



**Unaudited Financial Results**  
**For the quarter and half year ended 30 September 2008**

(Rs. lacs)

|  | 3 months ended<br>30 September |        | Year to date for period ended<br>30 September |            | Year ended<br>31 March<br>2008 |
|--|--------------------------------|--------|---|------------|--------------------------------|
|  | 2008                           | 2007   | 2008  | 2007       | (Audited)                      |
|  | (Unaudited)                    |        | (Unaudited)                                   |            |                                |
| <b>Sales</b>   | 28,050                         | 26,640 | 53,778  | 52,214     | 106,236                        |
| Less : Excise Duty   | 3,319                          | 3,127  | 6,449   | 6,280      | 13,222                         |
| <b>Net Sales</b>   | 24,731                         | 23,513 | 47,329  | 45,934     | 93,014                         |
| Other Operating Income   | 274                            | 396    | 428   | 648        | 1,242                          |
| <b>Net Sales/Other Operating Income</b>  | 25,005                         | 23,909 | 47,757  | 46,582     | 94,256                         |
| <b>Expenditure</b>   |                                |        |   |            |                                |
| a) (Increase) / decrease in stock-in-trade and work-in-progress                              | (2,151)                        | (397)  | (1,997)                                       | (1,355)    | (210)                          |
| b) Materials Consumed  | 16,100                         | 13,809 | 28,744  | 27,458     | 49,694                         |
| c) Purchase of traded goods  | 211                            | 629    | 608   | 1,210      | 5,684                          |
| d) Employees cost  | 1,253                          | 1,211  | 2,523   | 2,526      | 5,131                          |
| e) Depreciation  | 533                            | 572    | 1,075   | 1,111      | 2,251                          |
| f) Other expenditure   | 6,662                          | 5,667  | 12,855  | 11,552     | 23,019                         |
| <b>Total</b>   | 22,608                         | 21,491 | 43,808  | 42,502     | 85,569                         |
| <b>Profit from operations before Other income , interest, exceptional items and taxation</b> | 2,397                          | 2,418  | 3,949   | 4,080      | 8,687                          |
| Other Income   | 1,349                          | 647    | 7,616   | 1,961      | 2,177                          |
| <b>Profit before interest , exceptional items and taxation</b>                               | 3,746                          | 3,065  | 11,565  | 6,041      | 10,864                         |
| Interest (net) [Expense / (Income)]  | 8                              | (49)   | (67)  | (85)       | (50)                           |
| <b>Profit before exceptional items and taxation</b>  | 3,738                          | 3,114  | 11,632  | 6,126      | 10,914                         |
| Exceptional items (net) [Income / (Expense)]   | -                              | -      | -   | -          | (1,873)                        |
| <b>Profit from ordinary activities before tax *</b>  | 3,738                          | 3,114  | 11,632  | 6,126      | 9,041                          |
| Provision for Taxation * - Current tax   | 980                            | 820    | 1,780   | 1,510      | 2,660                          |
| - Deferred tax   | (23)                           | 87     | (62)  | 41         | 7                              |
| - Fringe benefits tax  | 90                             | 78     | 135   | 158        | 353                            |
| <b>Net profit for the period</b>   | 2,691                          | 2,129  | 9,779   | 4,417      | 6,021                          |
| Paid - up Equity Share Capital (ordinary shares of Rs 10/- each) #                           | 3822                           | 3928   | 3822  | 3928       | 3,838                          |
| Reserves excluding Revaluation Reserve   |                                |        |   |            | 72,312                         |
| <b>Basic and diluted Earnings per share (Rs.) (not annualised) #</b>                         | 7.04                           | 5.23   | 25.55   | 10.83      | 15.16                          |
| <b>Public shareholding</b>   |                                |        |   |            |                                |
| - Number of shares   |                                |        | 17,443,456                                    | 18,507,604 | 17,603,737                     |
| - Percentage of shareholding   |                                |        | 45.64%  | 47.11%     | 45.87%                         |

**\* Information on discontinuing business** (Refer to note 2)

|   |   |     |   |     |       |
|---|---|-----|---|-----|-------|
| Net Profit before Taxation from ordinary activities | - | 490 | - | 850 | 1,528 |
| Income tax expense related to the above             | - | 171 | - | 298 | 578   |

# Refer to note 4

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**ICI India Limited**

**Registered Office : Geetanjali Apartment, 1st Floor, 8-B, Middleton Street, Kolkata -700071**

**Quarterly Reporting of Unaudited Segment wise Revenue, Results and Capital Employed  
For the quarter and half year ended 30 September 2008**

|   | 3 months ended<br>30 September |               | Year to date for period ended<br>30 September |               | (Rs. lacs)<br>Year ended<br>31 March 2008 |
|---|--------------------------------|---------------|---|---------------|---|
|   | 2008                           | 2007          | 2008  | 2007          | (Audited)                                 |
|   | (Unaudited)                    |               | (Unaudited)                                   |               |   |
| <b>1 Segment Revenue</b>  |                                |               |   |               |   |
| a) Paints   | 24,631                         | 20,229        | 46,791  | 39,354        | 79,433                                    |
| b) Others   | 374                            | 500           | 966   | 940           | 2,187                                     |
| c) Discontinuing business   | -                              | 3,180         | -   | 6,288         | 12,636                                    |
| <b>Net Sales/Other Operating Income</b>                                     | <b>25,005</b>                  | <b>23,909</b> | <b>47,757</b>                                 | <b>46,582</b> | <b>94,256</b>                             |
| <b>2 Segment Results [Profit before tax and interest from each segment]</b> |                                |               |   |               |   |
| a) Paints   | 2,401                          | 1,826         | 3,929   | 3,252         | 7,256                                     |
| b) Others   | 51                             | 120           | 168   | 230           | 492                                       |
| c) Discontinuing business   | -                              | 490           | -   | 850           | 1,528                                     |
| Total   | 2,452                          | 2,436         | 4,097   | 4,332         | 9,276                                     |
| Interest (net) [ (Expense) / Income ]                                       | (8)                            | 49            | 67  | 85            | 50  |
| Other un-allocable income net of (un-allocable expenditure)                 | 1,294                          | 629           | 7,468   | 1,709         | 1,588                                     |
| <b>Profit before taxation and exceptional items</b>                         | <b>3,738</b>                   | <b>3,114</b>  | <b>11,632</b>                                 | <b>6,126</b>  | <b>10,914</b>                             |
| Exceptional items (net) [ Income / (Expenditure) ]                          | -                              | -             | -   | -             | (1,873)                                   |
| <b>Profit before taxation</b>   | <b>3,738</b>                   | <b>3,114</b>  | <b>11,632</b>                                 | <b>6,126</b>  | <b>9,041</b>                              |
| <b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>            |                                |               | <b>As at 30 September</b>                     |               | <b>As at</b>                              |
|   |                                |               | <b>2008</b>                                   | <b>2007</b>   | <b>31 March 2008</b>                      |
| a) Paints   |                                |               | 9,215   | 11,227        | 7,009                                     |
| b) Others   |                                |               | 1,392   | 672           | 1,224                                     |
| c) Discontinuing business   |                                |               | 3,388   | 2,513         | 3,388                                     |
| Unallocated   |                                |               | 71,875  | 69,881        | 64,676                                    |
| Total   |                                |               | <b>85,870</b>                                 | <b>84,293</b> | <b>76,297</b>                             |
| <b>Additional Information :</b>   |                                |               |   |               |   |
| Expenditure of discontinuing business                                       |                                |               | -   | 5,438         | 11,108                                    |

**Note :**

Segment Revenue, Results and Capital Employed figures include the respective amounts identifiable to each of the segments. Other un-allocable items in Segment Results include income from investment of surplus funds of the Company and unallocable corporate expenses. 'Unallocated' in Capital Employed includes un-allocable corporate assets, liabilities and investments.

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**ICI India Limited**

**Registered Office: Geetanjali Apartment, 1st Floor, 8B Middleton Street, Kolkata - 700 071**

**Unaudited Financial Results for the quarter and half year ended 30 September 2008**

**Notes:**

1. The above results have been approved by the Board of Directors at its meeting held on 23 October 2008, and have been subjected to a 'limited review' by the statutory auditors of the Company.
2. The Company has entered into an agreement with Henkel CAC Private Limited ('Henkel') for the sale of its Adhesives business and its 67% shareholding in subsidiary company Polyinks Limited ('Polyinks') and has obtained the necessary approval from shareholders in this regard. Since the completion of the transaction awaits certain regulatory approval(s), it will be accounted on receipt of the same. As per the terms of the business transfer agreement, the Company has received the agreed consideration of Rs. 260 crores (subject to adjustment mainly for working capital as on the date of transfer). The risks and rewards of the Adhesives business are to Henkel's account from 4 April 2008. Accordingly:
  - (a) results of Adhesives business for the period 4 April 2008 to 30 September 2008 have not been reflected in the results of the current period(s) since the risks and rewards of the Adhesives business are to Henkel's account from 4 April 2008;
  - (b) capital employed of Adhesives business as on 3 April 2008 has been shown under 'discontinuing business'. Investment in Polyinks continues to be included under 'Unallocated' in capital employed;
  - (c) profit on divestment of Adhesives business and sale of investment in Polyinks has not been recognised pending completion of the transaction. The advance consideration received is reflected under 'Unallocated' in capital employed.
3. The figures for the quarter ended 30 September 2008 are not comparable with those for the corresponding period of the previous year in view of exclusion of Adhesives business results during the quarter, as explained in note 2 above. On a comparable basis, during the quarter, sales from continuing businesses grew by 21%, and the corresponding segment profit increased by 26%.
4. In terms of the share buy back scheme approved by the shareholders on 12 July 2007, the Company has, during the quarter, bought back 0.20 lacs shares for an aggregate consideration of Rs. 105 lacs. The nominal value of shares bought back has been adjusted against share capital. The difference between the consideration paid and nominal value of shares, and related expenses of Rs. 1 lakh, have been adjusted against free reserves. The share buy back scheme closed on 11 July 2008.
5. The Company received one complaint from its investors during the quarter, which was resolved. There were no complaints pending at the beginning of the quarter.
6. The figures for the previous periods have been regrouped / reclassified wherever necessary.

Gurgaon  
23 October 2008

**Rajiv Jain**  
**Managing Director**