,374.63
Equity attributable to owners of the Company	10,070.77	9,470.55
Non-controlling interests	379.81	361.25
	10,450.58	9,831.80
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	19.00	19.06
Lease liabilities	584.74	541.64
Other financial liabilities	1.57	3.65
Provisions	158.93	155.59
Deferred tax liabilities (net)	414.06	543.27
Other Non-current liabilities	3.20	2.99
	1,181.50	1,266.20
Current Liabilities		
Financial Liabilities		
Borrowings	292.56	596.53
Lease liabilities	166.48	151.38
Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises	62.10	61.37
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,512.50	2,332.92
Other financial liabilities	1,390.46	1,651.34
Other Current liabilities	212.71	163.87
Provisions	60.73	76.21
Current tax liabilities (net)	148.27	146.48
	4,845.81	5,180.10
TOTAL EQUITY AND LIABILITIES	16,477.89	16,278.10



CONSOLIDATED - SEGMENT REPORTING

(₹ in crores)

Sr. No.	Particulars	Unaudited				Audited	
		Quarter Ended		Six Month Ended		Year Ended	
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
1.	Segment Revenue						
	a. Paints	4,929.67	4,996.88	4,513.50	9,926.55	8,800.96	18,831.97
	b. Home Improvement	120.99	107.84	101.99	228.83	192.95	416.48
	Revenue from operations	5,050.66	5,104.72	4,615.49	10,155.38	8,993.91	19,248.45
2.	Segment Results						
	Profit/(Loss) before tax from each segment						
	a. Paints	915.18	1,062.44	829.95	1,977.62	1,739.27	3,568.45
	b. Home Improvement	(15.53)	(15.84)	(12.50)	(31.37)	(22.27)	(53.20)
	Total	899.65	1,046.60	817.45	1,946.25	1,717.00	3,515.25
	Less: Finance costs	0.42	0.50	1.46	0.92	2.23	6.78
	Less: Other Un-allocable Expenditure	100.06	85.07	110.38	185.13	208.25	372.13
	Add: Un-allocable income	53.08	64.21	42.58	117.29	89.02	175.56
	Total Profit Before Tax	852.25	1,025.24	748.19	1,877.49	1,595.54	3,311.90
3.	Segment Assets						
	a. Paints	13,347.15	12,893.83	12,931.70	13,347.15	12,931.70	12,887.95
	b. Home Improvement	361.08	353.78	320.27	361.08	320.27	359.01
	Total Segment Assets	13,708.23	13,247.61	13,251.97	13,708.23	13,251.97	13,246.96
	Un-allocable Assets	2,769.66	2,632.06	2,276.79	2,769.66	2,276.79	3,031.14
	Total	16,477.89	15,879.67	15,528.76	16,477.89	15,528.76	16,278.10
4.	Segment Liabilities						
	a. Paints	5,446.45	5,181.74	5,631.35	5,446.45	5,631.35	5,615.18
	b. Home Improvement	149.23	127.10	165.91	149.23	165.91	218.12
	Total Segment Liabilities	5,595.68	5,308.84	5,797.26	5,595.68	5,797.26	5,833.30
	Un-allocable Liabilities	431.63	955.93	658.08	431.63	658.08	613.00
	Total	6,027.31	6,264.77	6,455.34	6,027.31	6,455.34	6,446.30
5.	Capital Employed						
	a. Paints	7,900.70	7,712.09	7,300.35	7,900.70	7,300.35	7,272.77
	b. Home Improvement	211.85	226.68	154.36	211.85	154.36	140.89
	Un-allocable Assets less Liabilities	2,338.03	1,676.13	1,618.71	2,338.03	1,618.71	2,418.14
	Total	10,450.58	9,614.90	9,073.42	10,450.58	9,073.42	9,831.80

Note:
There are no inter segment transfers.



Consolidated Unaudited Cash Flow Statement			
Sr.No.	Particulars	Unaudited Six month ended 30.09.2019	Unaudited Six month ended 30.09.2018
A	Cash Flow From Operating Activities		
	Profit Before Tax from:		
	Continuing operations	1,877.49	1,595.54
	Discontinued operations	(5.73)	(2.54)
	Adjustments for :		
	Depreciation and amortisation expense	388.92	278.60
	Gain on sale of property, plant and equipment (net)	(8.03)	(14.44)
	Net gain on lease modification	(0.36)	(1.56)
	Finance costs	52.60	46.60
	Allowances for doubtful debts and advances (net)	15.36	10.15
	Bad debts written off	0.56	2.87
	Interest income	(28.75)	(16.97)
	Dividend income	(27.13)	(19.72)
	Share in profit of associate	(27.57)	(19.51)
	Loss on disposal of subsidiary [Refer Note 2]	2.24	-
	Net gain arising on financial assets measured at fair value through profit and loss (FVTPL)	(26.90)	(18.50)
	Deferred income arising from government grant	(0.70)	(0.53)
	Net unrealised foreign exchange loss	19.97	25.96
	Effect of exchange rates on translation of operating cashflows	(18.49)	(6.25)
	Operating Profit before working capital changes	2,213.49	1,859.70
	Adjustments for :		
	(Increase) in Inventories	(396.55)	(513.90)
	(Increase) in Trade and Other Receivables	(140.63)	(295.57)
	Increase in Trade and Other Payables	49.76	260.20
	Cash generated from Operating activities	1,726.07	1,310.43
	Income Tax paid (net of refund)	(483.78)	(331.42)
	Net Cash generated from Operating activities	1,242.29	979.01
B	Cash Flow from Investing Activities		
	Purchase of Property, plant and equipment	(203.27)	(796.36)
	Sale of Property, plant and equipment	12.75	14.99
	Payment for acquiring right of use assets	(10.22)	(19.02)
	Purchase of non-current investments	-	(63.25)
	Sale of non-current investments	76.77	181.38
	Sale of current Investments (Net)	3.23	113.54
	Net investment in bank/term deposits (having original maturity more than three months)	(341.96)	(41.44)
	Proceeds from disposal of subsidiary (Net)	16.82	-
	Interest received	28.46	16.04
	Dividend received	27.13	19.72
	Net Cash (used in) Investing activities	(390.30)	(574.40)
C	Cash Flow from Financing Activities		
	Proceeds from non-current borrowings	7.75	-
	Repayment of non-current borrowings	(5.49)	(3.42)
	(Repayment of)/ Proceeds from current borrowings (Net)	(268.67)	65.05
	Acceptances (Net)	30.77	168.51
	Payment of lease liabilities	(81.42)	(90.47)
	Transactions with Non Controlling Interest	(10.66)	-
	Finance costs paid	(51.91)	(47.05)
	Dividend and Dividend tax paid (including dividend paid to non-controlling shareholders)	(892.67)	(707.91)
	Net Cash (used in) Financing activities	(1,272.29)	(615.29)
D	Net (Decrease) in Cash and cash equivalents [A+B+C]	(420.30)	(210.68)
	Add: Cash and cash equivalents as at 1st April	1,279.97	845.68
	Add: Net effect of exchange (loss)/gain on cash and cash equivalents	(0.52)	20.33
	Cash and cash equivalents as at 30th September	859.15	655.33

Notes :

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows

(₹ in Crores)

	As at 30.09.2019	As at 30.09.2018
(b) Cash and Cash Equivalent comprises of :		
Cash and cash equivalents	282.33	314.43
Investment in Government Securities	29.26	-
Investment in Liquid mutual funds	599.11	489.44
Less: Loan repayable on demand - Cash Credit /Overdraft Accounts	(51.55)	(148.54)
Cash and cash equivalents in Cash Flow Statement	859.15	655.33



Notes:

- 1) The above results have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- 2) On 16th September 2019, Asian Paints International Private Limited, Singapore ('APIPL'), subsidiary of the Company entered into a Share Purchase Agreement with Omega Property Investments Pty Ltd, Australia for divestment of its entire stake in Berger Paints Singapore Pte Limited, Singapore ('BPS').

The said transaction was concluded on 17th September 2019 and the results from these operations are reported as loss from discontinued operations for the current and comparative periods. Also, the results for the quarter and six month ended 30th September, 2019 includes loss on disposal of net assets of BPS of ₹ 2.24 crores.

- 3) The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from 1st April, 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs, subject to certain remeasurement adjustments. The Group has elected to apply this Standard to its leases retrospectively to each prior reporting period presented (Retrospective application). Consequent to the retrospective application (a) the opening balance of equity as at 1st April, 2018 has been reduced by ₹ 46.91 crores and (b) the amount of the adjustments to each of the reported line items for the comparable prior periods and the year are as under:

(₹ in crores)

Particulars	Quarter Ended	Six Month Ended	Year Ended
	30.09.2018	30.09.2018	31.03.2019
Increase in finance costs	13.62	25.71	54.27
Increase in depreciation and amortisation expense	49.44	94.48	193.73
Decrease in other expenses	56.64	108.64	223.55
Decrease in other heads (net)	4.68	7.68	18.47
Decrease in Profit before tax	1.74	3.87	5.98
Decrease in tax expense	0.54	1.40	2.21
Decrease in Profit for the period from continuing operation	1.20	2.47	3.77
Decrease in Profit from discontinuing operations (net of tax)	0.06	0.07	0.10
Decrease in Profit for the period	1.26	2.54	3.87

Further, the net assets and net liabilities as at 31st March, 2019 have increased by ₹ 616.77 crores and ₹ 667.71 crores respectively.

The net impact of adopting this Standard on the profit for the reported periods and the previous year, and on the earnings per share, is not material.



- 4) The Parent and some group companies in India have chosen to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. The full impact of this change has been recognized in tax expense for the quarter and six month ended 30th September, 2019. This has resulted in reversal of current tax and deferred tax expense of ₹ 63.92 crores and ₹ 23.85 crores respectively accrued in quarter ended 30th June 2019 and reversal of deferred tax expense of ₹ 106.63 crores on account of remeasurement of deferred tax liability / asset as at 31st March 2019.
- 5) The above results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 22nd October, 2019.

FOR AND ON BEHALF OF THE BOARD



K.B.S. Anand
MANAGING DIRECTOR & CEO
DIN: 03518282

Date: 22nd October, 2019

Place: Mumbai.

