



AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2006							SEGMENT REPORTING						
(Rs. in Millions)							(Rs. in Millions)						
Sr. No.	Particulars	Audited	Audited		Audited		Sr. No.	Particulars	Audited	Audited		Audited	
		9 months ended 31.12.05	Quarter ended		Financial Year ended				9 months ended 31.12.05	Quarter ended		Financial Year ended	
			31.03.06	31.03.05	31.03.06	31.03.05				31.03.06	31.03.05	31.03.06	31.03.05
1.	Net Sales and Operating Income (Net of Discounts & Excise duty)	17546.72	5644.83	4509.99	23191.55	19545.56	1.	Segment Revenue					
2.	Other Income	214.72	144.54	91.40	359.26	316.14	a.	Paints	17044.39	5503.91	4335.73	22548.30	18896.90
3.	Total Expenditure :						b.	Others	1069.75	386.36	357.29	1456.11	1380.00
a)	(Increase) / decrease in stock in trade	14.98	(9.86)	(328.26)	5.12	(571.60)	Total		18114.14	5890.27	4693.02	24004.41	20276.90
b)	Consumption of raw and packing materials	10242.32	3269.91	2916.42	13512.23	11856.05	Less: Inter-segment Revenue		437.89	166.53	138.25	604.42	600.28
c)	Employees' remuneration	990.59	299.17	320.91	1289.76	1179.30	Net sales and income from operations		17676.25	5723.75	4554.77	23399.99	19676.62
d)	Other expenditure	3592.08	1273.16	991.84	4865.24	4144.05	2.	Segment Results - Profit/(Loss)before tax and interest from each segment.					
4.	Interest	31.79	6.52	6.35	38.31	27.54	a.	Paints	2716.71	843.55	691.18	3560.26	2915.22
5.	Depreciation	335.22	120.06	112.09	455.28	476.05	b.	Others	92.92	26.70	9.05	119.62	121.57
6.	Profit Before Extraordinary item and Tax (1+2-3-4-5)	2554.46	830.41	582.04	3384.87	2750.31	Total		2809.63	870.25	700.23	3679.88	3036.79
7.	Extraordinary item(EOI)	-	336.00	(0.75)	336.00	42.31	Less: Interest		(31.79)	(6.52)	(6.35)	(38.31)	(27.54)
8.	Profit before tax (6-7)	2554.46	494.41	582.79	3048.87	2708.00	Unallocated Corporate Expenses net of unallocable income		(223.38)	(369.32)	(111.09)	(592.70)	(301.25)
9.	Provision for Current tax	857.49	283.51	215.08	1141.00	988.00	Total profit before tax		2554.46	494.41	582.79	3048.87	2708.00
10.	Provision for Deferred Tax	(4.73)	(15.97)	(42.21)	(20.70)	(18.16)	3.	Capital Employed					
11.	Provision for Fringe Benefit Tax	24.50	26.02	-	50.52		a.	Paints	3708.35	4365.89	4088.99	4365.89	4088.99
12.	Net Profit (8-9-10-11)	1677.20	200.85	409.92	1878.05	1738.16	b.	Others	591.95	499.78	445.75	499.78	445.75
13.	Prior period items (net)	(12.25)	2.00	1.11	(10.25)	(3.34)	c.	Unallocable Corporate assets less Corporate Liabilities	2594.67	1357.17	1187.46	1357.17	1187.46
14.	Profit after prior period items	1664.95	202.85	411.03	1867.80	1734.82	Total capital employed		6894.97	6222.84	5722.20	6222.84	5722.20
15.	Paid-up Equity Share Capital (Face value of share : Rs.10 each)	959.20	959.20	959.20	959.20	959.20	Note: Others include Company's business units manufacturing Phthalic Anhydride and Pentaerythritol.						
16.	Reserves excluding revaluation reserves (as per balance sheet)				5263.64	4763.00							
17.	Earning Per Share (EPS)												
a.	Basic & diluted EPS (Rs.) before EOI	17.36	5.62	4.29	22.98	18.53							
b.	Basic & diluted EPS (Rs.) after EOI	17.36	2.11	4.29	19.47	18.09							
18.	Aggregate of Non-promoter Shareholding												
-	Number of Shares	51054314			50617763	54807814							
-	Percentage of Shareholding	53.23			52.77	57.14							

- Notes:**
1. Net sales and operating income include income arising out of processing charges for products manufactured for the joint venture unit, Asian PPG Industries Ltd., and wholly owned subsidiary, Asian Paints Industrial Coatings Ltd., lease rentals towards leasing of tinting machines to dealers and revenue from Home Solutions operations.
2. Hitherto, the Company had been reporting Sales net of excise duty expense incurred on production of finished goods. Pursuant to draft Accounting Standard Interpretation (ASI) 14 (Revised) “Disclosure of Revenue from Sales Transactions” issued by the Institute of Chartered Accountants of India, the excise duty expense has now been bifurcated into two components: excise duty expense relatable to sales is reduced from Gross Sales and the balance amount relating to the difference between the closing stock and opening stock is recognized in the '(Increase)/decrease in stock in trade'. The figures of the previous periods have been regrouped accordingly. The same has no impact on the profits of the Company.
3. A provision for diminution in the value of long term investment in the Company's wholly owned subsidiary, Asian Paints (International) Ltd., has been made for Rs. 336.00 million based on management's assessment of the fair value of the investment. The same is recognised in the Profit and Loss Account as an extraordinary item. The extraordinary item for the previous year related to loss on disposal of investment in its subsidiary Asian Paints (Mauritius) Limited, net of diminution in the value of the said investment recognised in earlier year.
4. During the quarter ended 31st March, 2006, a total of 14 investor complaints were received and resolved. No investor complaints were pending at the beginning of the said quarter and no complaints were lying unresolved at the end of the quarter.
5. The company paid an interim dividend of Rs. 4.50 per equity share of Rs. 10/- each (45%) in October 2005. The Board of Directors have recommended a payment of final dividend of Rs. 5.50 per equity share of Rs. 10/- each (55%) for the financial year ended 31st March, 2006. In addition, the Board of Directors have recommended a one - time special dividend of Rs. 2.50 per equity share of Rs. 10/- each (25%) on the occasion of 60th year of incorporation of the Company. The total dividend for the year including the final dividend and one - time special dividend (subject to the approval of shareholders at the ensuing Annual General Meeting) will be Rs.12.50 per equity share of Rs.10/- each (125%).
6. The above results were reviewed by the Audit Committee on 9th May, 2006 and approved by the Board of Directors at their meeting held on 10th May, 2006.
7. The previous period figures have been regrouped wherever required.

FOR AND ON BEHALF OF THE BOARD

Sd/-
ASHWIN CHOKSI
CHAIRMAN

Date: 10th May, 2006
Place: Mumbai

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2006						(Rs. in Millions)
Sr. No.	Particulars	Unaudited	Unaudited		Audited	
		9 months ended 31.12. 05	Quarter ended		Financial Year ended	
			31.03.06	31.03.05	31.03.06	31.03.05
1.	Net sales and Operating Income (Net of discounts and excise duty)	22560.24	7650.11	6307.34	30210.35	25738.64
2.	Other income	202.97	117.28	57.63	320.25	323.69
3.	Total expenditure :					
a)	(Increase) / decrease in stock in trade	(887.93)	775.29	(29.59)	(112.64)	(562.39)
b)	Consumption of raw and packing materials	14293.09	3740.56	3817.03	18033.65	15588.69
c)	Employees' remuneration	1713.18	520.07	517.35	2233.25	2015.52
d)	Other expenditure	4446.03	1693.18	1295.58	6139.21	5345.50
4.	Interest	91.60	22.69	16.80	114.29	108.15
5.	Depreciation	431.31	174.85	143.97	606.16	613.60
6.	Profit/(Loss) from associate company	(5.21)	(4.10)	0.40	(9.31)	2.18
7.	Profit Before Tax and amortisation of Goodwill (1+2-3-4-5+6)	2670.72	836.66	604.23	3507.38	2955.44
8.	Amortisation/Impairment of Goodwill	47.48	28.52	25.70	76.00	77.10
9.	Profit Before Tax after amortisation of Goodwill (7-8)	2623.24	808.14	578.53	3431.38	2878.34
10.	Provision for current tax, deferred tax and fringe benefit tax	969.53	353.33	182.49	1322.86	1060.82
11.	Net Profit (9-10)	1653.71	454.81	396.04	2108.52	1817.52
12.	Prior period items (net)	(12.25)	1.96	(0.53)	(10.29)	(4.98)
13.	Profit after tax and prior period items	1641.46	456.77	395.51	2098.23	1812.54
14.	Minority interest	(14.25)	(9.00)	28.74	(23.25)	71.63
15.	Profit attributable to shareholders	1655.71	465.77	366.77	2121.48	1740.91
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	4712.55
18.	Basic and diluted EPS (Rs.)	17.26	4.86	3.82	22.12	18.15
Notes:						
1. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles and comply with the Accounting Standard (AS 21)on Consolidated Financial Statements, Accounting Standard (AS 23) on Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS 27) on Financial Reporting of interests in Joint Venture issued by the Institute of Chartered Accountants of India.						
2. For the parent company, Indian subsidiaries and Joint Venture, the period considered in the above consolidated results is April 2005 to March 2006. In respect of overseas subsidiaries and associate company, the period considered in the above consolidated results is January to December 2005 except Nepal where the period considered is 14th January 2005 to 13th January 2006.						
3. The previous period figures include financials of subsidiaries Berger Paints (Malta) Ltd. and Asian Paints (Mauritius) Ltd., divested in May 2004 and March 2005 respectively. The above consolidated results for the current period do not include the financials of the above subsidiaries and hence not comparable.						
4. One of the subsidiaries, Berger International Limited (BIL), Singapore has received a notice for additional tax assessment from Singapore taxation authorities for the assessment years 2000 to 2004. BIL has filed an appeal against the same and the outcome of the appeal is awaited. The substantive issues contained in the above referred notice are also applicable to the assessment years 2005 and 2006 and therefore, as a matter of abundant caution, the group has provided for a total estimated additional tax liability of Rs 45.20 million, pending the disposal of the appeal, which is included in the provision for tax as above.						
5. Till the financial year ended 31st March 2005, Goodwill on consolidation was amortised over a period of ten years. From the financial year ended 31st March 2006, the carrying value of Goodwill is tested for impairment. Accordingly, an amount of Rs. 76.00 Million is provided in the current financial year as impairment in the value of Goodwill as against Rs. 77.10 Million of amortisation in the previous year.						
6. The new manufacturing plant of Asian Paints Industrial Coatings Limited, a wholly owned subsidiary of the company, situated in Baddi in the state of Himachal Pradesh to manufacture powder coatings has commenced commercial production on 18th April, 2006.						

CONSOLIDATED SEGMENT REPORTING				(Rs. in Millions)
Sr. No.	Particulars	Audited		
		Financial year ended		
		31.03.06	31.03.05	
1.	Segment revenue			
	a. Paints	29,540.54	25,118.39	
	b. Others	1,456.11	1,380.00	
	Total	30,996.65	26,498.39	
	Less: Inter-segment revenue	604.42	600.28	
	Net Sales and Income from operations	30,392.23	25,898.11	
2.	Segment results - Profit/(Loss) before tax and interest from each segment.			
	a. Paints	3,774.78	3,207.34	
	b. Others	119.62	121.57	
	Total	3,894.40	3,328.91	
	Less: Interest	(114.29)	(108.15)	
	Unallocated corporate expenses net off unallocable income	(348.74)	(342.42)	
	Total Profit Before Tax	3,431.38	2,878.34	
3.	Capital employed			
	a. Paints	8,896.42	7,073.82	
	b. Others	499.78	445.75	
	c. Unallocable corporate assets less corporate liabilities	(2,933.68)	(1,847.82)	
	Total capital employed	6,462.51	5,671.75	
Note : Others include Group's business units manufacturing Phthalic anhydride and Pentaerythritol. Previous year's figure have been regrouped, wherever required.				