

**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, 2020 ("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, 2020.

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 Audit of the Standalone Financial Results for the quarter and six months ended September 30, 2020. 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 for the quarter ended and six months ended September 30, 2020 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 includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the quarter and six months ended September 30, 2020 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 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 for the quarter and six months ended September 30, 2020

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.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

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: 20102912AAAAFE7229

Place: Mumbai
Date: October 22, 2020

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2020

Part I - Statement of Standalone Audited Financial Results for the Quarter and Six Months Ended 30 th September, 2020							(₹ in crores)
Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2020 Audited	30.06.2020 Audited	30.09.2019 Audited	30.09.2020 Audited	30.09.2019 Audited	31.03.2020 Audited
	Income						
	Revenue from operations	4,526.71	2,446.56	4,278.04	6,973.27	8,658.20	17,194.09
	Other Income	94.48	51.83	114.14	146.31	199.64	357.54
1	Total income	4,621.19	2,498.39	4,392.18	7,119.58	8,857.84	17,551.63
	Expenses						
	a) Cost of materials consumed	2,195.33	1,099.58	2,350.46	3,294.91	4,544.91	8,432.51
	b) Purchases of stock-in-trade	368.88	169.28	322.89	538.16	600.19	1,283.88
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(92.93)	43.96	(251.03)	(48.97)	(304.78)	(210.21)
	d) Employee benefits expense	276.71	271.88	253.23	548.59	500.76	985.43
	e) Finance costs	15.33	14.94	20.24	30.27	39.49	78.38
	f) Depreciation and amortisation expense	168.65	166.91	174.31	335.56	344.10	689.97
	g) Other expenses	629.12	394.87	729.04	1,023.99	1,353.82	2,845.44
2	Total expenses	3,561.09	2,161.42	3,599.14	5,722.51	7,078.49	14,105.40
3	Profit before exceptional items & tax (1-2)	1,060.10	336.97	793.04	1,397.07	1,779.35	3,446.23
4	Exceptional Items	-	-	-	-	-	33.20
5	Profit before tax (3-4)	1,060.10	336.97	793.04	1,397.07	1,779.35	3,413.03
	Tax expense (Refer note 5)						
	a) Current Tax	271.30	93.45	132.59	364.75	444.36	876.81
	b) Deferred Tax	(4.30)	(8.36)	(130.07)	(12.66)	(107.98)	(117.73)
6	Total tax expense	267.00	85.09	2.52	352.09	336.38	759.08
7	Profit for the period (5-6)	793.10	251.88	790.52	1,044.98	1,442.97	2,653.95
	Other Comprehensive Income (OCI)						
	A (i) Items that will not be reclassified to Profit or Loss	66.70	(73.93)	12.51	(7.23)	17.39	55.61
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(7.77)	9.60	(0.54)	1.83	(0.32)	(7.70)
	B (i) Items that will be reclassified to Profit or Loss	0.59	2.66	0.90	3.25	1.68	2.81
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	(0.07)	(0.31)	(0.12)	(0.38)	(0.20)	(0.32)
8	Total Other Comprehensive Income	59.45	(61.98)	12.75	(2.53)	18.55	50.40
9	Total Comprehensive Income for the period (7+8)	852.55	189.90	803.27	1,042.45	1,461.52	2,704.35
10	Paid-up equity share capital (Face value of ₹1 per share)	95.92	95.92	95.92	95.92	95.92	95.92
11	Reserves excluding Revaluation Reserves as at Balance Sheet date						9,357.37
12	Basic and Diluted Earnings Per Share (EPS) (₹) (*not annualised)	8.27*	2.63*	8.24*	10.89*	15.04*	27.67



(₹ in crores)

Standalone Audited Balance Sheet

Particulars	Audited As at 30.09.2020	Audited As at 31.03.2020
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	3,979.03	4,148.60
Right of Use Asset	694.77	726.63
Capital work in progress	113.59	108.09
Goodwill	35.36	35.36
Other Intangible Assets	44.79	50.27
Investments in Subsidiaries and Associates	1,176.99	1,176.99
Financial Assets		
Investments	954.80	1,048.59
Loans	50.43	64.11
Other Financial Assets	258.54	232.47
Current Tax Assets (Net)	137.41	137.94
Other Non-Current Assets	37.45	32.87
	7,483.16	7,761.92
Current Assets		
Inventories	2,878.12	2,827.47
Financial Assets		
Investments	1,830.96	432.35
Trade Receivables	1,465.01	1,109.22
Cash and Cash Equivalents	131.52	336.96
Other Balances with Banks	22.10	39.10
Loans	34.70	21.31
Other Financial Assets	655.43	846.96
Other Current Assets	293.77	212.33
	7,311.61	5,825.70
TOTAL ASSETS	14,794.77	13,587.62
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	95.92	95.92
Other Equity	10,255.93	9,357.37
	10,351.85	9,453.29
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	19.63	18.50
Lease Liabilities	462.06	496.22
Other Financial Liabilities	0.51	0.46
Provisions	151.71	136.78
Deferred Tax Liabilities (Net)	268.57	282.68
Other Non-Current Liabilities	3.74	4.64
	906.22	939.28
Current Liabilities		
Financial Liabilities		
Lease Liabilities	153.32	142.43
Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises	124.14	45.86
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,939.50	1,714.22
Other Financial Liabilities	949.78	1,118.89
Other Current Liabilities	224.59	80.92
Provisions	62.99	44.14
Current Tax Liabilities (Net)	82.38	48.59
	3,536.70	3,195.05
TOTAL EQUITY AND LIABILITIES	14,794.77	13,587.62



STANDALONE - SEGMENT REPORTING

(₹ in crores)

Sr. No.	Particulars	Quarter Ended			Six Month Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Audited	Audited	Audited	Audited	Audited	Audited
1.	Segment Revenue						
	a. Paints	4,471.25	2,420.84	4,219.57	6,892.09	8,548.51	16,974.67
	b. Home Improvement	55.46	25.72	58.47	81.18	109.69	219.42
	Revenue from operations	4,526.71	2,446.56	4,278.04	6,973.27	8,658.20	17,194.09
2.	Segment Results						
	Profit/(Loss) before tax from each segment						
	a. Paints	1,092.09	389.10	848.50	1,481.19	1,862.97	3,660.71
	b. Home Improvement	0.11	(7.46)	(8.06)	(7.35)	(14.86)	(29.37)
	Total	1,092.20	381.64	840.44	1,473.84	1,848.11	3,631.34
	Less: Finance costs	0.25	0.27	0.42	0.52	0.92	1.66
	Less: Other Un-allocable Expenditure	85.26	79.26	100.06	164.52	185.13	443.83
	Add: Un-allocable income	53.41	34.86	53.08	88.27	117.29	227.18
	Total Profit Before Tax	1,060.10	336.97	793.04	1,397.07	1,779.35	3,413.03
3.	Segment Assets						
	a. Paints	9,774.53	9,242.21	10,194.41	9,774.53	10,194.41	9,481.66
	b. Home Improvement	166.32	163.50	182.73	166.32	182.73	172.22
	Total Segment Assets	9,940.85	9,405.71	10,377.14	9,940.85	10,377.14	9,653.88
	Un-allocable Assets	4,853.92	3,724.78	3,818.99	4,853.92	3,818.99	3,933.74
	Total	14,794.77	13,130.49	14,196.13	14,794.77	14,196.13	13,587.62
4.	Segment Liabilities						
	a. Paints	3,863.53	2,910.43	4,263.81	3,863.53	4,263.81	3,503.80
	b. Home Improvement	56.24	54.00	78.70	56.24	78.70	66.56
	Total Segment Liabilities	3,919.77	2,964.43	4,342.51	3,919.77	4,342.51	3,570.36
	Un-allocable Liabilities	523.15	522.85	431.63	523.15	431.63	563.97
	Total	4,442.92	3,487.28	4,774.14	4,442.92	4,774.14	4,134.33

Note:

1. There are no inter segment transfers.



(₹ in Crores)

Standalone Audited Cash Flow Statement			
S.No	Particulars	Audited Six months Ended 30.09.2020	Audited Six months Ended 30.09.2019
(A)	Cash Flow From Operating Activities		
	Profit before tax	1,397.07	1,779.35
	Adjustments for:		
	Depreciation and amortisation expense	335.56	344.10
	Interest income	(18.09)	(18.34)
	Dividend income	(3.79)	(26.59)
	Finance costs	30.27	39.49
	Allowance for doubtful debts and advances (net)	13.24	8.14
	Bad debts written off	0.52	-
	Deferred income arising from government grant	(1.13)	(0.70)
	Net unrealised foreign exchange (gain)/loss	(12.44)	18.43
	(Gain) on sale of property, plant and equipment (net)	(7.87)	(4.69)
	Net gain on lease modification	(0.32)	(0.19)
	Net gain arising on financial assets measured at fair value through profit or loss (FVTPL)	(35.64)	(26.86)
	Operating Profit before working capital changes	1,697.38	2,112.14
	Adjustments for :		
	(Increase) in trade receivables	(370.48)	(89.36)
	Decrease in financial assets	25.20	8.01
	(Increase) in inventories	(50.65)	(442.20)
	(Increase) in other assets	(81.31)	(2.52)
	Increase in trade and other payables	122.16	16.85
	Increase in provisions	33.78	3.18
	Cash generated from Operating activities	1,376.08	1,606.10
	Income Tax paid (net of refund)	(330.40)	(439.23)
	Net Cash generated from Operating activities	1,045.68	1,166.87
(B)	Cash Flow from Investing Activities		
	Purchase of Property, plant and equipment	(111.19)	(167.65)
	Sale of Property, plant and equipment (including advances)	14.79	5.59
	Payment for acquiring right of use assets	(1.71)	(6.01)
	Loan given to subsidiary	(1.11)	-
	Purchase of non-current investments - Subsidiaries	-	(379.84)
	Sale of non current investments	271.82	76.77
	Purchase of term deposits	(166.06)	(753.05)
	Proceeds from maturity of term deposits	322.91	449.12
	Sale of current investments (net)	(184.42)	3.33
	Interest received	15.90	18.05
	Dividend received from others	3.79	26.59
	Net Cash generated from/(used in) Investing activities	164.72	(727.10)
(C)	Cash Flow from Financing Activities		
	Proceeds from from non-current borrowings	-	7.70
	Acceptances (net)	192.72	30.14
	Repayment of lease liabilities	(77.14)	(72.41)
	Finance costs paid	(29.15)	(38.79)
	Dividend and Dividend tax paid	(144.51)	(882.16)
	Net Cash (used in) Financing activities	(58.08)	(955.52)
(D)	Net Increase/(Decrease) in cash and cash equivalents [A+B+C]	1,152.32	(515.75)
	Add: Cash and cash equivalents as at 1st April	693.93	1,156.36
	Cash and cash equivalents as at 30th September	1,846.25	640.61

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.

(₹ in Crores)

	As at 30.09.2020	As at 30.09.2019
(b) Cash and Cash Equivalents comprises of		
Cash and cash equivalents	131.52	62.57
Add: Investment in liquid mutual funds	1,714.73	578.04
Cash and cash equivalents in Cash Flow Statement	1,846.25	640.61



1. The financial results are 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 (Rupees Three and Paise Thirty Five only) per equity share of the face value of ₹ 1 each for the financial year ending 31st March, 2021. The record date for the purpose of payment of interim dividend is fixed as 30th October, 2020. The interim dividend will be paid on or after 12th November, 2020.
3. The Indian Parliament has approved the Code on Social security, 2020 ('the Code') which, inter alia, deals with employee benefits during employment and post-employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognized post notification of the relevant provisions.
4. The Company has taken into account external and internal information for assessing possible impact of COVID-19 on various elements of its financial results, including recoverability of its assets.
5. The Company had 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 introduced vide Taxation Laws (Amendment) Act, 2019. This had resulted in reversal of tax expense of ₹ 194.60 crores and ₹ 107.60 crores for the quarter and six months ended 30th September, 2019 respectively. Accordingly, the tax expense for the period and consequently, the profit after tax is not comparable with the corresponding figures of the previous year.
6. 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, 2020.



FOR AND ON BEHALF OF THE BOARD

Amit Syngle

Amit Syngle

MANAGING DIRECTOR & CEO

DIN: 07232566

Date: 22nd October, 2020

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, 2020 ("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
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 931.69 crore as at September 30, 2020, total revenues of Rs. 260.93 crore and Rs 359.67 crore for the quarter and six months ended September 30, 2020 respectively, total net profit after tax of Rs. 28.78 crore and Rs 25.06 crore for the quarter and six months ended September 30, 2020 respectively, and total comprehensive income of Rs. 28.78 crore and Rs 25.06 crore for the quarter and six months ended September 30, 2020 respectively, and net cash flows of Rs (15.19) crore for six months ended September 30, 2020, as considered in the Statement. These 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, 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 18 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total assets of Rs. 2,073.53 crore as at September 30, 2020, total revenue of Rs. 248.08 crore and Rs 431.06 crore for the quarter and six months ended September 30, 2020 respectively, total net profit after tax of Rs. 18.86 crore and Rs 25.43 crore for the quarter and six months ended September 30, 2020 respectively, total comprehensive (loss) / income of Rs. (2.29) crore and Rs. 17.38 crore for the quarter and six months ended September 30, 2020 respectively and net cash flows of Rs 30.28 crore for six months ended September 30, 2020 as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit / (loss) after tax of Rs. 11.78 crore and Rs (2.50) crore for the quarter and six months ended September 30, 2020 respectively and total comprehensive income / (loss) of Rs. 11.82 crore and Rs (2.87) crore for the quarter and six months ended September 30, 2020, 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

Mumbai: October 22, 2020

Membership No: 102912
UDIN: 20102912AAAAFF2003

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED AND SIX MONTHS ENDED 30th SEPTEMBER, 2020

Part - I Statement of Unaudited Consolidated Financial Results for the Quarter and Six Months Ended 30 th September, 2020							(₹ in crores)
	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
	Income						
	Revenue from operations	5,350.23	2,922.66	5,050.66	8,272.89	10,155.38	20,211.25
	Other Income	82.63	47.09	105.16	129.72	178.68	304.31
1	Total income	5,432.86	2,969.75	5,155.82	8,402.61	10,334.06	20,515.56
	Expenses						
	a) Cost of materials consumed	2,646.49	1,345.92	2,777.02	3,992.41	5,370.90	10,091.78
	b) Purchases of stock-in-trade	416.86	189.51	382.68	606.37	709.27	1,530.83
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(88.89)	79.55	(252.50)	(9.34)	(296.27)	(239.15)
	d) Employee benefits expense	378.87	361.50	347.56	740.37	687.47	1,366.09
	e) Finance costs	20.51	20.13	25.94	40.64	52.60	102.33
	f) Depreciation and amortisation expense	193.58	191.17	197.17	384.75	388.92	780.50
	g) Other expenses	731.70	461.93	841.08	1,193.63	1,571.25	3,299.93
2	Total expenses	4,299.12	2,649.71	4,318.95	6,948.83	8,484.14	16,932.31
3	Profit for the period before share of profit of associate (1 - 2)	1,133.74	320.04	836.87	1,453.78	1,849.92	3,583.25
4	Share in profit / (loss) of associate	11.78	(14.28)	15.38	(2.50)	27.57	50.74
5	Profit before tax (3+4)	1,145.52	305.76	852.25	1,451.28	1,877.49	3,633.99
	Tax expense (Refer note 4)						
	a) Current Tax	297.59	100.26	156.96	397.85	484.61	950.13
	b) Deferred Tax expense	(3.97)	(14.11)	(149.73)	(18.08)	(126.30)	(95.28)
6	Total tax expense	293.62	86.15	7.23	379.77	358.31	854.85
7	Profit for the period from continuing operations (5-6)	851.90	219.61	845.02	1,071.51	1,519.18	2,779.14
8	(Loss) before tax from discontinued operations	-	-	(3.11)	-	(5.73)	(5.73)
9	Tax (benefit) of discontinued operations	-	-	(0.23)	-	(0.78)	(0.78)
10	(Loss) for the period from discontinued operations (8-9)	-	-	(2.88)	-	(4.95)	(4.95)
11	Profit for the period (7+10)	851.90	219.61	842.14	1,071.51	1,514.23	2,774.19
	Other Comprehensive Income (OCI)						
	A. (i) Items that will not be reclassified to profit or loss	66.47	(74.37)	12.28	(7.90)	17.24	54.89
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(7.70)	9.61	(0.49)	1.91	(0.30)	(7.52)
	B. (i) Items that will be reclassified to profit or loss	(20.58)	15.77	(4.29)	(4.81)	(8.44)	11.26
	(ii) Income tax relating to items that will be reclassified to profit or loss	(0.07)	(0.31)	(0.12)	(0.38)	(0.20)	(0.32)
12	Total Other Comprehensive Income	38.12	(49.30)	7.38	(11.18)	8.30	58.31
13	Total Comprehensive Income for the period (11+12)	890.02	170.31	849.52	1,060.33	1,522.53	2,832.50
14	Profit for the period attributable to:						
	-Owners of the Company	830.37	218.45	823.41	1,048.82	1,478.85	2,705.17
	-Non-controlling interest	21.53	1.16	18.73	22.69	35.38	69.02
15	Other Comprehensive Income for the period attributable to:						
	-Owners of the Company	42.63	(47.73)	4.10	(5.10)	5.96	50.44
	-Non-controlling interest	(4.51)	(1.57)	3.28	(6.08)	2.34	7.87
16	Total Comprehensive Income for the period attributable to:						
	-Owners of the Company	873.00	170.72	827.51	1,043.72	1,484.81	2,755.61
	-Non-controlling interest	17.02	(0.41)	22.01	16.61	37.72	76.89
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						10,034.24
19	Basic and Diluted Earnings Per Share from continuing operations (EPS) (₹) (*not annualised)	8.66*	2.28*	8.61*	10.93*	15.47*	28.25
20	Basic and Diluted Earnings Per Share from discontinued operations (EPS) (₹) (*not annualised)	-	-	(0.03)*	-	(0.05)*	(0.05)
21	Basic and Diluted Earnings Per Share from continuing and discontinued operations (EPS) (₹) (*not annualised)	8.66*	2.28*	8.58*	10.93*	15.42*	28.20



(₹ in crores)

Consolidated Balance Sheet		
Particulars	Unaudited	Audited
	As at 30.09.2020	As at 31.03.2020
ASSETS		
Non-Current assets		
Property, Plant and Equipment	4,583.86	4,764.76
Right of Use assets	881.12	920.09
Capital work in progress	148.08	140.24
Goodwill	316.96	319.99
Other Intangible assets	254.63	267.47
Investments in Associate	453.76	456.63
Financial Assets		
Investments	956.22	1,049.74
Trade Receivables	2.54	4.21
Loans	57.18	68.24
Other financial assets	274.72	248.31
Deferred Tax Assets (net)	19.98	16.80
Current tax assets (net)	247.01	253.09
Other Non-Current assets	82.87	65.09
	8,278.93	8,574.66
Current assets		
Inventories	3,364.46	3,389.81
Financial Assets		
Investments	1,935.48	512.48
Trade Receivables	2,145.15	1,795.22
Cash and Cash Equivalents	427.59	563.83
Other Balances with Banks	213.55	219.00
Loans	26.52	18.67
Other financial assets	613.49	781.65
Other current assets	352.34	285.59
Assets classified as held for sale	13.86	13.86
	9,092.44	7,580.11
TOTAL ASSETS	17,371.37	16,154.77
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	95.92	95.92
Other Equity	10,934.07	10,034.24
Equity attributable to owners of the Company	11,029.99	10,130.16
Non-controlling interests	412.52	403.53
	11,442.51	10,533.69
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	19.97	18.63
Lease liabilities	546.78	589.94
Other financial liabilities	1.86	2.94
Provisions	200.78	180.75
Deferred tax liabilities (net)	426.08	443.80
Other Non-current liabilities	3.74	4.64
	1,199.21	1,240.70
Current Liabilities		
Financial Liabilities		
Borrowings	326.14	321.48
Lease liabilities	185.89	173.87
Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises	145.63	60.72
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,301.93	2,075.85
Other financial liabilities	1,215.54	1,374.34
Other Current liabilities	270.41	131.61
Provisions	81.95	62.46
Current tax liabilities (net)	202.16	180.05
	4,729.65	4,380.38
TOTAL EQUITY AND LIABILITIES	17,371.37	16,154.77



CONSOLIDATED - SEGMENT REPORTING

(₹ in crores)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
1.	Segment Revenue						
	a. Paints	5,232.88	2,870.57	4,929.67	8,103.45	9,926.55	19,753.57
	b. Home Improvement	117.35	52.09	120.99	169.44	228.83	457.68
	Revenue from operations	5,350.23	2,922.66	5,050.66	8,272.89	10,155.38	20,211.25
2.	Segment Results						
	Profit/(Loss) before tax from each segment						
	a. Paints	1,181.81	371.58	915.18	1,553.39	1,977.62	3,890.00
	b. Home Improvement	(4.19)	(21.15)	(15.53)	(25.34)	(31.37)	(70.39)
	Total	1,177.62	350.43	899.65	1,528.05	1,946.25	3,819.61
	Less: Finance costs	0.25	0.27	0.42	0.52	0.92	1.66
	Less: Other Un-allocable Expenditure	85.26	79.26	100.06	164.52	185.13	411.14
	Add: Un-allocable income	53.41	34.86	53.08	88.27	117.29	227.18
	Total Profit Before Tax	1,145.52	305.76	852.25	1,451.28	1,877.49	3,633.99
3.	Segment Assets						
	a. Paints	13,186.13	12,528.51	13,347.15	13,186.13	13,347.15	12,861.98
	b. Home Improvement	347.45	366.68	361.08	347.45	361.08	375.18
	Total Segment Assets	13,533.58	12,895.19	13,708.23	13,533.58	13,708.23	13,237.16
	Un-allocable Assets	3,837.79	2,708.65	2,769.66	3,837.79	2,769.66	2,917.61
	Total	17,371.37	15,603.84	16,477.89	17,371.37	16,477.89	16,154.77
4.	Segment Liabilities						
	a. Paints	5,233.33	4,192.67	5,446.45	5,233.33	5,446.45	4,870.60
	b. Home Improvement	172.38	187.87	149.23	172.38	149.23	186.51
	Total Segment Liabilities	5,405.71	4,380.54	5,595.68	5,405.71	5,595.68	5,057.11
	Un-allocable Liabilities	523.15	522.85	431.63	523.15	431.63	563.97
	Total	5,928.86	4,903.39	6,027.31	5,928.86	6,027.31	5,621.08

Note:
There are no inter segment transfers.



(₹ in crores)

Consolidated Unaudited Cash Flow Statement			
Sr.No.	Particulars	Unaudited Six Months Ended 30.09.2020	Unaudited Six Months Ended 30.09.2019
A	Cash Flow From Operating Activities		
	Profit Before Tax from:		
	Continuing operations	1,451.28	1,877.49
	Discontinued operations	-	(5.73)
	Adjustments for :		
	Depreciation and amortisation expense	384.75	388.92
	(Gain) on sale of property, plant and equipment (Net)	(7.83)	(8.03)
	Net gain on lease modification	(1.68)	(0.36)
	Finance costs	40.64	52.60
	Allowances for doubtful debts and advances (Net)	24.01	15.36
	Bad debts written off	0.73	0.56
	Interest income	(32.28)	(28.75)
	Dividend income	(3.79)	(27.13)
	Share in loss/(profit) of associate	2.50	(27.57)
	Loss on disposal of subsidiary	-	2.24
	Net gain arising on financial assets measured at fair value through profit and loss (FVTPL)	(36.23)	(26.90)
	Deferred income arising from government grant	(1.13)	(0.70)
	Net unrealised foreign exchange (gain)/loss	(11.66)	19.97
	Effect of exchange rates on translation of operating cashflows	(4.86)	(18.49)
	Operating Profit before working capital changes	1,804.45	2,213.49
	Adjustments for :		
	Decrease/(Increase) in Inventories	25.35	(396.55)
	(Increase) in Trade and Other Receivables	(430.76)	(140.63)
	Increase in Trade and Other Payables	167.34	49.76
	Cash generated from Operating activities	1,566.38	1,726.07
	Income Tax paid (net of refund)	(370.95)	(483.78)
	Net Cash generated from Operating activities	1,195.43	1,242.29
B	Cash Flow from Investing Activities		
	Purchase of Property, plant and equipment	(141.15)	(203.27)
	Sale of Property, plant and equipment (including advances)	16.11	12.75
	Payment for acquiring right of use assets	(2.46)	(10.22)
	Sale of non-current Investments	271.98	76.77
	Sale of current Investments (Net)	(184.42)	3.23
	Net investment in bank/term deposits (having original maturity more than three months)	144.71	(341.96)
	Proceeds from disposal of subsidiaries (Net)	-	16.82
	Interest received	30.34	28.46
	Dividend received	3.79	27.13
	Net Cash generated from / (used in) Investing activities	138.90	(390.30)
C	Cash Flow from Financing Activities		
	Proceeds from non-current borrowings	1.65	7.75
	Repayment of non-current borrowings	(0.46)	(5.49)
	Repayment of current borrowings (Net)	(1.38)	(268.67)
	Acceptances (Net)	193.16	30.77
	Repayment of lease liabilities	(94.75)	(81.42)
	Transactions with Non Controlling Interest	-	(10.66)
	Finance costs paid	(40.66)	(51.91)
	Dividend and Dividend tax paid (including dividend paid to non-controlling shareholders)	(152.11)	(892.67)
	Net Cash (used in) Financing activities	(94.55)	(1,272.29)
D	Net Increase/(Decrease) In Cash and cash equivalents [A+B+C]	1,239.78	(420.30)
	Add: Cash and cash equivalents as at 1st April	928.75	1,279.97
	Add: Net effect of exchange gain/(loss) on cash and cash equivalents	5.00	(0.52)
	Cash and cash equivalents as at 30th September	2,173.53	859.15

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 30.09.2020	As at 30.09.2019
(b)		
Cash and Cash Equivalent comprises of :		
Cash and cash equivalents	427.59	282.33
Add: Investment in Government Securities	67.57	29.26
Add: Investment in Liquid mutual funds	1,751.67	599.11
Less: Loan repayable on demand - Cash Credit /Overdraft Accounts	(73.30)	(51.55)
Cash and cash equivalents in Cash Flow Statement	2,173.53	859.15



- 1) The financial results are 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 Indian Parliament has approved the Code on Social security, 2020 ('the Code') which, inter alia, deals with employee benefits during employment and post-employment. The Code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, for the Parent and Indian subsidiaries will be assessed and recognized post notification of the relevant provisions.
- 3) The Group has taken into account external and internal information for assessing possible impact of COVID-19 on various elements of its financial results, including recoverability of its assets.
- 4) The Parent and some group companies in India had 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 introduced vide Taxation Laws (Amendment) Act, 2019. This had resulted in reversal of tax expense of ₹ 194.40 crores and ₹ 106.63 crores for the quarter and six months ended 30th September, 2019 respectively. Accordingly, the tax expense for the period and consequently, the profit after tax is not comparable with the corresponding figures of the previous year.
- 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, 2020.



FOR AND ON BEHALF OF THE BOARD

Amit Syngle

Amit Syngle

MANAGING DIRECTOR & CEO

DIN: 07232566

Date: 22nd October, 2020

Place: Mumbai