



11<sup>th</sup> August, 2016

The Listing Department  
Bombay Stock Exchange  
Limited,  
1<sup>st</sup> Floor,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

The Listing Department  
National Stock Exchange of  
India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.-C/1, 'G' Block,  
Bandra- Kurla Complex,  
Bandra (E)  
Mumbai - 400051

Listing Department  
The Calcutta Stock Exchange  
Ltd.  
7 Lyons Range,  
Kolkata-700001

Dear Sirs,

**Sub: ANNUAL REPORT 2015-16**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Annual Report for the financial year 2015-16 duly adopted and approved at the Annual General Meeting held on Wednesday, 3<sup>rd</sup> August, 2016.

The above is for your information and record.

Thanking you.

Yours faithfully,  
For **BERGER PAINTS INDIA LIMITED**

**ANIRUDDHA SEN**  
SR. VICE PRESIDENT &  
COMPANY SECRETARY

Encl.: a/a



**BERGER PAINTS INDIA LIMITED**

(CIN : L51434WB1923PLC004793)

Registered Office : Berger House, 129, Park Street, Kolkata - 700 017

Phone Nos. : +91 33 2229 9724 - 28; Fax No. : +91 33 2227 7288

Website : www.bergerpaints.com

E-mail : consumerfeedback@bergerindia.com

**NOTICE**

Notice is hereby given that the Ninety-second Annual General Meeting of Berger Paints India Limited will be held at Kalamandir, 48, Shakespeare Sarani, Kolkata – 700 017 on 3rd August, 2016, Wednesday at 11 a.m. to transact the following business :-

**ORDINARY BUSINESS :**

To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as ordinary resolutions:

1. “RESOLVED THAT the financial statements for the year ended 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016 and the Audited Statement of Profit and Loss for the year ended 31st March, 2016, the Reports of the Board of Directors and the Auditors be and are hereby received, considered and adopted.”
2. “RESOLVED THAT in addition to the interim dividend of ₹ 0.65 (65%) per equity share on the paid up equity share of ₹ 1/- each paid to the Members in accordance with the resolution adopted by the Board of Directors at its meeting held on 4th February, 2016, a final dividend of ₹ 1/- (100%) per equity share on the paid up equity shares of ₹ 1/- each of the Company for the year ended 31st March, 2016, be and is hereby declared to be paid to the Members of the Company, holding shares in the physical form and whose names appear in the Register of Members on 3rd August, 2016 and, holding shares in electronic form, to those whose names appear in the list of beneficial holders furnished by respective depositories as at the end of business hours on 27th July, 2016 such that the total dividend declared for the year 2015-16 be ₹ 1.65 (165%) per equity share on the paid up equity shares of the Company.”
3. “RESOLVED THAT Mr. Kuldip Singh Dhingra (DIN: 00048406), Director of the Company, who retires by rotation at this meeting and, being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”
4. “RESOLVED THAT pursuant to the provisions of Sections 139, 142 and the Rules made thereunder and pursuant to the recommendation of the Audit Committee and of the Board of Directors, the appointment of Messrs S. R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005), made at the 91st Annual General Meeting to hold office from the conclusion of the 91st Annual General Meeting up to the conclusion of the sixth Annual General Meeting to be held after the 91st Annual General Meeting, be and is hereby ratified and that the Auditors be paid such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS :**

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution :  
“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Abhijit Roy [“Mr. Roy” (DIN: 03439064)] as Managing Director and Chief Executive Officer (CEO) of the Company, not liable to retire by rotation as Director, for a period of five years with effect from 1st July, 2017 on the following terms :
  - (a) Remuneration including perquisites, commission and contributions for retirement benefits: Maximum ₹ 400 lakhs per annum;
  - (b) Car, expenses incurred for car and driver, free furnished accommodation, communication facilities such as cellphones, residential phone and rental charges thereof, medical insurance coverage for self and family as per the Company’s Rules,

encashment of leave at the end of the tenure as per the Company's Rules and fees of clubs subject to a maximum of two clubs will not be included for the purpose of computation of the aforesaid ceiling of remuneration;

- (c) Mr. Roy will be entitled to receive equity share and/or equity linked instruments (including options/warrants) and/or restricted stock units (RSU) exercisable into equity share and/or any other instrument or securities as may be deemed fit by the Compensation and Nomination and Remuneration Committee in accordance with Berger Paints India Limited Employee Stock Option Plan, as approved by the shareholders of the Company from time to time and the same and any monetary value thereof will not be included for the purpose of computation of the aforesaid ceiling of remuneration;
- (d) Mr. Roy will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board. Mr Roy will act in accordance with the Articles of Association of the Company, abide by the provisions contained in Section 166 of the Act with regard to duties of directors and will adhere to the Company's Code of Conduct and all other applicable policies;
- (e) The office of the Managing Director & CEO may be terminated by any of the Company or the Managing Director by giving the other 3 (three) months' prior notice in writing;
- (f) Where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, Mr. Roy shall be paid minimum remuneration as may be determined by the the Board of Directors (which shall be deemed to include any Committee thereof including the Compensation and Nomination and Remuneration Committee) which shall also have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder including any statutory modification(s) or re-enactment thereof, read with Schedule V to the Companies Act, 2013, and in partial modification of the special resolution adopted by the members at the Annual General Meeting held on 3rd August, 2015, consent be and is hereby accorded to increase the maximum limit of remuneration payable to Mr. Roy, Managing Director & CEO of the Company, to the extent mentioned above with effect from 1st July, 2016.

RESOLVED FURTHER THAT the Board of Directors (which shall be deemed to include any Committee thereof including the Compensation and Nomination and Remuneration Committee) be and is hereby authorized to finalise the remuneration to be received by Mr. Roy every year within the aforesaid limit.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as a special resolution :

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and Rules framed thereunder and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the ESOP Regulations") [including any statutory modification(s) or re-enactment of the Act or the ESOP Regulations for the time being in force], the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, if required, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, from time to time, to the extent applicable and subject to such approvals as may be required and such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, as may be required, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof including Compensation and Nomination and Remuneration Committee), approval be and is hereby accorded to the Board to create, offer, grant, issue and allot at any time or from time to time such number of equity shares and/or equity linked

instruments (including Options/Warrants), and/or Restricted Stock Units (RSU's) exercisable into equity shares, and/or any other instruments or securities (hereinafter collectively referred to as "Securities") to or to the benefit of such person(s) who are in permanent employment of the Company working in India or outside of India, or Directors of the Company, whether whole-time or not, except Promoter or any member of the Promoter Group, Independent Directors or a Director who either himself or through his relative or through any body corporate holds more than 10% of the outstanding shares of the Company, under the Berger Paints India Limited Employee Stock Option Plan 2016 ("the Plan") which, together with Securities issued to the employees of the subsidiary companies of the Company under the Plan, shall not exceed 5 % of the issued equity shares of the Company as on 31st March, 2016, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board.

RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), if any, shall be subject to such approvals, permissions or consents as may be necessary from Reserve Bank of India or any other relevant authority in this regard.

RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the number of options that may be granted to the identified employee(s), in any financial year in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the ESOP Regulations."

7. To consider and, if thought fit, to pass, with or without modification, the following resolution as a special resolution :

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and Rules framed thereunder [including Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014] and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the ESOP Regulations") [including any statutory modification(s) or re-enactment of the Act or the ESOP Regulations for the time being in force], the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, if required, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, from time to time, to the extent applicable and subject to such approvals as may be required and such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, as may be required, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof including Compensation and Nomination and Remuneration Committee), approval be and is hereby accorded to the Board to create, offer, grant, issue and allot at any time or from time to time such number of equity share and/or equity linked instruments (including Options/Warrants), and/or Restricted Stock Units (RSU's) exercisable into equity share, and/or any other instruments or securities (hereinafter collectively referred to as "Securities") to or to the benefit of such person(s), working in India or outside India, who are in permanent employment of the Company's subsidiary companies (hereinafter collectively referred to as "subsidiary companies") in India or outside India, or Directors of the subsidiary companies, whether whole time or not, except Promoter or any member of the Promoter Group, Independent Directors or a Director of the Company or that of a subsidiary company who either himself or through his relative or through any body corporate holds more than 10% of the outstanding shares of the Company or any of the subsidiary companies, under the Berger Paints India Limited Employee Stock Option Plan 2016 ("the Plan") which, together with Securities issued to the employees of the Company under the Plan, shall not exceed 5% of the issued equity shares of the Company as on 31st March, 2016, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board.

RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), if any, shall be subject to such approvals, permissions or consents as may be necessary from Reserve Bank of India or any other relevant authority in this regard.

RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the number of options that may be granted to the identified employee(s) in any financial year in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the ESOP Regulations.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

“RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, M/s. N. Radhakrishnan & Co., Cost Auditors, be paid a remuneration of ₹ 40,000/- (Rupees Forty Thousand) plus service tax and reimbursement of travel and other out-of-pocket expenses for each Cost Audit/certification engagements for the year 2016-17 for the Company’s two factories at Howrah and Rishra in West Bengal, factories at Goa and Puducherry and ₹ 30,000 (Rupees Thirty Thousand) each for Cost Audit / certification engagements for the year 2016-17 for the Company's factories at Jejuri and Hindupur and ₹ 25,000 (Rupees Twenty Five Thousand) for filing a single report in accordance with relevant guidelines and M/s. Shome and Banerjee, Cost Auditors, be paid ₹ 45,000 (Rupees Forty Five Thousand) plus service tax and reimbursement of travel and other out of pocket expenses for each Cost Audit / certification engagements for the year 2016-17 for the Company’s factory at Sikandrabad in Uttar Pradesh and two factories at Jammu and ₹ 30,000 (Rupees Thirty Thousand) for the Company’s factory at Surajpur in Uttar Pradesh.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board

Kolkata

Dated : 30th May, 2016

**Aniruddha Sen**

Sr. Vice President & Company Secretary

#### NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting shall be entitled to appoint another person as proxy to attend and vote at the meeting on his behalf. A proxy shall not have the right to speak at the aforesaid meeting and shall not be entitled to vote except on a poll. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received by the Company not later than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of not more than fifty members and holding in the aggregate, not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not be entitled to act as proxy for any other person or Member.
2. Corporate Members are requested to send to the Company/Registrar & Share Transfer Agent, a duly certified copy of the Board Resolution / Power of Attorney authorising their representative to attend and vote at the AGM.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 28th July, 2016 to 3rd August, 2016, both days inclusive.
4. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting hall.
5. Members who hold shares in dematerialised form are requested to furnish their Client ID and DP ID numbers for easy identification at the Meeting.



6. The certificate from the Statutory Auditors of the Company as required under Clause 14 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with respect to the implementation of the Company's ESOP Scheme shall be placed at the Annual General Meeting for inspection by the Members.
7. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
8. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar & Share Transfer Agent of the Company.
9. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting and shall also be available at the meeting.
10. Members are requested to notify any change in their address immediately to M/s. CB Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, the Registrars & Share Transfer Agents of the Company for shares held in physical form. Shareholders who hold their shares in dematerialized form may lodge their requests for change of address, if any, with their respective Depository Participants.
11. Members holding shares of the Company in physical form through multiple folios are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the Registrar & Share Transfer Agents of the Company.
12. In all correspondence with the Company/Registrar & Share Transfer Agents, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
13. Members are reminded to send their dividend warrants, which have not been encashed, to the Company, for revalidation. As per the provisions of Section 124(6) of the Companies Act, 2013, unclaimed dividend is liable to be transferred to the Investor Education and Protection Fund of the Central Government after expiry of seven years from the date they become due for payment.
14. As per current SEBI Regulations, dividend is required to be credited to shareholders' respective bank accounts through Electronic Clearing Service (ECS), wherever the facility is available and the requisite details / mandates have been provided by the Members. Members desirous of availing this facility may send the details of their bank accounts with addresses and MICR Codes of their banks to their Depository Participants (in case of shares held in dematerialized form) or to CB Management Services (P) Limited (in case of shares held in physical form) at the earliest.
15. Members interested in nomination in respect of shares held by them may write to M/s. CB Management Services (P) Limited at the address as mentioned in paragraph (10), as above, for the prescribed form. Alternatively, the said form can be downloaded from the Company's website [www.bergerpaints.com](http://www.bergerpaints.com) under 'Investor Services' section.
16. Members may note that the Notice of the 92nd AGM and the Annual Report for 2015-16 will be available on the Company's website [www.bergerpaints.com](http://www.bergerpaints.com). Members who require communication in physical form in addition to e-communication, may write to the Company at [consumerfeedback@bergerindia.com](mailto:consumerfeedback@bergerindia.com).
17. Members are to inform of their current email ID to the Company in compliance of Green Initiative as per Ministry of Corporate Affairs circular on this subject.
18. For shares held in physical form, Members may initiate action to get their shares dematerialized since trading of shares is done compulsorily in the dematerialized mode. Dematerialization not only provides easy liquidity, but also safeguards from any possible physical loss.

19. As on 31st March, 2016, 27,89,938 equity shares of ₹ 1/- each fully paid up have remained unclaimed by 1,022 number of shareholders. During the year, the Company has received 10 requests from the shareholders for transfer of their unclaimed shares from the Company's unclaimed demat suspense account i.e. 'M/s Berger Paints India Limited – Unclaimed Demat Suspense Account' and accordingly the Company has transferred those unclaimed shares from its Unclaimed Demat Suspense Account. The details are given in Annexure C of Corporate Governance Report.
20. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with the provisions of the Companies (Management & Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is providing the Members with the facility to cast their vote electronically from a location other than the venue of the Annual General Meeting ("Remote e-voting"). The Company has engaged National Securities Depository Limited ("NSDL") to provide to the Members the e-voting platform and services for casting their vote through remote E-voting on all resolutions set forth in this Notice.

The instructions for remote e-voting are as under :

- i. Members whose shareholdings are in the dematerialized form and whose email addresses are registered with the Company/Depository Participant(s) will receive emails from NSDL informing the User-ID and Password. Thereafter, the following steps are to be followed :-
1. Open email and open PDF file viz. "Berger Paints India Limited remote e-voting.pdf" with your DP ID and Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
  2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
  3. Click on Shareholder – Login.
  4. Put user ID and password as initial password noted in step (1) above. Click Login.
  5. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  7. Select "EVEN" (E Voting Event Number) of Berger Paints India Limited.
  8. Now you are ready for remote e-voting as Cast Vote page opens.
  9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  10. Upon confirmation, the message "Vote cast successfully" will be displayed.
  11. Once you have voted on the resolution, you will not be allowed to modify your vote.
  12. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail [smguptaandco@gmail.com](mailto:smguptaandco@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- ii. For Members holding shares in dematerialized form and whose email IDs are not registered with the Company/Depository Participants, Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, the following steps may be noted:
1. To refer to the attached instruction sheet for the e-voting particulars viz. initial password along with EVEN (E voting Event Number) and USER ID.
  2. Please follow all steps from Sr. No. 2 to Sr. No. 10 of (i) above, to cast vote.

- iii. In case of any query, you may refer to the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of **www.evoting.nsdl.com** or call on toll-free no.1800-222-990.
  - iv. Login to the remote e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
  - v. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote.
  - vi. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
21. The remote e-voting period commences on Sunday, 31st July, 2016 (at 9:00 a.m. IST) and ends on Tuesday, 2nd August, 2016 (at 5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.
  22. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital (in case of electronic shareholding) of the Company as on the cut-off date of 27th July, 2016.
  23. Only such person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e 27th July, 2016, shall be entitled to avail the facility of e-voting.
  24. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date, i.e. 27th July, 2016, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **rta@cbmsl.com** or **consumerfeedback@bergerindia.com** mentioning his or her folio number/DP ID and Client ID. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on **www.evoting.nsdl.com**.
  25. The facility for voting through electronic voting system shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through tablets.
  26. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  27. The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide e-voting facility both for remote e-voting and voting at the AGM venue.
  28. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.
  29. Pursuant to the provisions of Section 108 of the Companies Act, 2013, M/s. S. M. Gupta & Co., Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting through tablets, as aforesaid, at the AGM in a fair and transparent manner.
  30. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, through tablet based voting for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  31. The Scrutinizer, after scrutinising the votes cast at the meeting through tablets and remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman / authorized person. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company **www.bergerpaints.com** and on the website of NSDL **www.evoting.nsdl.com**.
  32. The results shall simultaneously be communicated to the Stock Exchanges.

**MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT AND ADMISSION SLIP TO THE MEETING.**

## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

### ITEM NO. 5

Mr. Abhijit Roy ("Mr. Roy") was appointed as Managing Director & CEO of the Company by the Board of Directors at its meeting held on 30th May, 2012 for a period of five years from 1st July, 2012. Mr. Roy's appointment as Managing Director & CEO was approved by the Members at the Annual General Meeting held on 2nd August, 2012 and will expire with close of business on 30th June, 2017. At the Annual General Meeting held on 2nd August, 2011, Mr Roy was appointed a Director of the Company pursuant to Section 257 of the Companies Act, 1956.

Mr. Roy is a Bachelor of Engineering (Mechanical) from Jadavpur University, Kolkata and holds Post Graduate Diploma in Business Management from Indian Institute of Management, Bangalore. Mr. Roy joined the Company in 1996 and has been with the Company for 20 years. Prior to his appointment as Director, Mr. Roy was heading the Sales and Marketing function of the Company as Senior Vice President, Sales and Marketing. Mr. Roy has long and rich experience of over 24 years in the paint industry.

Mr. Roy has provided able leadership to the Company as Managing Director & CEO. In almost four years during his term, from 31st March, 2012 to 31st March, 2016, the consolidated gross revenue of the Company increased from ₹ 3,324 crores to ₹ 5,146 crores and consolidated net profit increased from ₹180 crores to ₹ 370 crores. The Board of Directors considers that continuation of Mr. Roy as Managing Director & CEO will be of benefit to the Company. Accordingly, pursuant to Section 196(2), 197 and 203 of the Companies Act, 2013 ("the Act"), approval of the Members is being sought now pursuant to second proviso of Section 196 of the Act which requires re-appointment shall not be made earlier than one year before the expiry of the term of the person appointed as Managing Director. The terms and conditions proposed in the resolution set out at Item No. 5 of the Notice are keeping in line with the remuneration package that is necessary to encourage effective professional managers to function in important position as that of the Managing Director & CEO. The same terms will be applicable from 1st July, 2016, in partial modification of resolution adopted at the Annual General Meeting held on 3rd August, 2015. The resolution empowers the Board of Directors (which shall be deemed to include any Committee thereof including the Compensation and Nomination and Remuneration Committee) to finalise the remuneration payable to Mr. Roy every year within the limit sanctioned by the Members.

Mr. Roy satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The proposed resolution together with this explanatory statement may be treated as a written memorandum setting out the terms of re-appointment of Mr. Roy under Section 190 of the Act.

The Board of Directors recommend passing of the said Resolution.

Mr. Roy is interested in the resolution set out at Item no.5. No other Director / Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in respect of the said resolution.

### ITEM NOS. 6 and 7

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/ plan. The Company believes in rewarding its employees including eligible Directors of the Company as well as that of the subsidiary company(ies) for their continuous hard work, dedication and support, which has led the Company and the subsidiary company(ies) on the growth path. The Members of the Company had approved issue of securities under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at the Annual General Meeting held on 29th July, 2010. The Company intends to re-introduce Berger Paints India Limited - Employee Stock Option Plan 2016 ("BPIL ESOP 2016"/ "Plan") with a view to attract and retain key talents working with the Company and its subsidiary company(ies) by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability which has to be aligned with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations").

The Company seeks approval of the Members in respect of BPIL ESOP 2016 and for grant of Stock Options to the eligible employees/ Directors of the Company, that of its subsidiary company(ies) as may be decided by the Compensation and Nomination and Remuneration Committee (“the Committee”) from time to time in due compliance with Companies Act, 2013 (including Rules framed thereunder), SEBI Regulations and other applicable laws and regulations.

The main features of the BPIL ESOP 2016 are as under [as required under Regulation 6(2) of SEBI Regulations] :

Sl. No.	Particulars	Disclosures
1	Brief description of the scheme	Options will be allotted to the employees, which will vest equally over a period of 3 years. Such vested options can be exercised within a period of 3 years from date of vesting at an exercise price as specified by the Committee. Upon exercise, shares shall be allotted to the employees without any lock in period condition and the shares issued to the employees would be ranked pari passu to similar class of shares already issued by the Company and the employees will have same rights as other shareholders post allotment of shares.
2	The total number of options to be granted	The total number of options to be granted under the Plan shall not exceed 5% of the issued equity shares of the Company as on 31st March, 2016. The Committee constituted by the Board reserves the right to increase or reduce the numbers of shares as it deems fit.
3	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s)	Such person(s) who are in permanent employment of the Company or the Company’s subsidiary companies, working in India or outside of India, or Directors of the Company, or subsidiary company(ies)/ whether whole-time or not, except Promoter or any member of the Promoter Group, Independent Directors or a Director of the Company or subsidiary company(ies) who either himself or through his relative or through any body corporate holds more than 10% of the outstanding shares of the Company.
4	Requirements of vesting and period of vesting	Options shall vest over a period of 3 years from the date of grant of options as under : 33% on first anniversary of Grant Date 33% on second anniversary of Grant Date 34% on the third anniversary of Grant Date Except in case of death of the employee, for a valid vesting, an employee is required to be in service with the Company on the Vesting Date and must neither be serving his notice for termination of service nor be subject to any disciplinary proceedings pending against him on the Vesting Date.
5	Maximum period (subject to regulation 18(1) and 24(1) of the SEBI Regulations, as the case may be) within which the options shall be vested	The maximum period within which the options shall be vested shall be 3 years from the Grant Date.
6	Exercise price	The Exercise Price of an option shall be ₹ 1/- per share.

Sl. No.	Particulars	Disclosures
7	Exercise period and process of exercise	Subject to the conditions laid down for terminal events (death, permanent incapacitation of the employee, etc.), the vested options shall be exercisable within a period of 3 years from the Vesting Date. Exercise of the options shall take place at the time and place designated by the Committee and by executing such documents as may be required under the applicable laws to pass a valid title to the relevant shares to the employee or beneficiary, free and clear of any liens, encumbrances and transfer restrictions. An option shall be deemed to be exercised only when the Committee receives written and signed notice of exercise and the Exercise Price (in accordance with the Plan) from the employee/ beneficiary.
8	The appraisal process for determining the eligibility of employees for the scheme(s)	The eligibility of the employees for the scheme(s) will be determined by the established performance appraisal process of the Company which involves feedback from the concerned employee, the seniors, the HR Department and the Managing Director & CEO, culminating in an objective assessment of performance. The final determination is made by the Committee based on achievement of certain cut-off rating. The eligibility of the Managing Director & CEO and other Key Managerial Personnel will be determined by the Committee.
9	Maximum number of options to be issued per employee and in aggregate	The maximum number of options that may be granted per identified employee(s) of the Company and subsidiary company(ies), in any financial year in aggregate under the Plan shall be twenty thousand. The number of options that may be granted to the identified employees, in any financial year in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company. The total number of options to be issued under the Plan shall not exceed 5% of the issued equity shares of the Company as on 31st March, 2016.
10	Maximum quantum of benefits to be provided per employee under a scheme(s)	Not applicable.
11	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust	The Plan would be implemented and administered directly by the Company.
12	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both	Employees will be allotted newly issued shares of the Company.
13	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc	Not applicable.
14	Maximum percentage of secondary acquisition (subject to limits specified under the SEBI Regulations) that can be made by the trust for the purposes of the scheme(s)	Not applicable.
15	A statement to the effect that the company shall conform to the accounting policies specified in regulation 15 of the SEBI Regulations	The Company will comply with the accounting policies, as applicable.
16	The method which the company shall use to value its options	The Company shall use the Fair Market Value method or such other method as required under the Indian Accounting Standards ('Ind AS') to value its options.

Copy of the Plan will be available for inspection by the Members of the Company at its registered office on any working day prior to the date of the Annual General Meeting during business hours and will also be kept open for inspection at the Annual General Meeting.

The Board recommends the resolutions as set out at Item Nos. 6 and 7 of the Notice for your approval.

Other than Mr. Abhijit Roy, Managing Director & CEO and Mr. Srijit Dasgupta and Mr. Aniruddha Sen, Key Managerial Personnel, and their relatives, who may be deemed to be concerned or interested in the resolution, no other Director or their relatives are concerned or interested, financially or otherwise, in respect of the said resolutions.

Your Directors recommend the resolutions for your approval.

#### ITEM NO. 8

M/s. N. Radhakrishnan & Co., Cost Auditors have been re-appointed as Cost Auditors of the Company at a remuneration of ₹ 40,000/- (Rupees Forty Thousand) plus service tax and reimbursement of travel and other out of pocket expenses for each Cost Audit / certification engagements for the year 2016-17 for the Company's two factories at Howrah and Rishra in West Bengal, factories at Goa and Puducherry and ₹ 30,000/- (Rupees Thirty Thousand) each for Cost Audit/certification engagements for the year 2016-17 for the Company's factories at Jejuri and Hindupur and ₹ 25,000/- (Rupees Twenty Five Thousand) for filing a single report in accordance with relevant guidelines. Similarly, M/s. Shome and Banerjee, Cost Auditors, have been re-appointed as Cost Auditors of the Company at a remuneration of ₹ 45,000/- (Rupees Forty-Five Thousand) plus service tax and reimbursement of travel and other out of pocket expenses for each cost audit / certification engagements for the year 2016-17 for the Company's factory at Sikandrabad in Uttar Pradesh and two factories at Jammu and ₹ 30,000/- (Rupees Thirty Thousand) for the Company's factory at Surajpur. Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the said remuneration payable to the Cost Auditors requires ratification by the shareholders.

The Board recommends the Resolution set out under Item No.8 for ratification by Members.

No Director, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in respect of the said Resolution.

By Order of the Board

Kolkata

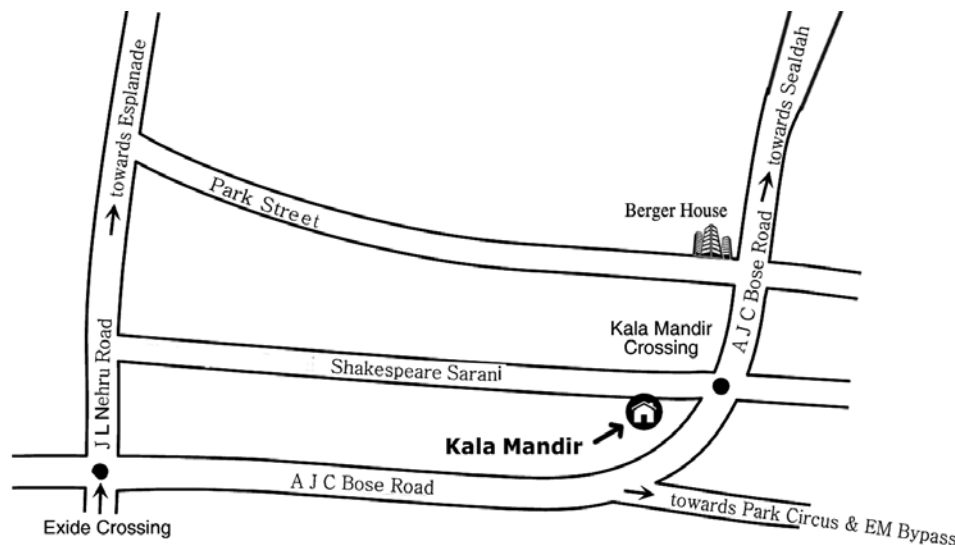
Dated : 30th May, 2016

**Aniruddha Sen**

Sr. Vice President & Company Secretary

#### ROUTE MAP OF THE VENUE OF NINETY SECOND ANNUAL GENERAL MEETING

Kalamandir, 48, Shakespeare Sarani, Kolkata – 700 017 on 3rd August, 2016, Wednesday at 11 a.m.



**INFORMATION RELATING TO DIRECTORS PROPOSED TO BE RE-APPOINTED  
UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

	<b>Item no. 3</b>	<b>Item no. 5</b>
Name of Director	Mr. Kuldip Singh Dhingra	Mr. Abhijit Roy
Date of Birth	September 2 , 1947	July 12, 1965
Date of Appointment	July 17, 1991	February 11, 2011 (as Director)
Qualification	Science Graduate Hindu College, Delhi University	BE (Mechanical), Jadavpur University & Post Graduate Diploma in Management from IIM, Bangalore
Expertise in specific functional areas	<ul style="list-style-type: none"> <li>• Mr.Dhingra is an industrialist and has vast business experience.</li> <li>• Is on the Board of a number of companies.</li> <li>• Has a long and varied experience in paint industry.</li> </ul>	<ul style="list-style-type: none"> <li>• Vast experience in Marketing &amp; Sales functions.</li> <li>• Long and rich experience of over 24 years in the paint industry.</li> </ul>
List of public companies in which outside Directorship is held as on March 31, 2016*	1. BJN Paints India Limited 2. Citland Commercial Credit Limited 3. Seaward Packaging Limited	BJN Paints India Limited
Chairman/ Member of the Committees of the Board of the Companies on which he/ she is a Director as on March 31, 2016.*	Citland Commercial Credits Limited – Chairman of Audit Committee, Corporate Social Responsibility Committee and Member of Compensation, Nomination and Remuneration Committee.	–
Shareholding in the Company	2,14,770	44,890
Inter se relationship between Directors	Brother of Mr. G S Dhingra, Vice Chairman, father of Mrs. Rishma Kaur, Director – National Business Development, Retail and brother of the father of Mr. Kanwardip Singh Dhingra, Director, National Business Development, Automotive & General Industrial	–
*Directorship includes Directorship of other Indian Public Companies and Committee membership of public limited company (whether listed or not).		

## REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in presenting the Annual Report of the Company, together with the audited accounts for the financial year ended on 31st March, 2016.

### FINANCIAL RESULTS & APPROPRIATIONS

(₹ in crores)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Profit before Depreciation, Finance Cost and Tax	642.16	509.59	689.87	546.74
<b>Less:</b>				
Depreciation	87.97	78.62	100.01	92.50
Finance Cost	17.20	34.72	29.01	50.14
<b>Profit Before Tax</b>	<b>536.99</b>	<b>396.25</b>	<b>560.85</b>	<b>404.10</b>
<b>Less:</b>				
Provision for Taxation	182.12	130.22	191.08	139.40
<b>Profit After Taxation</b>	<b>354.87</b>	<b>266.03</b>	<b>369.77</b>	<b>264.70</b>
Add:				
Profit brought forward from the previous year	794.13	632.45	816.26	655.91
<b>Available for appropriation</b>	<b>1149.00</b>	<b>898.48</b>	<b>1186.03</b>	<b>920.61</b>
Appropriations:				
Transfer to General Reserve	—	—	—	—
Interim Dividend	45.08	41.60	45.08	41.60
Tax on interim dividend	9.18	8.52	9.18	8.52
Dividend (Proposed)	69.35	45.06	69.35	45.06
Tax on dividend	14.12	9.17	14.12	9.17
Balance carried to Balance Sheet	1011.27	794.13	1048.30	816.26
	<b>1149.00</b>	<b>898.48</b>	<b>1186.03</b>	<b>920.61</b>

### FINANCIAL PERFORMANCE

During the financial year ended 31st March, 2016, the Company achieved net consolidated revenue from operations of ₹ 4634.12 crores as against ₹ 4322.06 crores in the previous year registering a growth of 7.2 %. The profit before depreciation, interest and tax was ₹ 689.87 crores as against ₹ 546.74 crores in the previous year, recording an improvement of 26.2 %. The profit before tax was ₹ 560.85 crores (2014 – 15 : ₹ 404.10 crores) and the profit after tax was ₹ 369.77 crores (2014 – 15 : ₹ 264.70 crores), representing an increase of 38.8% in profit before tax and 39.7% in profit after tax.

### MANAGEMENT DISCUSSION AND ANALYSIS

#### PAINT INDUSTRY STRUCTURE AND DEVELOPMENT

Paint industry is classified into two broad categories viz., Decorative and Industrial. Decorative paints include higher end acrylic exterior and interior emulsions, medium range exterior and interior paints, low end distempers, wall putty, wood coatings, cement paints, primers, thinners and putties – accounting for over 70% of the paint market in India and growing at a faster pace than

Industrial paints. These are either water based or solvent based. Water based paints (or emulsions) are increasingly preferred by customers because of better aesthetics, durability and environmental reasons and constitute the fastest growing segment.

Industrial paints essentially comprise general industrial, automotive, protective and powder coatings. The Company is present in all these areas. In addition, there are smaller segments such as automotive refinish coatings, coil coatings, can coatings and marine coatings. The Company is present in the coil coatings segment as well, through its joint venture – Berger Becker Coatings Private Limited.

The paint industry continues to outperform the overall GDP growth, mainly because of the continued thrust of the major paint manufacturers to popularise paints and the still relatively low per capita paint consumption of around 2.7 kg in India. However, India has been one of the few countries where there has been a consistent overall GDP growth (at a 5-year CAGR of more than 6%) and an industrial GDP growth (of about 8.5%). These have helped the paint industry to increase its volume. The Company believes that continued urbanisation, with support for the agriculture sector, will continue to provide the right impetus for the industry to perform even better in the future.

### COMPANY'S OPERATION

Over the previous years (FY 11-12 to FY 15-16), the Company has consistently performed well, as will be evident from the following :

- 5 year CAGR (Compounded Annual Growth Rate) of Revenue: 14.42%
- Identified as one of the top 7 Listed Companies in India in terms of 5 year CAGR of market capitalization (41%) by Forbes India magazine in their 27th May, 2016 edition
- The Company's rank moved from 138 to 120 in Business Today's list of 500 India's most valuable companies of the year, as published in the 8th November, 2015 issue.

While the decorative business continued to be the consistent performer, in the year under review, all the Businesses registered growth. This was possible through individual focus on the strengths of the respective Businesses, introduction of innovative products in all areas, higher sale of value added products, increase of customer base and corresponding enhancement of production capabilities at minimum possible cost, judicious deployment of and reduction in working capital, lowering of borrowing costs and decrease in average borrowing. The Chief Financial Officer of the Company was recognized among the top 30 CFOs in India at the inaugural YES BANK BW-Business World Best CFO Awards, 2016.

In line with the trend in the country, the Company's decorative business constitutes more than 70% of its overall business. All the products of the Company including its flagship brands such as Silk, Weathercoat All Guard and Easy Clean continued to receive support from the customers. Others such as Bison, Butterfly, Walmasta and Luxol HiGloss performed well. The Company introduced domestic floor coating under the name of Weathercoat Floor Protector. Tartaruga Smooth – an elastomeric primer, which can be applied with roller and protects the exterior against cracks - was a new introduction. The new Tech Guard System offers tough protection combined with a pleasing finish with Tartaruga Smooth as base coat and All Guard XP Advanced as top coat, for discerning clientele. In the wood coatings segment, in addition to Imperia, a high polyurethane 2 pack system, the Company introduced Imperia water based luxury polyurethane range for exteriors, interiors and floor coat. In the water-based wood coatings range, Exterior PU has 3 components - Impregnator, Sealer and Top Coat. Interior PU is a single pack system which acts as a multi-coat. Parquet floor coat is a single pack system for wooden floors. All these were received with enthusiasm by the market. The Company's construction chemicals business continued to grow. The Company is in the process of launching paintable wallpapers.

In the previous year, the Company had launched Express Painting™ (XP™) – a hassle free solution for painting houses, which is 40 per cent faster than traditional painting and can be carried out at the same cost. This year, the Company introduced XP Advanced™, with specially formulated paints, for providing better coverage, smoothness and lustre, which are best suited for use with XP™

automatic machines. The XP™ sales include the sale of a large array of tools such as sanding machine, mixer, high pressure washer, auto roller and airless paint sprayer. The services comprise an eco-system of painters, who are trained to carry out the sophisticated application work, dealers and Company trained contractors to offer unique solution to the customers. The services are being rolled out gradually to various areas and the response from the customers has been very positive.

The growth in the Company's General Industrial and Automotive Business fulfilled expectation. Introduction of new shades and products, identification of customer needs and specific resolution of their problems, addition of new customers in the areas of two wheelers, commercial vehicles and other industrial customers as well as development of new customers helped the Business to gain traction. The powder coating business also performed well.

The Company's leadership position in the Protective Coatings Business continued and the Business registered satisfactory growth during the year. The Company has a wide variety of products including chlororubber, epoxies, inorganic zinc products, polyurethane, poly-siloxanes, high temperature resistant coatings, anti-carbonation coatings, road marking, airfield marking, concrete coatings, rebar coatings, heavy duty floor coatings and green coatings. It continues to be the preferred supplier for project related work in all sectors of the economy.

All the factories of the Company operated at a satisfactory level and provided the required support to the Businesses. The operations are continuously fine-tuned to cater to the Businesses, improve processes for savings in time and costs and are benchmarked against best practices across all plants and outside the Company. As a result of these, Pondicherry factory and the Beepee Coatings factory in Vallabh Vidya Nagar (VVN) near Ahmedabad are now also utilised for producing General Industrial and Automotive and Protective Coatings products also. The process time in the plants is continuously reduced through installation of the latest equipment. Steps were taken to improve productivity and reduce wastage at all stages beginning from addition of raw materials to filling of paints and storing the containers in cartons.

There was a declining trend in costs of most raw materials for the better part of the year – attributable mainly to lower crude prices and the lacklustre performance of the international economies, though the raw material prices did not move exactly in tandem with crude. The Company effected decreases in paint prices. However, the prices of major raw materials such as titanium dioxide, phthalic anhydride and emulsion materials have been again on the upswing in 2016. Exploration of alternate sources, informed and intelligent buying and effective negotiation continue to provide savings.

#### **FOCUS AND OUTLOOK FOR 2016-17**

The provisions for this year's Union Budget are expected to revive rural consumption, which has been subdued for the past two years primarily due to poor monsoon and untimely rains, with a dampening effect on consumption. Moreover, the move to create unified agricultural market e-platforms should make procurement processes easier and more transparent. Added to these, the permission for 100 per cent FDI in marketing of food products as well as allowing foreign multi-brand retailers to set up food-only retail stores is expected to bring in more investments into the food processing sector, especially the downstream supply chain. All these, together with setting up of smart cities, revival of the MGNREGA Scheme, One Rank One Pension (OROP) Policy and the recommendations of the seventh pay commission, are likely to considerably enhance demand, both in the rural and non-rural markets. Much of the immediate effect will also depend on a better than normal rainfall, as predicted by the meteorological department.

In the long term, with almost ₹ 2,18,000 crores allocated for roads and railways, physical linkages are expected to improve significantly, which will help expand distribution across India, especially in rural markets, and reduce transit losses by improving connectivity. These are supported by a slew of measures to boost up infrastructure including reforms and investments in the areas of smart cities, gas production, nuclear power generation and PPP Projects.

All the above measures are likely to augment demand for paints. To cater to these requirements, the Company will enhance capacity in phases taking advantage of its multiple locations all over India, introduce new products, strengthen servicing capabilities and bolster logistics, distribution and storage capability.

## PROJECTS AND EHS

The Company is setting up an integrated paint plant at Naltoli in the Nagaon District of Assam near Tezpur. The initial annual capacity of the plant is currently proposed to be 24,000 KL per annum of water based paints and 13,200 KL per annum of solvent based paints together with corresponding resin manufacturing facility.

In addition, the British Paints Division of the Company is setting up a distemper and putty manufacturing facility in Nalbari near Guwahati with a capacity of 1,200 MT and 6,000 MT per annum respectively.

Both the plants will have the latest environment protection and safety related measures and will commence production in the current financial year.

Emulsions are major raw materials for water based paint. The Company had successfully set up the first emulsion manufacturing plant at Vallabh Vidya Nagar under the aegis of Beepee Coatings Private Limited. In order to furnish emulsion to the Eastern Region plants, the Company will set up an emulsion plant in Rishra, West Bengal. The implementation of the first phase will be completed in the year 2017-18.

The Company has set up a powder coating plant with a capacity of 75 MT/month in Jejuri, near Pune in Maharashtra. The capacity of the powder plant will be increased to 165 MT/month in 2016-17. Further, the Company will set up an industrial paint plant with a capacity of 9,000 KL per annum with resin manufacturing facility in Jejuri by March 2017.

Development of warehouse capabilities in Howrah, Rishra, Jammu, Goa and Vallabh Vidya Nagar Plants are on track.

The Company is proud to receive “GreenPro” certificate from CII-Green Products and Services Council in respect of various water based and solvent based products including Silk, Weathercoat Allguard and Easy Clean. “GreenPro” assesses ‘how green a product’ is, based on a holistic framework and highlights the way forward to achieve excellence in environmental performance. The certification system guides the manufacturers to position their products as green and eco-friendly. The GreenPro certification system adopts cradle to cradle approach for evaluation, at par with international standards.

The Company’s Environment, Health and Safety, (EHS) initiatives encompass year long and sustained activities through all its locations including audits, EHS reporting through web portal, mock drills, competitions and awards. The VVN Gujarat Plant was recognized as the Best Safety Organisation by the Gujarat Safety Council for the 3rd consecutive year. Rishra Plant of the Company ranked 3rd in Inter Plant Mock Drill competition conducted by the West Bengal Directorate of Factories. Various energy saving measures adopted by the Company, including replacement of HSD for thermic fluid heaters by bio-briquettes, are given in Annexure 5 to the Report.

## OPPORTUNITIES AND THREATS

Recent data suggest that India’s economy ended 2015-16 on a high note and possibly grew at the fastest pace since FY 2010 and the highest in the world. India’s economy is the 10th or 11th largest in the world and is forecast to reach third, after USA and China, in less than 15 years. Industrial production rebounded in February and the PMIs signalled improving economic conditions in March. The key to maintaining strong growth momentum going forward lies in enacting meaningful economic reforms including smooth implementation of GST. Rains supporting, the economy is expected to grow over 8% in the current fiscal. The Government aims to reduce subsidies through the JAM (Jan Dhan-Aadhaar-Mobile) initiative, and its actions in improving the transfer of subsidies by plugging leakages may help reduce expenditures and aid long-term fiscal deficit consolidation plans. The interest regime is also conducive for the economic growth now as the Reserve Bank has cut the benchmark interest rate by 0.25 per cent and introduced a host of measures to smoothen liquidity supply so that banks can lend to the productive sectors and indicated accommodative stance going ahead earlier this month. According to IMD, monsoon will be 106 per cent of the long period average (LPA) and there is 94 per cent probability that monsoon will be normal to excess this year for most parts of the country. If that happens, agriculture, which contributes about 16 per cent to the country's GDP and employs about 60 per cent of the population, will register a robust performance.

It is estimated that the Indian workforce will grow to 900 million strong by 2020. Because economic growth results from the combination of capital goods, like factories and computer systems, with labour, a growing labour force can be a huge boon for an economy.

The resulting onrush of demand will favourably impact the paint business and the Company has taken all possible steps to meet the same. Growing urbanisation is expected to create an eco-system for aesthetically superior and environmentally more acceptable varieties of water based paints. At the same time, as the world will more and more look towards this country, for their industrial needs, the Company will be ready to face the challenge with improved business intelligence, logistics solutions, better distribution network, manufacturing capacities and services.

## **RISKS AND CONCERNS**

The Company has devised a risk policy approved by the Business Process and Risk Management Committee, Audit Committee and the Board of Directors. The Policy seeks to identify risks inherent in the business operations of the Company and lays down the mitigation methods which are periodically reviewed and modified in a manner commensurate with the size and complexity of the business. The Policy can be viewed at the following weblink : <https://www.bergerpaints.com/about-us/risk-management-policy.html>.

Based on the Policy, the Business Process and Risk Management Committee regularly monitors the various risks facing the Company through a Risk Matrix Mechanism, discusses the risks involved in business processes in detail and steps taken to mitigate the same, covering each of the business processes of the Company in turn.

One of the major components of the risk management system is a secure IT (information technology) environment. Steps have been taken to digitise the Information Technology Infrastructure covering all database and major transactions and secure the data and protect its intellectual property.

India's rise is certainly unlikely to be linear and uniform in an immensely diverse country of 1.3 billion. Close attention is to be paid to infrastructure and a deep skills deficit and care has to be taken to lessen inequality, unrealisable debts and environmental degradation in the long term. Faster, equitable and growth oriented decision making, implementation of the necessary reform measures with simpler legislation and rules coupled with uniform enforcement will be the key to success. Whatever the impediments, the huge wealth generated over the past years cannot be denied and the powerful motors of urbanisation and aspiration are likely to rev up faster gears in the coming years. The performance of the paint industry is always likely to invite more competition – both domestic and international and the Company is always upgrading itself to face such challenges.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company is committed to ensure that its operations are carried out within a well defined internal control framework. Good governance, robust systems and processes, a vigilant Finance function and an independent Internal Audit function are the foundations of the internal control systems. The Company has an established internal control system, commensurate with its size and spread, with defined guidelines on compliance, which enable it to run its factories, offices and depots with a reasonable degree of comfort. The control environment ensures commitment towards integrity and ethical values and independence of the Board of Directors from the management. The control activities incorporate, among others, continuous monitoring, routine reporting, checks and balances, purchase policies, authorization and delegation procedures, audits including compliance audits, which are periodically reviewed by the Audit Committee and the Business Process and Risk Management Committee. The Internal Audit Department maintains a regular surveillance over the entire operations. The data generated is shared with the Board and various committees, evaluated and corrected and recommendations are implemented.

The Company's Enterprise Resource Management Systems with Standard Operating Procedures based on work flows and process flow charts also provide the backbone on which the various control systems operate. The Company is fully geared to implement any statutory recommendation which may be made in this regard.

### INDIAN ACCOUNTING STANDARDS (Ind AS) – IFRS Converged Standards

The Ministry of Corporate Affairs vide - its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. Companies having a net worth of ₹ 500 crores or more (as per the standalone financial statements as on 31st March, 2014) are required to comply with Ind AS (Accounting Standards converged with the International Financial Reporting Standards - IFRS) in the preparation of their financial statements for accounting periods beginning on or after 1st April, 2016, with the comparatives for the periods ending 31st March, 2016, or thereafter. In pursuance of the above notification, the Company, its subsidiaries and joint venture will adopt Ind AS with effect from 1st April, 2016. The implementation of Ind AS is a change process for which the Company has established a project team and is dedicating appropriate resources. The impact of the change on adoption of Ind AS on the Company's reported reserves and surplus and on the net profit for the relevant periods is being assessed.

### ADEQUACY OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Company has policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial disclosures, which are reviewed by the Board and the Audit Committee from time to time.

### EMPLOYEE STOCK OPTION SCHEME

Your Company had framed an Employee Stock Option (ESOP) Scheme for its employees and some of its Directors. The Board had formulated the ESOP Scheme in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the shareholders had approved the ESOP scheme at the Annual General Meeting held on 29th July, 2010 to issue shares not exceeding 5% of the paid up capital of the Company as on 31st March, 2010. In practice, ESOP is granted to employees and whole time Directors. Pursuant to the aforesaid scheme, no fresh options were granted to any employee or Directors during the year under review (2013-2014 : 1,41,945 options and 2012-13 : 1,91,397 options). During the year 2015-16, 1,93,792 equity shares were allotted to 135 employees on exercising their options. This included 6,378 equity shares to Mr. Abhijit Roy, 5,676 equity shares to Mr. Srijit Dasgupta and 3,786 equity shares to Mr. Aniruddha Sen. The equity shares as mentioned herein are of face value of ₹ 1/-(Rupee one only) each fully paid.

It has been decided that the ESOP Scheme will be re-introduced with effect from 2016 to reward eligible employees. Since the earlier SEBI Guidelines have been replaced by the SEBI (Share Based Employee Benefits) Regulations, 2014 ("ESOP Regulations") with effect from 28th October, 2014, the Company will need fresh approval of the members. Accordingly, your approval is sought in respect of Berger Paints India Limited Employee Stock Option Plan 2016 and for grant of Stock Options to the eligible employees/Directors of the Company and that of its subsidiary company(ies). A special resolution for the aforesaid purpose is included in the notice for the forthcoming Annual General Meeting for your approval.

The information required to be disclosed in terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 is enclosed as per Annexure A to this report.

### HUMAN RESOURCES

The Company believes that people are its most valuable assets. To this extent, the Company provides a fair and inclusive environment that encourages new ideas, respect for the individual and provides equal opportunity to succeed. Experience, merit and performance, leadership abilities, strategic vision, collaborative mindset, teamwork and result orientation are actively promoted and rewarded through an objective appraisal process.

Recruitment, retention and training are the greatest challenges facing the Indian industry and the three are interconnected. The Company adopts various recruitment processes including employee reference and will continue to provide greater attention to training. Being a multicultural and multi-location company, diversity is fostered.

The number of people employed as on 31st March, 2016 was 2802 (31st March, 2015 : 2666). The Industrial Relations were satisfactory during the year.

Your Company wishes to put on record its deep appreciation of the co-operation extended and efforts made by all employees.

### **SEXUAL HARASSMENT POLICY**

Your Company has framed a policy on Sexual Harassment of Women at workplace which commits to provide a workplace that is free from all forms of discrimination, including sexual harassment. The Policy can be viewed at the following weblink : <https://www.bergerpaints.com/about-us/sexual-harassment-policy.html>.

As per the Policy, any complaint received shall be forwarded to an Internal Complaint Committee (“ICC”) formed under the Policy for redressal. The investigation shall be carried out by ICC constituted for this purpose. There was no such complaint during the year. ICC comprises the following members as appointed by the Board :

1. Ms. Rishma Kaur (The Presiding Officer)
2. Mr. Srijit Dasgupta
3. Mr. Aniruddha Sen
4. Ms. Suparna Mitra (NGO representative).

### **AGREEMENT WITH BNB COATINGS INDIA PRIVATE LIMITED**

The Company has entered into a business transfer agreement with BNB Coatings India Private Limited (“BNB”) for transfer of the Company’s paints division relating to 4 wheeler passenger cars and SUV, three wheeler and related ancillaries. BNB is a joint venture company where Nippon Paint Automotive Coatings Co., Limited of Japan holds 51% and the Company holds 49% of the paid-up capital. BNB is currently engaged in the business of coatings for plastic substrates of automobiles.

The turnover of the Division which is to be transferred is about ₹ 29 crores (0.85% of the total turnover of the Company). The division will be transferred on a slump sale basis at a consideration of ₹ 90 crores, payable in cash, within a period of 180 days from the date of the agreement. The buyer i.e. BNB Coatings India Private Limited (“BNB”), do not belong to the promoter group. By virtue of being an associate company where Berger Paints India Limited holds 49% of the paid up share capital, BNB may be deemed to be a related party and the transaction has been done on an arm’s length basis with approvals of the Audit Committee and the Board.

BNB is understood to have entered into a similar agreement with Nippon Paint (India) Private Limited (“NPI”) for transfer of NPI’s 4 wheeler passenger car body paint business. Upon consummation of the transactions, BNB will carry out 4 wheeler passenger car body paint business and 3 wheeler automotive coatings business in addition to its existing business of coatings for plastic substrates. Berger Paints India Limited will continue to carry on 2 wheeler, commercial vehicles and related ancillaries coatings business.

### **SUBSIDIARY AND JOINT VENTURES**

Your Company has the following 4 wholly-owned subsidiaries :- (i) Beepee Coatings Private Limited (“Beepee Coatings”) in Gujarat; (ii) Berger Jenson & Nicholson (Nepal) Private Limited (“BJN-Nepal”) in Nepal; (iii) Berger Paints (Cyprus) Limited (“Berger Cyprus”) in Cyprus; (iv) Lusako Trading Limited (“Lusako Trading”) in Cyprus.

The following companies are wholly-owned subsidiaries of the Company’s above named subsidiaries: - (i) BJN Paints India Limited – wholly-owned subsidiary of Beepee Coatings; (ii) Bolix S.A., Poland – wholly-owned subsidiary of Lusako Trading; (iii) Berger Paints Overseas Limited (“BPOL”), Russia - wholly-owned subsidiary of Berger Cyprus. Bolix S.A. Poland has 3 subsidiaries, viz.: Bolix UKRAINA sp. z.o.o, Ukraine, BUILD-TRADE BIS sp. z o.o, Poland, and the recently formed wholly owned subsidiary, Soltherm External Insulations Limited, UK for the purpose of marketing of Bolix Products and providing related services in the UK. Build Trade sp z o.o., an erstwhile wholly owned subsidiary of Bolix was merged with Bolix on 31st March, 2016.

The statement relating to the above companies as specified in Sub-section (3) of Section 129 of the Companies Act, 2013 is attached to the Report and Accounts of the Company.

Results of BJN-Nepal, a wholly owned subsidiary of the Company, were encouraging and the company, with two factories and a distribution network, continues to flourish. During the year under review, BJN-Nepal achieved a turnover of ₹ 102.16 crores and net profit of ₹ 17.29 crores.

There was improvement in margin for Bolix S.A. The net profit posted by Bolix S.A. during the year was ₹ 4.35 crores.

The performance of Beepee Coatings, a wholly owned subsidiary with its entire manufacturing facilities dedicated to processing the Company's products, was satisfactory. The company posted a net profit of ₹ 2.00 crores.

Berger Paints Cyprus Limited is a special purpose vehicle for the purpose of making investments in your Company's interests abroad. So is Lusako Trading Limited.

Berger Paints Overseas Limited (BPOL) in Russia was impacted by political turmoil resulting in a plummeting Rouble.

Berger Becker Coatings Private Limited, the Company's joint venture with Becker Industriefarg, Sweden, posted a net profit of ₹ 7.38 crores (48.98 % of the same is considered in the consolidated accounts of your Company).

BNB Coatings India Private Limited (BNB), the Company's joint venture with Nippon Paint Automotive Coatings Co., Limited (earlier - Nippon Bee Chemicals Co. Ltd.) of Japan (NPAU) for manufacture of coatings for plastic substrates performed well and posted a Net Profit of ₹ 4.05 crores during the year (49 % of the same is considered in the consolidated accounts of your Company). Effective 31st March, 2015, the Company was converted into a private limited company.

Pursuant to Regulation 16(c) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a material subsidiary in a year shall be a subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth respectively of the Company and its subsidiaries, in the immediately preceding accounting year. At present, there is no such material subsidiary of the Company within the meaning of the above Regulation.

## CONSOLIDATED FINANCIAL STATEMENTS

The duly audited Consolidated Financial Statements as required under the Accounting Standards 21 and 27, provisions of Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 136 of the Companies Act, 2013, have been prepared after considering the audited financial statements of the Company's subsidiaries and appear in the Annual Report of the Company for the year 2015-16.

## CORPORATE GOVERNANCE

Your Company re-affirms its commitment to the standards of corporate governance. This Annual Report carries a Section on Corporate Governance and benchmarks your Company with the provisions of Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**Annexures-B & C**).

During the year under review, your Company has carried out the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report is attached as Annexure 4 to this Report.

## TECHNICAL LICENSE AGREEMENT

Your Company has a Technical License Agreement with Axalta Coating Systems India Private Limited, LLC in the area of Automotive Coatings.

## FIXED DEPOSIT

The Company had earlier discontinued acceptance of fixed deposits since 2002 and accordingly, no fresh deposit was accepted during the year. As per the provisions of Section 125 of the Companies Act, 2013, all unclaimed deposits have been transferred to Investor Education and Protection (IEPF) Account.

## EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Companies Act, 2013, extract of Annual Return is attached as **Annexure 1** to the Directors' Report.

## MEETINGS OF THE BOARD OF DIRECTORS AND ATTENDANCE THEREAT

The details of meetings of the Board and attendance of Directors are given in the Report on Corporate Governance – **Annexure B**.

### A. AUDIT COMMITTEE

The details of Audit Committee are given in the Report on Corporate Governance – **Annexure B**. The Board has accepted and implemented all recommendations of the Audit Committee.

### VIGIL MECHANISM

Pursuant to Section 177 of the Companies Act, 2013 the Company, along with its subsidiaries, have complied with the laws and the codes of conduct applicable to them and have ensured that the business is conducted with integrity and that the Company's financial information flow is accurate. In case of any violation or complaint, a report may be made under the Vigil Mechanism system established by the Company. The said policy is uploaded on the Company's website and can be accessed at : <https://www.bergerpaints.com/about-us/whistleblower-policy.html>.

### B. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility Committee in accordance with the terms of reference of Section 135 of the Companies Act, 2013. The details of the Committee are given in the Report on Corporate Governance – **Annexure B**. The required details as specified in Companies CSR Policy Rules, 2014 is given in **Annexure 2**.

### C. COMPENSATION & NOMINATION & REMUNERATION COMMITTEE

The details of the Committee are given in the Report on Corporate Governance – **Annexure B**.

### D. SHAREHOLDERS' COMMITTEES

The details of the Committees are given in the Report on Corporate Governance – **Annexure B**.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors wish to inform that the Audited Accounts containing Financial Statements for the financial year ended 31st March, 2016 are in full conformity with the requirements of the Act. They believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and reasonably present your Company's financial condition and results of operations.

Your Directors further confirm that in preparation of the Annual Accounts:

- i) The applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) Proper and sufficient care has been taken for the 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 fraud and other irregularities;
- iv) The Accounts have been prepared on a going concern basis;
- v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

- vi) The Directors have devised proper systems to ensure proper compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS**

The following are the Independent Directors of your Company :-

- 1) Mr. Pulak Chandan Prasad
- 2) Mr. Kamal Ranjan Das
- 3) Mr. Dharendra Swarup
- 4) Mr. Gopal Krishna Pillai
- 5) Mr. Naresh Gujral.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria for independence in the required format under the Companies Act, 2013.

#### **POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

The Company has formulated a Remuneration Policy pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereof. The Remuneration Policy has been approved by the Compensation and Nomination and Remuneration Committee.

The Policy is available at the following weblink : [www.bergerpaints.com/about-us/remuneration-policy.html](http://www.bergerpaints.com/about-us/remuneration-policy.html).

#### **QUALIFICATION OR RESERVATIONS IN STATUTORY AUDIT REPORTS**

Your Board has the pleasure in confirming that no qualification, reservation, adverse remark or disclaimer has been made by the Statutory Auditors or Company Secretary in Practice in their Audit Reports issued to the Company.

#### **LOANS, GUARANTEES OR INVESTMENTS**

Particulars of loans given, investments made, guarantees given and securities provided, if any, along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the standalone financial statement (please refer Notes 11,14 and 18 of the standalone financial statement).

#### **RELATED PARTY TRANSACTIONS**

The Company has always been committed to good corporate governance practices, including matters relating to Related Party Transactions (RPTs). Endeavour is consistently made to have only arm's length transactions, unless otherwise necessary for advancement of the Company's business, with Related Parties. The Board of Directors of the Company has adopted the Related Party Transaction Policy regarding materiality of related party transactions and also on dealings with Related Parties in terms of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges and Section 188 of the Companies Act, 2013. The policy is available at the following weblink : <https://www.bergerpaints.com/about-us/rpt-policy.html>.

All related party transactions have been carried out at arm's length basis, in ordinary course of business and no material related party transaction, i.e., transaction exceeding ten percent of the annual consolidated turnover as per the last audited financial statements were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

## MATERIALITY POLICY

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed a policy for determination of materiality, based on criteria specified in the Regulations. The Policy is available at the following weblink:-<https://www.bergerpaints.com/about-us/policy-determine-material-events.html>.

## POLICY FOR PRESERVATION OF DOCUMENTS

As per Regulation 9 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has framed a policy for preservation of documents, based on criteria specified in the said Regulations. The Policy is available at the following weblink : <https://www.bergerpaints.com/about-us/policy-preservation-documents.html>.

## SIGNIFICANT CHANGES

During the Financial Year 2015-16, no significant change has taken place which could have an impact over the financial position of the Company.

## TRANSFER TO RESERVE AND DIVIDEND

The net profit of the Company available for appropriation is ₹ 1,149 crores. The amount brought forward from the previous year is ₹ 794.13 crores.

The Company has paid an interim dividend of ₹ 0.65 per share of ₹ 1/- (Rupee one each) only i.e. @ 65%, for the year under review, on 29th February, 2016 and your Directors recommend a final dividend of ₹ 1 per share i.e. @ 100% for the year under review. Together with the interim dividend, this would mean a total dividend of ₹ 1.65 per share, i.e. 165% for the Financial Year 2015-16. This, if approved, will absorb an amount of ₹ 114.43 crores (compared to ₹ 86.66 crores in the previous year), net of Dividend Distribution Tax, based on the current paid-up capital of the Company and will be paid to those members holding shares in the physical mode whose names appear in the Register of Members as on 3rd August, 2016 and for shares held in electronic form, to those whose names appear in the list of beneficial holders furnished by respective Depositories as at the end of business hours on 27th July, 2016.

The balance carried forward is ₹ 1,011.27 crores as under :

	₹ crores
Net Profit	354.87
Add : Amount brought forward from previous year	794.13
Less : Transferred to General Reserve	—
Less : Dividend	114.43
Less : Dividend Distribution Tax	23.30
Balance carried forward	<u>1,011.27</u>

In terms of the provisions of Section 124 of the Companies Act, 2013, your Company has transferred an amount of ₹ 16,50,033 to the Investor Education and Protection Fund, in respect of dividend amounts lying unclaimed / unpaid for more than seven years from the date they became due i.e., for the year ended 31st March, 2008.

Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of Information Regarding Unpaid and Unclaimed Amounts Lying with Companies) Rules, 2012, the Company has filed the necessary form and uploaded the details of unclaimed amounts lying with the Company, as on 30th October, 2015 with the Ministry of Corporate Affairs.

### Conservation of Energy & Technology Absorption

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed to Annexure 5 of this report.

### Foreign Exchange Earnings and Outgo

The Company earned foreign exchange of ₹ 2.72 crores from export of goods and consultancy fees/royalty. Details of foreign exchange earnings and outgo appear in note 39 of the standalone financial results.

### Particulars of Employees

In terms of the provisions of Section 134 read with Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of certain category of employees have been set out in Annexure 3 of this report.

### STATEMENT OF EVALUATION OF BOARD OF DIRECTORS AND COMMITTEES THEREOF

The Company follows the provisions of the Companies Act, 2013 and Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in relation to Directors' appointments, qualifications and independence.

Pursuant to Section 178(3) of the Companies Act, 2013 and Regulation 17(10) of Listing Regulations, the Compensation and Nomination and Remuneration Committee is entrusted with responsibility of formulating criteria for determining qualifications, positive attributes and independence of a Director. The same is available at the following weblink : <https://www.bergerpaints.com/about-us/criteria-policy.html>.

The Compensation and Nomination and Remuneration Committee have laid down the following criteria for evaluating the performance of the Board of Directors :

#### Criteria

1. Board members support and debate the organisation's strategy and values, enabling them to set the tone from the top.
2. Board members have a clear understanding of the organisation's core business, its strategic direction and the financial and human resources necessary to meet its objectives.
3. The Board sets the Company's targets and measures its performance against them.
4. Board meetings encourage a high quality of debate with robust and probing discussions.
5. Board members make decisions objectively and collaboratively in the best interests of the organisation and feel collectively responsible for achieving organisational success.
6. The Board communicates effectively with shareholders.
7. Board members recognise the role which they and each of their colleagues is expected to play and have the appropriate skills and experience for that role.
8. Board members actively contribute at meetings.
9. The Board has open channels of communication with executive management and others and is properly briefed.
10. The Board is aware of steps taken to assess and mitigate risks through Business Process and Risk Management Committee.
11. The Board is the right size and has the good mix of skills to ensure its optimum effectiveness.
12. The Board's committees are properly constituted, perform their delegated roles and report back clearly and fully to the Board.
13. The Board meets sufficiently often, and with information of appropriate quality and detail, such that agenda items can be properly covered in the time allocated.
14. Information is received in sufficient time to allow for proper consideration, with scope for additional briefing, if necessary.

## SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND OPERATIONS OF THE COMPANY

Pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, it is stated that no material order has been passed by any regulator, court or tribunal impacting the Company's operations and its going concern status during the Financial Year 2015-16.

### DIRECTORS

Pursuant to Article 112 of the Articles of Association of the Company, Mr. Kuldeep Singh Dhingra retires by rotation and being eligible, offers himself for re-appointment.

Mr. Kuldeep Singh Dhingra is an industrialist and promoter of the Company. He has over 45 years of experience in paint and related industries. Mr. Dhingra is a science graduate from Hindu College, University of Delhi.

Mr. Abhijit Roy, Managing Director and Chief Executive Officer was appointed as Director and Chief Operating Officer at the Annual General Meeting held in 2011 and appointed as the Managing Director and Chief Executive Officer at the Annual General Meeting held in 2012 with effect from 1st July, 2012 for a period of 5 years. In terms of section 196 of the Companies Act, 2013 no reappointment of the Managing Director can be made earlier than one year before the expiry of the term. Accordingly, pursuant to Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Roy is proposed to be re-appointed as Managing Director and Chief Executive Officer of the Company for a period of 5 years with effect from 1st July, 2017, not liable to retire by rotation. A separate resolution for re-appointment and payment of remuneration to Mr. Roy has been put up in the Notice of Annual General Meeting as a part of the special business for your approval.

Mr. Roy is a Bachelor of Engineering (Mechanical) from Jadavpur University, Kolkata and holds Diploma in Management from Indian Institute of Management, Bangalore. Mr. Roy has long and rich experience of over 24 years in paint industry. The Board believes that Mr. Roy's knowledge, experience and expertise would greatly benefit the Company and accordingly, recommends the resolution for approval of the members.

### Structure of the Board of Directors

Name of Director	Non-executive	Executive	Independent	Lady
Mr. Kuldeep Singh Dhingra	Y	N	N	N
Mr. Gurbachan Singh Dhingra	Y	N	N	N
Mr. Abhijit Roy	N	Y	N	N
Mrs. Rishma Kaur	N	Y	N	Y
Mr. Kanwardip Singh Dhingra	N	Y	N	N
Mr. K. R. Das	Y	N	Y	N
Mr. Naresh Gujral	Y	N	Y	N
Mr. Gopal Krishna Pillai	Y	N	Y	N
Mr. Pulak Prasad	Y	N	Y	N
Mr. Dharendra Swarup	Y	N	Y	N

## FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company believes that the best training is imparted when dealing with actual roles and responsibilities on the job. To this extent, the Company arranges detailed presentation by Business and Functional Heads on various aspects including the business environment, economy, performance of the Company, industry scenario, sales and marketing, production, raw materials, research and development, financial controls, the Company's strategy, etc. Visits to factories are also undertaken from time to time. This can be seen at the following weblink : <https://www.bergerpaints.com/about-us/familiarization-program.html>.

## INFORMATION AS TO REMUNERATION OF DIRECTORS AND EMPLOYEES

Pursuant to Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following disclosures are made :

- Ratio of remuneration of Directors and Key Managerial Personnel to the median remuneration of the employees :

Name of Director/KMP	Remuneration received (₹)	Ratio as to that of the median employee	Percentage increase in remuneration
Mr. Kuldeep Singh Dhingra	10,00,000	2.1:1	0
Mr. Gurbachan Singh Dhingra	10,00,000	2.1:1	0
Mr. Abhijit Roy	1,66,24,556*	34.80:1	51.59
Mr. Kanwardip Singh Dhingra	23,37,380	4.90:1	0
Mrs. Rishma Kaur	23,51,790	4.92:1	0
Mr. Kamal Ranjan Das	2,50,000	0.52:1	0
Mr. Pulak Chandan Prasad	-	Nil	Nil
Mr. Naresh Gujral**	6,00,000	1.26:1	200
Mr. Dharendra Swarup**	6,00,000	1.26:1	200
Mr. Gopal Krishna Pillai**	6,00,000	1.26:1	200
Mr Srijit Dasgupta	98,37,258*	20.59:1	11.83
Mr Aniruddha Sen	73,20,920*	15.33:1	14.78

\* Remuneration does not include value of ESOP's granted.

\*\* Messrs Gujral, Swarup and Pillai were appointed as Additional Directors on 20th August, 2014, 8th September, 2014 and 12th September, 2014 respectively.

Note – The median employee remuneration for 2015-16 is – ₹ 4,77,688 p.a.

- Percentage (%) increase in remuneration during the Financial Year 2015-16 : Please see (1) above
- Percentage (%) increase in the median remuneration of employees during the Financial year 2015-16 : 6.94
- Number of permanent employees on the rolls of the Company as on 31st March, 2016 – 2,802
- Explanation on the relationship between average increase in remuneration and Company's performance – These are based on growth in sales and earnings.
- Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company : For 2015-16, the Key Managerial Personnel were paid 1.06% of the Profit after tax of 2015-2016.
- Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer –

	As on 31.03.2015		As on 31.03.2016		Market Capitalisation	
	No. of Shares	Closing Price (₹)	No. of Shares	Closing Price (₹)	As on 31.03.2015 (₹)	As on 31.03.2016 (₹)
NSE	693,284,120	208.65	693,477,912	244.80	144,653,731,638	169,763,392,857

Share Price	As on 31.03.2015	As on 31.03.2016	% increase
BSE	208.80	244.50	17.09%
NSE	208.65	244.80	17.32%

As On	Market price per share (MPS)	Earnings per share (EPS) Standalone	P/E Ratio Standalone	Earnings per share (EPS) Consolidated	P/E Ratio Consolidated
31.03.2015	208.65	3.84	54.34:1	3.82	54.62:1
31.03.2016	244.80	5.12	47.81:1	5.33	45.93:1

**Note :** The Company has not made any public issue of securities in the last 15 years. Hence, comparison has not been made of current share price with the public offer price.

The Company's shares are listed on The Calcutta Stock Exchange Ltd., BSE Ltd. and National Stock Exchange of India Ltd. Since there was no trade in The Calcutta Stock Exchange Ltd during the year ended 31.03.2015 and 31.03.2016, no Closing Price is available of the same.

- 8) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – The average percentile increase of employee was 13.87% as compared to an average percentile increase of 27.41% of managerial remuneration. The increase of managerial remuneration is based on growth criteria.
- 9) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company – The ratio of remuneration of each KMP to the PAT of the Company is given below :

**Name of Key Managerial Personnel**

- 1) Mr. Abhijit Roy - 0.005:1
- 2) Mr. Srijit Dasgupta - 0.003:1
- 3) Mr. Aniruddha Sen - 0.002:1
- 10) Key parameters for any variable component of remuneration availed by Directors –The key parameters are KPI set at the beginning of the year and those evolving during the year based on business scenario.
- 11) Ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year- Nil
- 12) Pursuant to the requirement of Sec 197(14), the following disclosure is made in respect to remuneration received by Directors:-

Name	Nature of Transaction	Amount (₹)
Mrs. Rishma Kaur, Director and National Business Development Manager - Retail and also a Director of U.K.Paints (India) Private Limited, Holding Company	Consultancy fees received from U.K.Paints India Private Limited for consultancy rendered to U.K.Paints India Private Limited	33 Lacs
Mr. Kanwardip Singh Dhingra, Director and National Business Development Manager - Industrial and also a Director of U.K.Paints (India) Private Limited, Holding Company	Consultancy fees received from U.K.Paints India Private Limited for consultancy rendered to U.K.Paints India Private Limited	27 Lacs

### 13) Affirmation

It is hereby affirmed by the Chairperson of the Company that the remuneration paid to all the employees, Directors and Key Managerial Personnel of the Company during the Financial Year 2015-16 are as per the Remuneration Policy framed by the Compensation and Nomination and Remuneration Committee of the Company.

### LISTING WITH STOCK EXCHANGES

Your Company is listed with The Calcutta Stock Exchange Limited, BSE Limited and The National Stock Exchange of India Limited and the Company has paid the listing fees to each of the Exchanges. As per Regulation 109(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 every issuer or the issuing company which has previously entered into agreement(s) with a recognised stock exchange to list its securities shall execute a fresh listing agreement with such stock exchange within six months of the date of notification of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company executed fresh agreements with the following Stock Exchanges where its shares are listed :

NSE : On 17th December, 2015

BSE : On 4th January, 2016

CSE : On 17th February, 2016.

The addresses of these Stock Exchanges and other information for shareholders are given in this Annual Report.

### COST AUDITORS

The Board of Directors has re-appointed/appointed M/s N.Radhakrishnan & Co., 11A, Dover Lane, Flat B1/34, Kolkata – 700 029, for conducting cost audit at Howrah, Rishra, Goa, Puducherry and Jejuri factories and Hindupur factory of the Company's British Paints Division and for filing of cost audit report and M/s Shome & Banerjee & Co., 2nd Floor, 5A, Narulla Doctor Lane, West Range, Kolkata – 700 017, for conducting cost audit at its Jammu factory and at the factories of British Paints Division at Jammu, Surajpur and Sikandrabad under Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 subject to the approval of the Central Government for the year 2016-17. The due date for filing Cost Auditors' report for the year 2014-15 was 25th October, 2015. The said reports for the year 2014-15 were filed on 14th October, 2015.

### STATUTORY AUDITORS

The Statutory Auditors, Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, were appointed pursuant to the provisions of Sections 139, 142 and the Rules made thereunder from the conclusion of the 91st Annual General Meeting upto the conclusion of the Sixth Annual General Meeting to be held after the 91st Annual General Meeting. This year's notice includes a proposal for ratification of such appointment.

### APPRECIATION

Your Directors place on record their deep appreciation of the assistance and guidance provided by the Central Government and the Governments of the States of India, its suppliers, technology providers and all other stakeholders. Your Directors thank the financial institutions and banks associated with your Company for their support as well. Your Directors also thank the Company's dealers and its customers for their unstinted commitment and valuable inputs.

Your Directors acknowledge the support received from you as shareholders of the Company.

Kolkata

Dated : 30th May, 2016

On behalf of the Board of Directors

**Kuldip Singh Dhingra**

Chairman

## Annexure A

### DISCLOSURE REGARDING EMPLOYEE STOCK OPTION PLAN PURSUANT TO THE SEBI (EMPLOYEE STOCK OPTION SCHEME AND EMPLOYEE STOCK PURCHASE SCHEME) GUIDELINES, 1999 and (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 as on 31st March, 2016

(A)	Number of Stock Options as on 01.04.2015 (The price of the Company’s shares have been changed to ₹ 1 from ₹ 2 per share in 2014-15, hence the opening balance of stock options have been doubled)			1,09,806 (ESOP Grant III) granted on 01.08.2012; 1,83,598 (ESOP Grant IV) granted on 01.08.2013; <b>2,93,404</b>	
B)	Options granted during the F.Y. 2015-16			Nil	
C)	Pricing formula			Use of Intrinsic Value [Exercise price for all the Grants @ ₹ 1 each (Face Value)]	
(D)	Number of options vested during the F.Y. 2015-16			1,08,416 (Out of ESOP Grant III) 90,628 (Out of ESOP Grant IV) <b>1,99,044</b>	
(E)	Number of options exercised during the F.Y. 2015-16 (The number of shares exercised have been doubled as the share price been changed from ₹ 2 to ₹ 1 in 2014-15)			1,06,192 (Out of ESOP Grant III) 87,600 (Out of ESOP Grant IV) <b>1,93,792</b>	
(F)	The total number of shares arising as a result of exercise of options			1,06,192 (Out of ESOP Grant III) 87,600 (Out of ESOP Grant IV) <b>1,93,792</b>	
G)	Number of Options lapsed during the F.Y. 2015-16			1,390 (Out of Grant III) 10,546 (Out of Grant IV) <b>11,936</b>	
(H)	Variation of terms of option			None during the year	
(I)	Money realized by exercise of options (In ₹)			1,93,792 (Only for shares allotted before March 31, 2016)	
(J)	Total number of options in force *Vested, but yet to be exercised # 1,172 Shares vested in August, 2015 yet to be exercised.			2,224 (Out of Grant III) * 85,452 (Out of Grant IV) # <b>87,676</b>	
(K)	Employee wise details of options granted to :-				
	(i)	Senior Management Personnel	Designation	No. of options granted in 2015-16	
		(a)	Mr. Abhijit Roy	Managing Director & CEO NIL	
		(b)	Mr. Srijit Dasgupta	Director - Finance & Chief Financial Officer NIL	
		(c)	Mr. Aniruddha Sen	Sr. Vice President & Company Secretary NIL	
	(ii)	Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during that year			None
	(iii)	Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant			None

(L)	Diluted Earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20 – ‘Earnings per share’	₹ 5.12
(M)	The Company has used intrinsic value method for calculating the employee compensation cost with respect to the stock options. All the options of Grant I and Grant II have been completely exercised. The intrinsic value for each ESOP works out to <b>₹ 137.45 for options granted on 01.08.2012 and ₹ 195.45 for options granted on 01.08.2013</b> . The fair value as on 31st March, 2016 of each ESOP is determined as follows -	
	a) ₹ 240.51 for options granted under Grant III and Grant IV for which the exercise period is from August, 2015 - July, 2018 (Vested on 01.08.2015) (Period of exercise left as on 31st March 2016 is 2.33 years)	
	b) ₹ 239.11 for options granted under Grant IV for which the vesting is yet to happen in August, 2016 and the maximum exercise period is 3.33 years.  Had the employee compensation cost for the ESOP been determined in a manner consistent with the fair value approach, the stock option compensation expense would have been higher by ₹ 0.40 Crores. Consequently, profit after tax would have been lower by ₹ 0.40 Crores. and the <b>Basic EPS</b> of the Company would have been <b>₹ 5.11</b> per share (lower by <b>₹ 0.01</b> per share).	—
(N)	Weighted average exercise price of the options granted during the year	Nil, as nothing has been granted
(O)	Weighted average fair value of the options granted during the year	None as nothing has been granted.
(P)	A description of the method and significant assumptions used during the year to estimate the fair value of options granted, including the following weighted average information :-  The Black Scholes Option Pricing Model for dividend paying stock has been used to compute the fair value of the options. The significant assumptions are :	—
	(i) risk free interest rate	7.46%
	(ii) expected life	For options vested on 01.08.2015 - 2.33 years For options yet to be vested -3.33 years
	(iii) expected volatility	24%
	(iv) expected dividend yield	0.61%
	(v) the price of the underlying share in market at the time of option grant (As per NSE)	₹ 138.70 (Grant-III) -31.07.2012 ₹ 205.45 (Grant IV) - 31.07.2013
	(vi) Time to Maturity as at 31st March, 2016	Grant III and Grant IV For options vested on 01.08.2015- 2.33 years Yet to be vested - 3.33 years

## Annexure 1

### FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i)	CIN	L51434WB1923PLC004793
ii)	Registration Date	17th December, 1923
iii)	Name of the Company	BERGER PAINTS INDIA LIMITED
iv)	Category / Sub-Category of the Company	Public Limited Company registered in India
v)	Address of the Registered Office	“BERGER HOUSE” 129, Park Street, Kolkata - 700 017
vi)	Contact Details -	a) Phone Nos. : 033-2229 9724/28 b) Fax No : 033-2227 7288 c) E-mail : <a href="mailto:consumerfeedback@bergerindia.com">consumerfeedback@bergerindia.com</a> d) Website : <a href="http://www.bergerpaints.com">www.bergerpaints.com</a>
vii)	Whether Listed company	Yes
viii)	Name, Address and contact details of Registrar & Transfer Agents (RTA) –	<b>M/s. CB Management Services (P) Ltd.</b> P-22, Bondel Road Kolkata - 700 019 Contact No. : 033-40116700, 40116725 Fax : 033-40116739 Email No.: <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10% or more of the total turnover of the Company are as under :-

Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
Manufacture of paints and varnishes, enamels or lacquers	20221	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary/ Associate	%ge of shares held	Applicable Section
1.	<b>U.K. Paints (India) Private Limited</b> 19, DDA Commercial Complex Kailash Colony Extension New Delhi - 110 048	U24222DL1979 PTC009659	Holding*	69.37*	2(46)
2.	<b>Berger Becker Coatings Private Limited</b> 19, DDA Commercial Complex Kailash Colony Extension New Delhi - 110 048	U74899DL1996 PTC082343	Associate	48.98	2(6)

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary/ Associate	%ge of shares held	Applicable Section
3.	<b>BNB Coatings India Private Limited</b> A-99/3, Okhla Industrial Estate Phase-II New Delhi – 110 020	U24100DL2007 FTC165043	Associate	49.00	2(6)
4.	<b>Beepee Coatings Private Limited</b> Plot No. 443, GIDC Estate Vithal Udyognagar, Kheda Gujarat – 388 121	U24110GJ1982PTC 005049	Subsidiary	100	2(87)(ii)
5.	<b>Berger Jenson &amp; Nicholson (Nepal) Private Limited</b> “Berger House” 492, Tikune, Koteshwor Kathmandu – 35, Nepal	N.A.	Subsidiary	100	2(87)(ii)
6.	<b>Berger Paints (Cyprus) Limited</b> Thasou 3, Dadlaw House P.C. 1520, Nicosia, Cyprus	N.A.	Subsidiary	100	2(87)(ii)
7.	<b>Lusako Trading Limited</b> Thasou 3, Dadlaw House P.C. 1520, Nicosia, Cyprus	N.A.	Subsidiary	100	2(87)(ii)

\* U.K. Paints (India) Private Ltd. exercises or controls 69.37% (i.e. more than one half) of the total share capital of Berger Paints India Limited alongwith its subsidiary companies namely :-

	<u>% holding</u>
a) U.K. Paints (India) Private Ltd.	48.63
b) Jenson & Nicholson (Asia) Ltd, U.K. [wholly owned subsidiary of, and nominee shareholder of, BJN Holdings (I) Limited (“BJN”). BJN is a wholly owned subsidiary of U. K. Paints Overseas Limited, which, in turn, is a wholly owned subsidiary of U. K. Paints (India) Pvt. Ltd.]	14.49
c) Wang Investment Finance Pvt. Ltd.	3.07
d) Citland Commercial Credits Ltd.	3.18
	<u>69.37</u>

#### Notes :

- 1) BJN Paints India Limited is a wholly owned subsidiary of Beepee Coatings Private Limited.
- 2) Bolix S.A., Poland is a wholly owned subsidiary of Lusako Trading Limited.  
Bolix UKRAINA sp. z o.o, Ukraine, BUILD-TRADE BIS sp. z o.o, Poland and Soltherm External Insulations Limited, UK are three subsidiaries of Bolix S.A., Poland.
- 3) Berger Paints Overseas Limited, Russia is a wholly owned subsidiary of Berger Paints (Cyprus) Limited.

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders			No. of Shares (Face Value of ₹ 1/-) held at the beginning of the year (01.04.2015)				No. of Shares (Face Value of ₹ 1/-) held at the end of the year (31.03.2016)				% change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>										
<b>1.</b>	<b>Indian</b>										
	a)	Individual/ HUF	33045616	–	33045616	4.77	33045616	0	33045616	4.77	0
	b)	Central Govt(s)									
	c)	State Govt(s)									
	d)	Bodies Corporate	386218590	0	386218590	55.71	386311794	0	386311794	55.70	(-)0.01
	e)	Banks/Financial Institution									
	f)	Other									
	<b>Sub-total (A)(1)</b>		419264206	0	419264206	60.48	419357410	0	419357410	60.47	(-)0.01
<b>2.</b>	<b>Foreign</b>										
	a)	NRIs - Individuals									
	b)	Other - Individuals									
	c)	Bodies Corporate	100469130	0	100469130	14.49	100469130	0	100469130	14.49	0.00
	d)	Banks / FI									
	e)	Any other									
	<b>Sub-total (A)(2)</b>		100469130	0	100469130	14.49	100469130	0	100469130	14.49	0.00
	<b>Total shareholding of Promoter &amp; Promoter Group (A)=(A)(1)+(A)(2)</b>		519733336	0	519733336	74.97	519826540	0	519826540	74.96	(-) 0.01
<b>B.</b>	<b>Public Shareholding</b>										
<b>1.</b>	<b>Institutions</b>										
	a)	Mutual Funds	3341284	13150	3354434	0.48	7701548	13150	7714698	1.11	(+) 0.63
	b)	Banks / Financial Institutions	141681	13632	155313	0.02	123332	13632	136964	0.02	0.00
	c)	Central Govt(s)									
	d)	State Govt(s)									
	e)	Venture Capital Funds									
	f)	Insurance Companies	11487066	0	11487066	1.66	10070172	0	10070172	1.45	(-) 0.21
	g)	Foreign Institutional Investors (FII)	68245970	0	68245970	9.84	54857034	0	54857034	7.91	(-)1.93
	h)	Foreign Venture Capital Funds									
	i)	Foreign Portfolio Investors	0	0	0	0	24063346	0	24063346	3.47	(+)3.47
	j)	Others (specify)									
	<b>Sub-total (B)(1)</b>		83216001	26782	83242783	12.00	96815432	26782	96842214	13.96	(+) 1.96

Category of Shareholders			No. of Shares (Face Value of ₹ 1/-) held at the beginning of the year (01.04.2015)				No. of Shares (Face Value of ₹ 1/-) held at the end of the year (31.03.2016)				% change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2.</b>	<b>Non-Institutions</b>										
	a)	Bodies Corporate									
	i)	Indian	26604084	107212	26711296	3.85	16715408	86962	16802370	2.42	(-) 1.43
	ii)	Overseas									
	b)	Individuals									
	i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	43579291	13349708	56928999	8.22	41737925	12098782	53836707	7.77	(+) 0.45
	ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1841585	0	1841585	0.27	1731996	0	1731996	0.25	(+) 0.02
	c)	Others (Specify)									
	1.	NRI	951952	310520	1262472	0.18	1084258	310520	1394778	0.20	(+) 0.02
	2.	Clearing Members	644957	0	644957	0.09	171633	0	171633	0.03	(-) 0.06
	3.	OCB									
	4.	Trusts	60528	8400	68928	0.01	66328	8400	74728	0.01	0.00
	5.	Foreign National	0	0	0	0	7008	0	7008	0.00	0.00
	6.	Unclaimed Suspense A/c	2849764	0	2849764	0.41	2789938	0	2789938	0.40	(-) 0.01
	<b>Sub-total (B)(2) :</b>		76532161	13775840	90308001	13.03	64304494	12504664	76809158	11.08	(-) 1.95
	<b>B. Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>		159748162	13802622	173550784	25.03	161119926	12531446	173651372	25.04	(+) 0.01
	<b>Total (A) + (B)</b>		679481498	13802622	693284120	100.00	680946466	12531446	693477912	100.00	0.00
	<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>		679481498	13802622	693284120	100.00	680946466	12531446	693477912	100.00	0.00

### (ii) Shareholding of Promoters

Sl No	Shareholding at the beginning of the year				No. of Shares held at the end of the year			
	Shareholder's Name	No of Shares (F.V. ₹ 1/-)	% of total Shares of Company	% of shares Pledged/en-cumbered to total shares	Shareholder's Name	No of Shares (F.V. ₹ 1/-)	% of total Shares of Company	% of shares Pledged/en-cumbered to total shares
1.	U.K. Paints (India) Private Limited	336797404	48.58	0	U.K. Paints (India) Private Limited	337255608	48.63	0
2.	Jenson & Nicholson (Asia) Limited, U.K.*	100469130	14.49	0	Jenson & Nicholson (Asia) Limited, U.K.*	100469130	14.49	0
3	Citland Commercial Credits Limited	22322614	3.22	0	Citland Commercial Credits Limited	22082614	3.18	0
4.	Wang Investment Finance Private Limited	21418272	3.09	0	Wang Investment Finance Private Limited	21293272	3.07	0
5.	Bigg Investment & Finance Private Limited	5680300	0.82	0	Bigg Investment & Finance Private Limited	5680300	0.82	0
6.	Meeta Dhingra	15929792	2.30	0	Meeta Dhingra	15929792	2.30	0
7.	Vinu Dhingra	14600894	2.11	0	Vinu Dhingra	14600894	2.11	0
8.	Gurbachan Singh Dhingra	1729920	0.25	0	Gurbachan Singh Dhingra	1729920	0.25	0
9.	Kuldip Singh Dhingra	214770	0.03	0	Kuldip Singh Dhingra	214770	0.03	0
10.	Yuvrani Rishma Kaur	179520	0.03	0	Yuvrani Rishma Kaur	179520	0.03	0
11.	Jessima Kumar	104640	0.02	0	Jessima Kumar	104640	0.02	0
12.	Dipti Dhingra	94080	0.01	0	Dipti Dhingra	94080	0.01	0
13.	Sunaina Kohli	76800	0.01	0	Sunaina Kohli	76800	0.01	0
14.	Anshna Sawhney	76800	0.01	0	Anshna Sawhney	76800	0.01	0
15.	Kanwardip Singh Dhingra	38400	0.00	0	Kanwardip Singh Dhingra	38400	0.00	0

\* wholly owned subsidiary of, and nominee shareholder of, BJN Holdings (I) Limited ("BJN"). BJN is a wholly owned subsidiary of U. K. Paints Overseas Limited, which, in turn, is a wholly owned subsidiary of U. K. Paints (India) Pvt. Ltd.

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares (F.V. ₹ 1/-)	% of total shares of the Company	No. of Shares (F.V. ₹ 1/-)	% of total shares of the Company
1.	U.K. Paints (India) Private Ltd.	336797404	48.58	337255608	48.63
2.	Jenson & Nicholson (Asia) Ltd., U.K.*	100469130	14.49	100469130	14.49
3.	Citland Commercial Credits Ltd.	22322614	3.22	22082614	3.18
4.	Wang Investment Finance Ltd.	21418272	3.09	21293272	3.07
5.	Bigg Investment & Finance Pvt. Ltd.	5680300	0.82	5680300	0.82
6.	Meeta Dhingra	15929792	2.30	15929792	2.30
7.	Vinu Dhingra	14600894	2.11	14600894	2.11
8.	Gurbachan Singh Dhingra	1729920	0.25	1729920	0.25
9.	Kuldip Singh Dhingra	214770	0.03	214770	0.03
10.	Yuvrani Rishma Kaur	179520	0.03	179520	0.03
11.	Jessima Kumar	104640	0.02	104640	0.02
12.	Dipti Dhingra	94080	0.01	94080	0.01
13.	Sunaina Kohli	76800	0.01	76800	0.01
14.	Anshna Sawhney	76800	0.01	76800	0.01

(iii) Change in Promoters' Shareholding (please specify, if there is no change) (Contd...)

Sl No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares (F.V. ₹ 1/-)	% of total shares of the Company	No. of Shares (F.V. ₹ 1/-)	% of total shares of the Company
15.	Kanwardip Singh Dhingra	38400	0.00	38400	0.00
	<b>TOTAL</b>	<b>519733336</b>	<b>74.97</b>	<b>519826540</b>	<b>74.96</b>

\* wholly owned subsidiary of, and nominee shareholder of, BJN Holdings (I) Limited ("BJN"). BJN is a wholly owned subsidiary of U. K. Paints Overseas Limited, which, in turn, is a wholly owned subsidiary of U. K. Paints (India) Pvt. Ltd.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl No	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	NALANDA INDIA FUND LIMITED						
	a) At the beginning of the year			36249576	5.23	36249576	5.23
	b) Changes during the year					No Change	
	c) At the end of the year					36249576	5.23
2.	THE NEW INDIA ASSURANCE COMPANY LIMITED						
	a) At the beginning of the year			7047632	1.02	7047632	1.02
	b) Changes during the year						
		<b>Date</b>	<b>Reason</b>				
		31/12/2015	Sale	40000	0.01	7007632	1.01
		01/01/2016	Sale	12913	0.00	6994719	1.01
		08/01/2016	Sale	63929	0.01	6930790	1.00
		15/01/2016	Sale	34608	0.00	6896182	0.99
		22/01/2016	Sale	35452	0.01	6860730	0.99
		29/01/2016	Sale	114500	0.02	6746230	0.97
		05/02/2016	Sale	85500	0.01	6660730	0.96
	c) At the end of the year					6660730	0.96
3	WASATCH EMERGING MARKETS SMALL CAP FUND						
	a) At the Beginning of the year			5376159	0.78	5376159	0.78
	b) Changes during the year						
		<b>Date</b>	<b>Reason</b>				
		10/04/2015	Sale	640156	0.09	4736003	0.68
		24/04/2015	Sale	569100	0.08	4166903	0.60
		08/05/2015	Sale	153945	0.02	4012958	0.58
		22/05/2015	Sale	172628	0.02	3840330	0.55
		29/05/2015	Sale	105272	0.02	3735058	0.54
		24/07/2015	Sale	91092	0.01	3643966	0.53
		27/07/2015	Sale	26192	0	3617774	0.52
		31/07/2015	Sale	91716	0.01	3526058	0.51
		21/08/2015	Sale	46967	0.01	3479091	0.50
		28/08/2015	Sale	235033	0.03	3244058	0.47

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) : (Contd....)

Sl No	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		30/09/2015	Sale	21969	0	3222089	0.46
		02/10/2015	Sale	47497	0.01	3174592	0.46
		09/10/2015	Sale	36278	0.01	3138314	0.45
		13/11/2015	Sale	57600	0.01	3080714	0.44
		18/12/2015	Sale	151500	0.02	2929214	0.42
		31/12/2015	Sale	101700	0.01	2827514	0.41
		08/01/2016	Sale	40300	0.01	2787214	0.40
		15/01/2016	Sale	61200	0.01	2726014	0.39
		05/02/2016	Sale	141459	0.02	2584555	0.37
		18/03/2016	Sale	65725	0.01	2518830	0.36
	c) At the end of the year					2518830	0.36
4.	SPAN INDIA PVT. LTD.						
	a) At the beginning of the year			4903244	0.71	4903244	0.71
	b) Changes during the year						
		Date	Reason				
		24/04/2015	Buy	20000	0.00	4923244	0.71
		01/05/2015	Buy	8993	0.00	4932237	0.71
		08/05/2015	Buy	3179	0.00	4935416	0.71
		15/05/2015	Buy	7000	0.00	4942416	0.71
		12/06/2015	Buy	12000	0.00	4954416	0.71
		19/06/2015	Buy	8500	0.00	4962916	0.72
		26/06/2015	Buy	8163	0.00	4971079	0.72
		28/08/2015	Buy	4000	0.00	4975079	0.72
		04/03/2016	Buy	2000	0.00	4977079	0.72
		31/03/2016	Sale	52911	0.01	4924168	0.71
	c) At the end of the year					4924168	0.71
5.	MONDRIAN EMERGING MARKETS SMALL CAP EQUITY FUND, L.P.						
	a) At the beginning of the year			4504307	0.65	4504307	0.65
	b) Changes during the year						
		Date	Reason				
		08/05/2015	Buy	216167	0.03	4720474	0.68
		15/05/2015	Buy	33394	0.00	4753868	0.69
		26/06/2015	Buy	137048	0.02	4890916	0.71
		30/06/2015	Buy	59461	0.01	4950377	0.71
		03/07/2015	Buy	81757	0.01	5032134	0.73
		10/07/2015	Buy	121101	0.02	5153235	0.74
		11/12/2015	Sale	106945	0.02	5046290	0.73
		18/12/2015	Sale	701129	0.10	4345161	0.63
		08/01/2016	Sale	158379	0.02	4186782	0.60
		15/01/2016	Sale	81658	0.01	4105124	0.59

Sl No	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	c) At the end of the year					4105124	0.59
6.	GENERAL INSURANCE CORPORATION OF INDIA						
	a) At the beginning of the year			3200000	0.46	3200000	0.46
	b) Changes during the year						
		<b>Date</b>	<b>Reason</b>				
		01/05/2015	Buy	30000	0.00	3230000	0.47
		08/05/2015	Buy	122663	0.02	3352663	0.48
		15/05/2015	Buy	147337	0.02	3500000	0.50
		19/06/2015	Buy	9386	0.00	3509386	0.51
		27/11/2015	Sale	38963	0.01	3470423	0.50
		04/12/2015	Sale	161037	0.02	3309386	0.48
		11/12/2015	Sale	33176	0.00	3276210	0.47
		18/12/2015	Sale	76210	0.01	3200000	0.46
		31/12/2015	Sale	150000	0.02	3050000	0.44
		15/01/2016	Sale	173915	0.03	2876085	0.41
		22/01/2016	Sale	26085	0.00	2850000	0.41
		29/01/2016	Sale	100000	0.01	2750000	0.40
		05/02/2016	Sale	25000	0.00	2725000	0.39
		12/02/2016	Sale	25000	0.00	2700000	0.39
	c) At the end of the year					2700000	0.39
7.	SPAN HOLDINGS PVT. LTD.						
	a) At the beginning of the year			2527502	0.36	2527502	0.36
	b) Changes during the year						
		<b>Date</b>	<b>Reason</b>				
		19/06/2015	Buy	12000	0.00	2539502	0.37
		28/08/2015	Buy	3000	0.00	2542502	0.37
		31/12/2015	Sale	13000	0.00	2529502	0.36
		12/02/2016	Sale	10100	0.00	2519402	0.36
	c) At the end of the year					2519402	0.36
8.	ONTARIO PENSION BOARD - MONDRIAN INVESTMENT PARTNERS LIMITED						
	a) At the beginning of the year			2193663	0.32	2193663	0.32
	b) Changes during the year						
		<b>Date</b>	<b>Reason</b>				
		26/06/2015	Buy	95214	0.01	2288877	0.33
		30/06/2015	Buy	46539	0.01	2335416	0.34
		03/07/2015	Buy	67561	0.01	2402977	0.35
		10/07/2015	Buy	82294	0.01	2485271	0.36
		11/12/2015	Sale	37017	0.01	2448254	0.35
		18/12/2015	Sale	350794	0.05	2097460	0.30
		08/01/2016	Sale	61960	0.01	2035500	0.29
		15/01/2016	Sale	59931	0.01	1975569	0.28
	c) At the end of the year					1975569	0.28

SI No	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9.	MATTHEWS ASIA SMALL COMPANIES FUND						
	a) At the beginning of the year			1970288	0.28	1970288	0.28
	b) Changes during the year						
		<b>Date</b>	<b>Reason</b>				
		10/04/2015	Buy	203741	0.03	2174029	0.31
		13/11/2015	Buy	28525	0.00	2202554	0.32
		31/12/2015	Sale	78039	0.01	2124515	0.31
		29/01/2016	Sale	117868	0.02	2006647	0.29
		12/02/2016	Sale	125611	0.02	1881036	0.27
	c) At the end of the year					1881036	0.27
10.	THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA INVESTMENT TRUST COMPANY						
	a) At the beginning of the year			1878389	0.27	1878389	0.27
	b) Changes during the year						
		<b>Date</b>	<b>Reason</b>				
		10/04/2015	Buy	40868	0.01	1919257	0.28
		17/04/2015	Buy	10055	0.01	1929312	0.28
		24/04/2015	Buy	40033	0.01	1969345	0.28
		01/05/2015	Buy	22491	0.00	1991836	0.29
		08/05/2015	Buy	20786	0.00	2012622	0.29
	c) At the end of the year					2012622	0.29

(v) Shareholding of Directors and Key Managerial Personnel (as on 31st March, 2016) :

SI No	For each of the Directors and KMP			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. Kuldip Singh Dhingra						
	a) At the Beginning of the Year			214770	0.03	214770	0.03
	b) Change during the Year						
	c) At the end of the Year					214770	0.03
2.	Mr. Gurbachan Singh Dhingra						
	a) At the Beginning of the Year			1729920	0.25	1729920	0.25
	b) Change during the Year						
	c) At the end of the Year					1729920	0.25

Sl No	For each of the Directors and KMP			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3.	Mr. Abhijit Roy						
	a) At the Beginning of the Year			38512	0.01	38512	0.01
	b) Change during the Year	Date	Reason				
		30/09/2015	ESOP exercise	6378	0.00	44890	0.01
	c) At the end of the Year					44890	0.01
4.	Mr. Srijit Dasgupta						
	a) At the Beginning of the Year			43330	0.01	43330	0.01
	b) Change during the Year	Date	Reason				
		30/09/2015	ESOP exercise	5676	0.00	49006	0.01
		19/02/2016	Transmission (inheritance)	9600	0.00	58606	0.01
	c) At the end of the Year					58606	0.01
5.	Mr. Kamal Ranjan Das						
	a) At the Beginning of the Year			66624	0.01	66624	0.01
	b) Change during the Year						
	c) At the end of the Year					66624	0.01
6.	Mr. Pulak Chandan Prasad						
	a) At the Beginning of the Year					Nil	
	b) At the end of the Year					Nil	
7.	Mr. Naresh Gujral						
	a) At the Beginning of the Year					Nil	
	b) At the end of the Year					Nil	
8.	Mr. Dharendra Swarup						
	a) At the Beginning of the Year					Nil	
	b) At the end of the Year					Nil	
9.	Mr. Gopal Krishna Pillai						
	a) At the Beginning of the Year					Nil	
	b) At the end of the Year					Nil	
10.	Mrs. Rishma Kaur						
	a) At the Beginning of the Year			179520	0.03	179520	0.03
	b) Change during the Year						
	c) At the end of the Year					179520	0.03
11.	Mr. Kanwardip Singh Dhingra						
	a) At the Beginning of the Year			38400	0.00	38400	0.00
	b) Change during the Year						
	c) At the end of the Year					38400	0.00

Sl No	For each of the Directors and KMP			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
12.	Mr. Aniruddha Sen						
	a) At the Beginning of the Year			21014	0.00	21014	0.00
	b) Change during the Year	<b>Date</b>	<b>Reason</b>				
		30/09/2015	ESOP exercise	3786	0.00	24800	0.00
	c) At the end of the Year					24800	0.00

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year i.e. on 01.04.2015</b>				
i) Principal Amount	213.08	75.41	—	288.49
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	0.26	—	0.26
<b>Total (i+ii+iii)</b>	<b>213.08</b>	<b>75.67</b>	<b>—</b>	<b>288.75</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition				
• Reduction				
Net Change	-151.84	-70.20	—	-222.04
<b>Indebtedness at the end of the Financial Year i.e. on 31.03.2016</b>				
i) Principal Amount	61.24	5.27	—	66.51
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	0.20	—	0.20
<b>Total ( i+ii+iii)</b>	<b>61.24</b>	<b>5.47</b>	<b>—</b>	<b>66.71</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Abhijit Roy (MD, CEO & KMP)	Mrs. Rishma Kaur (Director & National Business Development Manager, Retail)*	Mr. Kanwardip Singh Dhingra (Director & National Business Development Manager, Industrial)*	
1.	Gross Salary	(₹)	(₹)	(₹)	(₹)
	(a) Salary as per provision contained in section 17(1) of the Income-tax Act, 1961	48,40,320	11,23,340	11,23,340	70,87,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10,91,600	69,155	69,155	83,16,910
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	65,64,548	9,88,500	9,88,500	85,41,548
2.	Stock Option	14,49,879	—	—	14,49,879
3.	Sweat Equity	—	—	—	—
4.	Commission	26,35,520	—	—	26,35,520
	— as % of profit				
	— others, specify				
5.	Others, please	—	—	—	—
	Specify Total (A)	16,581,867	21,80,995	21,80,995	2,09,43,857
	Ceiling as per the Act				54,55,00,000

\* Mrs. Rishma Kaur and Mr. Kanwardip Singh Dhingra were appointed as Additional Directors till the day of 91st Annual General Meeting where they were appointed as regular Directors.

\*\* In terms of the prescribed Form, the salary is given as per the provisions of relevant sections of the Income Tax Act, 1961. The remuneration of the Directors as shown elsewhere in Directors' Report and Financial Statement, are determined in accordance with the relevant provisions of the Companies Act, 2013.

\*\*\* For remuneration of Key Managerial Personnel, Please see item C below.

### B. Remuneration to other directors :

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
1.	Independent Directors			Mr. Kamal Ranjan Das	Mr. Pulak Chandan Prasad	Mr. Dharendra Swarup	Mr. Gopal Krishna Pillai	Mr. Naresh Gujral	
	• Fee for attending Board / Committee Meetings			22,000	—	16,000	12,000	8,000	58,000
	• Commission			2,50,000	—	6,00,000	6,00,000	6,00,000	20,50,000
	• Others, please specify								
	<b>Total (1)</b>			2,72,000	—	6,16,000	6,12,000	6,08,000	21,08,000
2.	Other Non-Executive Directors	Mr. Kuldeep Singh Dhingra	Mr. Gurbachan Singh Dhingra						
	• Fee for attending Board / Committee Meetings	14,000	26,000						
	• Commission	10,00,000	10,00,000						
	• Others, please specify								
	<b>Total (2)</b>	10,14,000	10,26,000	—	—	—	—	—	20,40,000
	<b>Total (B)=(1+2)</b>	10,14,000	10,26,000	2,72,000	—	6,16,000	6,12,000	6,08,000	41,48,000
	<b>Total Managerial Remuneration</b>	10,14,000	10,26,000	2,72,000	—	6,16,000	6,12,000	6,08,000	41,48,000
	<b>Overall Ceiling as per the Act</b>								5,46,00,000

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB**

(in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Srijit Dasgupta (Director-Finance, CFO & KMP)	Mr. Aniruddha Sen (Senior Vice-President & Company Secretary & KMP)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50,75,000	22,24,080	72,99,080
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	68,41,000	3,67,610	72,08,610
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	30,38,750	41,10,050	71,48,800
2.	Stock Option	12,61,207	8,56,582	21,17,789
3.	Sweat Equity	–	–	–
4.	Commission – as % of profit – others, specify	10,00,000	–	–
5.	Others, please specify	–	–	–
	<b>Total</b>	<b>1,10,59,057</b>	<b>75,58,322</b>	<b>1,86,17,379</b>

\*\* In terms of the prescribed Form, the salary is given as per the provisions of relevant sections of the Income Tax Act, 1961. The remuneration of the Directors as shown elsewhere in Directors' Report and Financial Statement, are determined in accordance with the relevant provisions of the Companies Act, 2013.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NIL**

Type	Section of the Companies Act	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A.</b>	<b>COMPANY</b>					
	Penalty					
	Punishment					
	Compounding					
<b>B.</b>	<b>DIRECTORS</b>					
	Penalty					
	Punishment					
	Compounding					
<b>C.</b>	<b>OTHER OFFICERS IN DEFAULT</b>					
	Penalty					
	Punishment					
	Compounding					

## Annexure 2

### REPORT ON CSR ACTIVITIES/INITIATIVE

A brief outline of the Company's CSR Policy can be had from the following weblink - <https://www.bergerpaints.com/about-us/csr-policy.html>.

The Company has continued to pursue its CSR project during the year under review by imparting training to the unskilled and semi-skilled painters and has accordingly, opened up new "iTrain" centres for imparting training. The enthusiastic participation of the trainees in the programmes, which open up new areas of employment for some and enhance the skills of others, encourages the Company to open up new training centres in 2016-17 also.

The CSR Committee ("the Committee") comprises the following members:- Mr. Kuldip Singh Dhingra, Chairman of the Committee, Mr. Kamal Ranjan Das, Mr. Kanwardip Singh Dhingra, Mrs. Rishma Kaur, Mr. Abhijit Roy, Mr. Srijit Dasgupta, Mr. Anil Bhalla and Mr. Aniruddha Sen.

The Committee meets and passes resolutions by circulation to approve CSR projects and expenditures. At its last meeting, the Committee, *inter alia*, had decided to register with Directorate General of Training (DGT) and National Council for Vocational Training.

The current location and status of iTrain Centres are as under :

Sl. No.	iTrain Centre (as on 31st March 2016)	iTrain Centres (as on 31st March 2015)	Status
1	Delhi	Delhi	Operational
2	Kolkata	Kolkata	Operational
3	Jaipur	Jaipur	Operational
4	Kochi	Kochi	Operational
5	Ludhiana	Ludhiana	Operational
6	Surat	Surat	Operational
7	Pune	Pune	Operational
8	Lucknow	Lucknow	Operational
9	Vijaywada	Vijaywada	Operational
10	Ghaziabad	-	Operational
11	Bhubaneswar	-	Ready
12	Calicut	-	Ready
13	Tirunelveli	-	Operational
14	Patna	-	Ready
15	Guwahati	-	Ready
16	Trivandrum	-	Ready

So far, 7550 people have been trained and the feedback has been encouraging.

A CSR project titled "Rain Relief Program" was undertaken by the Puducherry factory of the Company in the form of distribution of rice bags to the affected families of the Pandasozhanallur village, Puducherry, near the Company's factory. The village was affected due to the devastating rains in the first week of December, 2015 in the state of Tamil Nadu. An amount of ₹ 1.10 lacs was spent on this flood relief program.

Average net profit of the Company for the last three years : ₹ 339.03 crores.

Prescribed CSR Expenditure (two percent of the average Net Profit for the last three years) : ₹ 6.78 crores

**Details of amount spent on CSR activities during the year 2015-2016 :**

Total amount to be spent for the financial year : ₹ 6.78 crores.

Amount Spent : ₹ 4.38 crores.

Amount unspent, if any : ₹ 2.4 crores

**Manner in which the amount was spent during the Financial Year is detailed below :-**

1	2	3	4	5	6	7	8
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area or other 2. Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub- heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
				( ₹ )	( ₹ )	( ₹ )	
	iTrain	Paint Industry	1) Delhi 2) Kolkata 3) Jaipur 4) Kochi 5) Ludhiana 6) Surat 7) Pune 8) Lucknow 9) Vijaywada 10) Ghaziabad 11) Bhubaneshwar 12) Calicut 13) Tirunelveli 14) Patna 15) Guwahati 16) Trivandrum	6.78 crores	1) Rent : 0.49 crores 2) Setup and launch cost : 1.48 crores 3) Manpower : 1.21 crores 4) Upkeep and Maintenance : 0.94 crores 5) Consumables : 0.12 crores 6) Communication & Mobilization : 0.05 crores 7) Miscellaneous : 0.09 crores	5.91 crores	N.A.
		<b>Total</b>		<b>6.78 crores</b>		<b>5.91 crores</b>	

**Details of implementing agency :** The Company carries out the CSR work itself till now.

**Reasons for failure to spend the two percent of the average net profits of the last three financial years :**

The CSR project of the Company is taking off. Cities and towns are being identified where iTrain classes can be set up, partners are being looked for jointly conducting CSR projects and professional training centres are being identified. Accordingly, the project will be in full swing in the coming years by which time, it is expected that the CSR expenditures will be taking place as per regulations. The CSR Committee states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Dated : 30th May, 2016

Sd /-  
Chairman, CSR Committee

Sd /-  
Managing Director & CEO

### Annexure 3

#### PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(g) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name	Designation/ Nature of Duties	Remuneration (₹)	Nature of employment (whether contractual or otherwise)	Qualification	Experience (years)	Date of commencement of employment in the Company	Age	Previous employment / Position held
A. EMPLOYED THROUGHOUT THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING ₹ 60,00,000/- OR MORE								
Mr. Abhijit Roy	Managing Director & CEO	1,80,74,435	–	BE (JU), MBA (IIM, Bangalore)	25	17.04.1996	50	L'OREAL India Ltd.
Mr. Srijit Dasgupta	Director- Finance & CFO	1,10,98,465	–	B.Sc. (Hons.), ACMA, CS (Passed Final Exam)	31	01.09.1988	54	Machinery Manufacturers Corporation Ltd.
Mr. Aniruddha Sen	Senior Vice President & Company Secretary	81,77,502	–	B.SC (Hons.), DIM, ICWA (Passed Final Exam), ACS	34	01.10.2004	56	Indian Aluminium Company, Limited
B. EMPLOYED FOR A PART OF THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING ₹ 5,00,000/- OR MORE PER MONTH - Nil								
C. EMPLOYED THROUGHOUT THE YEAR OR PART THEREOF AND IN RECEIPT OF REMUNERATION IN THE YEAR WHICH IN AGGREGATE IS IN EXCESS OF THAT DRAWN BY MANAGING DIRECTOR OR WHOLETIME DIRECTOR OR MANAGER – Nil								

#### Notes :

- Gross remuneration includes salary, commission, value of perquisites, medical benefits and Company's contribution to Provident, Superannuation and Gratuity Funds and market value of ESOPs granted. Without ESOP, the remuneration of Messrs Roy, Dasgupta and Sen are ₹ 1,66,24,556, ₹ 98,37,258 and ₹ 73,20,920 respectively.
- The employee does not hold by himself or alongwith his spouse and dependent children, 2% or more of the equity shares in the Company. None of them is a relative of any Director or Manager of the Company.



**Annexure 4**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31st March, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**M/s. Berger Paints India Limited**  
**Berger House,**  
**129, Park Street,**  
**Kolkata – 700 017**

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Berger Paints India Limited** (hereinafter called '**the company**') during the financial year ended 31st March, 2016. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. On the basis of aforesaid verification of the secretarial compliance and on the basis of secretarial audit of company's books, papers, minute books, forms and returns filed and other records maintained by the company, as shown to us during the said audit and also based on the information provided by the company, its officers, agents and authorized representatives during the conduct of the aforesaid secretarial audit, we hereby report that in our opinion and to the best of our understanding, the company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also the company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We further report that compliance with applicable laws is the responsibility of the company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the company nor a confirmation of efficient management by the company.
4. (I) We have examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Berger Paints India Limited** for the financial year ended on 31st March, 2016 according to the provisions of the following laws and as shown to us during our audit, as also referred in above paragraphs of this report;
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
  - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; {to the extent applicable to the company during the year under review};
    - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent as applicable.
    - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (II) We have also examined the secretarial compliance on test check basis of the records maintained by **M/s. Berger Paints India Limited** for the financial year ended on 31st March, 2016, with the provisions of the following laws specifically applicable to the company and as shown to us during our audit;
  - a) Factories Act, 1948,
  - b) Environment Protection Act, 1986,
  - c) Hazardous Wastes (Management & Handling) Rules, 1989, as amended,
  - d) The Patent Act, 1970,
  - e) The Trade Marks Act, 1999,
  - f) The Copyright Act, 1957.
- 5. We have also examined compliance with the applicable clauses of the following:
  - Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.
- 6. That on the basis of the audit as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraph 4(I), Paragraph 4(II) and Paragraph 5 of this report.
- 7. We have checked the compliance with the provisions of the Standard Listing Agreement entered by the Company with the following Stock Exchanges in India and also with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable during the period under review and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the secretarial functions and board processes to comply with the applicable provision thereof, during the aforesaid period under review.
  - i. Bombay Stock Exchange Limited (BSE)
  - ii. The National Stock Exchange of India Limited (NSE) and
  - iii. The Calcutta Stock Exchange Limited (CSE).
- 8. We further report that,
  - a) The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors of the Company during the period under review.
  - b) Adequate notices are given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.
  - c) Majority decision is carried through and recorded as part of the minutes.
- 9. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with laws, rules, regulations and guidelines, generally applicable to the company.
- 10. This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

For, **ANJAN KUMAR ROY & CO.**  
Company Secretaries  
**ANJAN KUMAR ROY**  
Proprietor  
FCS No. 5684  
CP. No. 4557

Place : Kolkata  
Date : 30th May, 2016



**"Annexure A"**

**(To the Secretarial Audit Report of M/s. Berger Paints India Limited  
for the financial year ended 31/03/2016)**

**To,  
The Members,  
M/s. Berger Paints India Limited  
Berger House,  
129, Park Street,  
Kolkata – 700 017**

Our Secretarial Audit Report for the financial year ended 31/03/2016 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is limited to expressing an opinion on existence of adequate board process and compliance management system, commensurate to the size of the company, based on the secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers and agents of the company during the said audit.
2. We have followed the audit practices and processes as were appropriate, to the best of our understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. and we have relied on such representation, in forming our opinion.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of compliance procedures on test basis. We would not be liable for any business decision or any consequences arising thereof, made on the basis of our report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the company.

For, **ANJAN KUMAR ROY & CO.**  
Company Secretaries  
**ANJAN KUMAR ROY**  
Proprietor  
FCS No. 5684  
CP. No. 4557

Place : Kolkata  
Date : 30th May, 2016

## **Annexure 5**

### **ANNEXURE TO DIRECTORS' REPORT PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014**

#### **A) CONSERVATION OF ENERGY :**

##### **1) The steps taken or impact on conservation of energy :**

- i. Installation of Capacitor Banks & Automatic Power Factor Controlling Panel for maintaining good Power Factor (Howrah, Rishra, Hindupur, Jejuri, Goa, Pondicherry, Jammu, VVN)
- ii. Usage of energy efficient Sand Mills in place of Ball Mills for Paint Production (Howrah, Rishra, Goa, Jammu, Pondicherry, VVN)
- iii. Usage of Speed control device - Variable Frequency Drives in Twin Shaft Dispersers, High Speed Dispersers, Mixing Tanks (Howrah, Rishra, Goa, Pondicherry, Jammu, VVN)
- iv. Controlling the running of the Cooling Tower Fans through temperature indicators installed at the Cooling Tower sumps (Jammu, VVN, Pondicherry, Hindupur)
- v. Usage of FRP Blades in place of Aluminium Blades in Cooling Tower Fans (Jammu, Rishra, Pondicherry, Goa, VVN)
- vi. Installation of VFD in Dust Extraction System to reduce the energy consumption by reducing the running RPM of the Dust Extraction fan as per requirement (Hindupur)

##### **2) Energy Conservation Measures for Plant & Township lighting and alternative energy usage :**

- i. Installation of Bio-briquette fired Thermic Fluid Heater in place of HSD fired Thermic Fluid Heater (Pondicherry)
- ii. Installation of energy efficient LED retrofit tube lights in place of high power consuming conventional tube lights (Howrah, Rishra, Goa, Pondicherry, VVN, Jammu)
- iii. Installation of energy efficient LED lighting fixtures in place of high power consuming conventional lighting fixtures for External lighting (Howrah, Rishra, Goa, Pondicherry, VVN, Jammu)
- iv. Installation of photo sensors for external lighting for auto switch on/off operation of the External lights (Hindupur, Rishra)
- v. Installation of Motion sensor based Indoor lighting system. (R&D – Howrah)
- vi. Installation of energy efficient Agitators in Mixing Tanks (Hindupur, Rishra, Goa, Jammu)
- vii. Installation of energy efficient Screw Compressors (Rishra, Howrah, Pondicherry, Jammu)
- viii. Installation of energy efficient multi-compressor Chilling Plants (Howrah, Rishra, Jammu)

##### **3) The Capital Investment of Energy Conservation Equipment :**

Total investment of ₹ 2.16 Crores made towards Energy Conservation equipment in the last FY 2015-16.

##### **Benefits derived as a result of the above efforts in the year 2015 :**

1. Reduction in Specific Power consumption along with Specific Fuel consumption and in turn reduction in manufacturing cost.
2. Increase in Productivity & Operational Efficiency.

#### **B) TECHNOLOGY ABSORPTION**

##### **I. Research and Development (R&D)**

##### **1) Specific areas in which R&D carried out by the Company :**

- Development of new products and upgradation of existing products
- Reformulation for cost optimization without compromising quality
- Development of environment friendly products
- Collaborative work with suppliers and academic institutes
- Development of new resins and Emulsions

## 2) Benefits derived as a result of the above R&D :

- Development of new decorative products
  - o Driveway paint
  - o Development for universal colorant
  - o Development of metallic shades in Enamel
  - o High durable exterior emulsion
  - o Fire retardant enamel
  - o Low VOC interior paints
- Development of products for business line — “Construction Chemicals”
  - o Weather coat roof guard
  - o Paving block admixture
  - o Semi rigid water proofing compound for portable water tank
- Development of new Automotive & General Industrial products
  - o High solid tapping clear
  - o High solid resin
  - o Conductive primer
  - o Extension of polyester based top coat product range
  - o TSA based mono coat for three wheeler
  - o PU matt finish for plastic component
- Development of new Powder Coating products
  - o Development of Low bake product range
  - o Development of Fast cure system
  - o PU based product ranges
- Development of new Protective Coating products
  - o DTM finish for multi metal substrate
  - o Wet surface epoxy for cooling tower
  - o Zinc free coating for refinery
- Development of Wood Coating products
  - o Easy Clean PU

## 3) Future Plan of action :

New products for retail, protective coatings and automotive and general industrial segments including premium emulsion, low VOC paints and water based systems in Industrial.

## 4) Expenditure on R&D :

	(₹ in Lacs)
Capital Expenditure	174.88
Recurring Expenditure	1,144.84
Total Expenditure	1,319.72
Total R&D expenditure as a percentage of total turnover	0.29%



## II. Technology Absorption, Adaptation and Innovation :

### (a) Efforts in brief, made, towards technology absorption, adaptation & innovation :

- New products for specific OEM customer through collaborators' technology.
- Products of Powder Coating offered to General Industrial & other specific customers through absorption of collaborators' technology.
- Technology development with scientific and education institutions in the country.

### (b) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

- Introduction of several new products in the area of Automotive, Powder Coating, Protective Coating & Architectural Coating.

### (c) Technology Imported during the last 5 years :

- None

Kolkata

Dated : 30th May, 2016

On behalf of the Board of Directors

**Kuldip Singh Dhingra**

Chairman

## ANNEXURE - B

### CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31st MARCH, 2016

In accordance with the provisions of Regulations 17 to 27, 46(2)(b) to (i) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the report containing the details of Corporate Governance at Berger Paints India Limited is as follows:

Corporate Governance provides that a Company is directed in such a way that it performs efficiently and effectively, keeping in view the long term interest of the stakeholders, while respecting laws and regulations of the land and contributing, as a responsible corporate citizen, to the national exchequers.

#### COMPANY'S PHILOSOPHY

BERGER PAINTS INDIA LIMITED believes that credibility vests in good Corporate Governance procedures which help maintain professional, transparent, ethical and perpetual business. It encourages all its stakeholders' co-operation and such co-operation is enhanced as your company adheres to the best governance practices.

#### BOARD OF DIRECTORS

The Board has an optimum combination of Executive and Non-Executive Directors.

The Board comprises 10 Directors of which, 3 are Executive Directors (2 of whom are related to Promoters), 2 are Non-Executive Promoter Directors and 5 are Non-Executive Independent Directors.

The Chairman of the Board is a Non-Executive Promoter Director. He is entitled to maintain an office in accordance with Regulation 27(1) read with Schedule-II (Part E) of the Listing Regulations. The Company reimburses the expenses incurred by the Chairman in the course of performance of his duties.

Pursuant to the Companies Act, 2013 ("the Act"), the terms of Independent Directors would extend to a period of 5 years from the date of appointment.

The name, designation, directorships and committee memberships held by them as on 31st March, 2016 in other companies are as follows:

Name of Director	Status/ Designation	Directorship in other Companies incorporated in India*	Membership/ Chairmanship across all other Companies in which acting as a Director		
			Committee	Chairmanship	Membership
Mr. KULDIP SINGH DHINGRA	NON-EXECUTIVE CHAIRMAN/ PROMOTER (NON-INDEPENDENT)	16	AUDIT CSR REMUNERATION	1 3 –	– – 1
Mr. GURBACHAN SINGH DHINGRA	NON-EXECUTIVE VICE CHAIRMAN/ PROMOTER (NON-INDEPENDENT)	20	AUDIT CSR REMUNERATION	– – –	1 2 1
Mr. ABHIJIT ROY	MANAGING DIRECTOR AND CEO (NON-INDEPENDENT)	5	NIL		
Mrs. RISHMA KAUR	DIRECTOR *(National Business Development Manager, Retail)/ EXECUTIVE (NON-INDEPENDENT, LADY DIRECTOR)	18	REMUNERATION	–	1
Mr. KANWARDIP SINGH DHINGRA	DIRECTOR* (National Business Development Manager, Industrial)/ EXECUTIVE (NON-INDEPENDENT)	15	REMUNERATION	–	1
Mr. DHIRENDRA SWARUP	NON-EXECUTIVE (INDEPENDENT)	5	AUDIT CSR REMUNERATION	3 1 1	1 1 2
Mr. GOPAL KRISHNA PILLAI	NON-EXECUTIVE (INDEPENDENT)	6	NIL		
Mr. NARESH GUJRAL	NON-EXECUTIVE (INDEPENDENT)	9	NIL		
Mr. PULAK CHANDAN PRASAD	NON-EXECUTIVE (INDEPENDENT)	2	NIL		
Mr. KAMAL RANJAN DAS	NON-EXECUTIVE (INDEPENDENT)	2	NIL		

\*(please refer notes)

**NOTES :**

- Includes directorships in private companies also but does not include body corporate incorporated outside India.
- Mr. Kuldip Singh Dhingra and Mr. Gurbachan Singh Dhingra are brothers.
- Mrs. Rishma Kaur is the daughter of Mr. Kuldip Singh Dhingra and Mr. Kanwardip Singh Dhingra is the son of Mr. Gurbachan Singh Dhingra.
- The status of Independence is as per the requirement of the provisions of the Act as well as the Listing Regulations.

As per Regulation 46(2)(b) of the Listing Regulations, the Company has issued formal letters of appointment to the Independent Directors. The weblink where the terms and conditions regarding the appointment of Independent Directors are posted can be accessed at <https://www.bergerpaints.com/about-us/standard-letter-of-appointment.html>.

**MEETINGS AND ATTENDANCE :**

Pursuant to Section 173(1) of the Act, six Board Meetings were held during the year 2015-16 and the intervention between the two consecutive meetings did not exceed one hundred and twenty days. The Board Meeting dates for a calendar year are usually finalized in the previous calendar year to provide sufficient advance notice.

Twelve Resolutions by circulation of the Board were passed during the financial year 2015-16 and the dates of the Board Meeting are as follows :

SL. NO.	DATE	NO. OF DIRECTORS PRESENT
1	16th & 17th April, 2015	9
2	29th May, 2015	8
3	3rd August, 2015	9
4	3rd November, 2015	9
5	4th February, 2016	10
6	30th March, 2016	4

The number of Board Meetings attended and the attendance of Directors at the last Annual General Meeting during the Financial Year 2015-16 are as mentioned below :

NAME OF DIRECTOR	NO. OF MEETINGS ATTENDED	ATTENDANCE AT THE AGM HELD ON 3RD AUGUST, 2015
Mr. KULDIP SINGH DHINGRA	6	✓
Mr. GURBACHAN SINGH DHINGRA	6	✓
Mr. ABHIJIT ROY	5	✓
Mrs. RISHMA KAUR	5	✓
Mr. KANWARDIP SINGH DHINGRA	4	✓
Mr. DHIRENDRA SWARUP	5	✓
Mr. GOPAL KRISHNA PILLAI	6	✓
Mr. PULAK CHANDAN PRASAD	4	✓
Mr. NARESH GUJRAL	4	✓
Mr. KAMAL RANJAN DAS	4	x

**NOTES :**

- Other than the Executive Directors, all Directors are entitled to a sitting fee of ₹ 2000/- for every Board Meeting and meetings of Committee thereof attended by them.
- Required quorum was present in all meetings.
- Compensation paid/payable to Non-Executive Directors is given under “Remuneration Policy” section of this report.
- The minutes of the subsidiary companies are placed before the Board except in the case of Berger Paints Overseas Limited, Russia, where such minutes are not required as per the laws of the land.

**MEETING OF INDEPENDENT DIRECTORS :**

As stipulated by the Code of Independent Directors under the Act and the Listing Regulations, a separate meeting of the Independent Directors at the Company was held on 4th February, 2016 to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties.

**FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS :**

The weblink where details of the Familiarisation Program imparted to Independent Directors can be viewed at: <https://www.bergerpaints.com/about-us/familiarization-program.html>.

**COMMITTEES OF DIRECTORS :****I. AUDIT COMMITTEE :**

The terms of reference of the Audit Committee cover the matters specified under Regulation 18 and Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

Roles & Responsibilities of the Audit Committee includes, inter alia, the following :

- Overseeing the Financial Reporting process.
- Disclosure of financial statements.
- Recommending appointment/removal of external Auditors and fixing their remuneration.
- Reviewing the quarterly and annual financial statements before submission to the Board.
- Reviewing the adequacy of the internal audit function including the structure and staffing of the internal audit department.
- Ensuring adequacy of the internal control system.
- Reviewing findings of internal investigations.
- Discussing the scope of audit with internal auditors.
- Reviewing the Company's financial and risk management policies, looking into reasons for substantial defaults, if any, of non-payment to stakeholders.
- Granting omnibus approval for any material related party transactions proposed to be entered by the Company under section 14 of the Companies (Amendment) Act, 2015.

**The Composition of the AUDIT COMMITTEE as on 31st March, 2016 is as follows :**

1. Mr. Dharendra Swarup - Chairman
2. Mr. Gurbachan Singh Dhingra
3. Mr. Pulak Prasad
4. Mr. Kamal Ranjan Das
5. Mr. Aniruddha Sen - Secretary.

One resolution by circulation of the Audit Committee was passed and four Audit Committee meetings were conducted during the year 2015-16 and the dates on which the same were held are as below :

SL. NO.	DATE OF MEETING
1.	29th May, 2015
2.	3rd August, 2015
3.	3rd November, 2015
4.	4th February, 2016

Number of meetings of the above Committee attended by the Directors during the financial year 2015-16 were as follows:

NAME OF DIRECTOR	POSITION	NO. OF MEETINGS ATTENDED
Mr. DHIRENDRA SWARUP	CHAIRMAN	3
Mr. GURBACHAN SINGH DHINGRA	MEMBER	4
Mr. PULAK CHANDAN PRASAD	MEMBER	3
Mr. KAMAL RANJAN DAS	MEMBER	3

**Notes :**

- The quorum for Independent Directors as required under Regulation 18(1)(b) of the Listing Regulations was complied with during the year.
- All the Directors attending the Audit Committee meetings are entitled to a sitting fee of Rs. 2000/- for every meeting attended by them.
- Invitees/ Participants :
  - Mr. Abhijit Roy, MD & CEO and Mr. Srijit Dasgupta, Director- Finance & CFO are permanent invitees to all Audit Committee meetings.
  - Head of the Internal Audit Department attends all the Audit Committee meetings as far as possible and briefs the Committee on all the points covered in the Internal Audit Report.
  - The representatives of the Statutory Auditors have attended the Audit Committee meetings held during the year.

**VIGIL MECHANISM :**

Pursuant to Section 178 of the Act and Regulation 22 of the Listing Regulations, your Company has established a Vigil Mechanism Policy. The Policy is as under:

Berger Paints India Limited (“Berger”) and its subsidiaries (collectively the “Company”) are committed to complying with the laws that apply to them, the Code of Conduct of the Company and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines and other penalties. Consequentially, and to promote ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company policies and applicable laws. Employees and Directors may raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this Policy (the “Policy” or the Whistle Blower Policy).

In case of any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct, an Employee or Director may report the same in the manner mentioned in this Policy. Such violations include, but are not limited to, accounting or financial reporting violations, fraud, misappropriation of money, discrimination or harassment based on gender, race, religion, language, etc., unlawful manipulations, insider trading, bribery, or violations of the anti-retaliation aspects of this Policy. Retaliation includes adverse actions, harassment or discrimination in employment relating to a report of a suspected violation.

Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action.

**How to Report :**

A report of suspected violation may be made either with name or anonymously to :  
[companysecretary@bergerindia.com](mailto:companysecretary@bergerindia.com)

or by sending a letter with name or an anonymous letter to the Company Secretary at :

Berger Paints India Limited  
 'Berger House'  
 129, Park Street  
 Kolkata – 700 017

with a copy of such an e-mail or letter may also be sent to [chairman@bergerindia.com](mailto:chairman@bergerindia.com).

If you have reason to believe that the Managing Director, the Director, Finance or the Company Secretary is involved in the suspected violation, your report may be made in sealed envelope to the Audit Committee of Berger Board of Directors (the "Audit Committee") at :

Chairman, Audit Committee  
Berger Paints India Limited  
'Berger House'  
129, Park Street  
Kolkata – 700 017

with copy to [chairman@bergerindia.com](mailto:chairman@bergerindia.com).

If you have any complaint against the Chairman of the Audit Committee or the member of the Audit Committee, your report may be made in sealed envelope to Chairman, Berger Paints India Limited, C/o. U K Paints India Limited, 19 DDA Commercial Complex, Kailash Colony Extn., New Delhi – 110 048. Such complaints may also be made by e-mail to [chairman@bergerindia.com](mailto:chairman@bergerindia.com).

A report should include maximum possible information about the suspected violation. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. The named reporting person may be contacted for further information.

#### **Investigations after Report**

All reports under this Policy will be promptly and appropriately investigated by a Committee of Managing Director, Director, Finance & Company Secretary or Chairman of the Audit Committee or the Chairman, as the case may be, with assistance of such other person, as they deem fit and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. An investigation will be a neutral fact finding process with evidence. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, will be the basis for disciplinary action. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company Policy. Result of an investigation will be communicated to the complainant and may be disclosed to employees/public. Summary of all reports and actions taken will be tabled at Audit Committee meetings.

#### **Retaliation is not Tolerated**

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation with basis under this Policy. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible.

#### **Confidentiality**

Employees and Directors will maintain confidentiality obligations. Reporting in accordance with this Policy does not tantamount to breach of confidentiality obligations.

#### **Malicious and unfounded allegations**

Employees and Directors are not to make malicious or unfounded allegations but may make allegations in good faith where there is reasonable ground of suspicion and basis.

#### **No protection from adverse action**

This Policy does not protect an employee from an adverse or a disciplinary action taken independent of any disclosure made pursuant to this Policy.

#### **Action in terms of other laws**

This Policy does not prevent a person or the Company from taking an action under any applicable law.

### Document Retention

All documents related to reporting, investigation and enforcement pursuant to this Policy may be retained by the Company.

### Modification

The Board of Directors of the Company can modify this Policy unilaterally at any time without notice.

## II. COMPENSATION AND NOMINATION AND REMUNERATION COMMITTEE :

The Compensation and Nomination and Remuneration Committee's ("the Remuneration Committee") constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Remuneration Committee fulfills the roles as laid out in the Companies Act, 2013 and as per role specified in Part D of Schedule II of the Listing Regulations.

**The composition of the Remuneration Committee as on 31st March, 2016 is as follows :**

1. Mr. Kamal Ranjan Das - Chairman
2. Mr. Kuldip Singh Dhingra
3. Mr. Pulak Chandan Prasad.

Three Resolutions by Circulation of the Remuneration Committee were passed and one Remuneration Committee meeting was convened during the financial year 2015-16.

Attendance of Directors of the above Committee during the financial year 2015-16 are as follows :

NAME OF DIRECTOR	STATUS	ATTENDANCE AT THE NOMINATION AND REMUNERATION COMMITTEE HELD ON 4TH FEBRUARY, 2016
Mr. KAMAL RANJAN DAS	CHAIRMAN	✓
Mr. KULDIP SINGH DHINGRA	MEMBER	✓
Mr. PULAK CHANDAN PRASAD	MEMBER	✓

Your Company had framed an Employee Stock Option Plan, pursuant to Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Purchase) Guidelines, 1999 for issuing equity shares of the Company to specific category of employees and Directors. This scheme was approved by the Board of Directors at its meeting held on 18th June, 2010 and was approved by Shareholders at the Annual General Meeting held on 29th July, 2010.

In accordance with the aforesaid scheme, the Remuneration Committee approved allotment of equity shares to the following persons upon exercise of their options granted to them in the years 2010, 2011, 2012 and 2013 respectively :

- 1) 4,230 shares of face value of ₹1/- each, on 24th April, 2015 to 3 employees.
- 2) 1,89,562 equity shares of face value of ₹1/- each, on 16th September, 2015 to 132 employees.

Further, in accordance with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, the Company also allotted shares to Key Managerial Personnel (KMPs) on 16th September, 2015, on their exercising the options earlier granted to them and the details of the allotments made are as follows :

NAME OF KMP	DESIGNATION	NO. OF EQUITY SHARES ALLOTTED
Mr. ABHIJIT ROY	MANAGING DIRECTOR & CEO	6,378 shares
Mr. SRIJIT DASGUPTA	DIRECTOR-FINANCE & CFO	5,676 shares
Mr. ANIRUDDHA SEN	SR. VICE PRESIDENT & COMPANY SECRETARY	3,786 shares

Fresh options pursuant to the ESOP scheme were not granted to any employee or Director during the year under review.

The Board has decided to seek approval of the shareholders of the Company in respect of Berger Paints India Limited Employee Stock Option Plan 2016 and for grant of Stock Options to the eligible employees / Directors of the Company and those of its Subsidiary Company(ies) at such time the Board or the Remuneration Committee deems fit. Since the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 have been replaced by SEBI (Share Based Employee Benefits) Regulations, 2014, as per legal opinion received by the Company, the Company will need fresh approval of the members of the Company. A special resolution for the aforesaid purpose is included in the notice for the forthcoming Annual General Meeting for your approval.

All the Directors attending the Remuneration Committee meetings are entitled to a sitting fee of ₹ 2000/- for every meeting attended by them.

Required quorum was present at the meetings of the Remuneration Committee.

#### PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS :

The Company follows the provisions of the Act and Listing Regulations in relation to Director's appointments, qualifications and independence.

Pursuant to Section 178(3) of the Act and Regulation 17(6) of Listing Regulations, the Remuneration Committee is entrusted with responsibility of formulating criteria for determining qualifications, positive attributes and independence of Independent Directors. This can be viewed at <https://www.bergerpaints.com/about-up/criteria-policy.html>.

#### REMUNERATION OF DIRECTORS :

The Remuneration Policy of the Company is given in the Report of the Directors and can be accessed at the following web link <https://www.bergerpaints.com/about-us/remuneration-policy.html>.

The remuneration of Directors is as under :

#### A. EXECUTIVE DIRECTORS

The details of the remuneration paid to the Executive Directors for the Financial Year 2015-16 are as follows :

DIRECTORS	Mr. ABHIJIT ROY (₹)	Mr. KANWARDIP SINGH DHINGRA* (₹)	Mrs. RISHMA KAUR* (₹)
<b>FIXED COMPONENTS :</b>			
CONSOLIDATED SALARY	1,07,78,820	18,18,360	18,18,360
COMPANY'S CONTRIBUTION TO PROVIDENT FUND, GRATUITY AND SUPERANNUATION FUND	13,06,886	1,39,485	1,39,485
ALLOWANCES AND ESTIMATED PERQUISITES IN KIND	14,57,250	86,055	1,00,465
<b>VARIABLE COMPONENT :</b>			
SEVERANCE FEES	—	—	—
COMMISSION	30,81,600	—	—
PERFORMANCE INCENTIVE	—	2,93,480	2,93,480
ESOP DETAILS	14,49,879	—	—
<b>TOTAL</b>	<b>1,80,74,435</b>	<b>23,37,380</b>	<b>23,51,790</b>

\*(please refer notes)

#### NOTES:

- Mrs. Rishma Kaur and Mr. Kanwardip Singh Dhingra were appointed as Directors as on the Annual General Meeting dated 3rd August, 2015.

## B. NON-EXECUTIVE DIRECTORS :

The Non-executive Directors are entitled to commission limited to one percent of the net profits of the Company, as approved by the shareholders at the Annual General Meeting held on 2nd August, 2012 subject to a maximum of Rupees One Crore every year, distributed among them based on the time devoted, advice rendered and expertise lent to the Company.

The details of the remuneration paid to the Non-Executive Directors for the Financial Year 2015-16 are as follows :

DIRECTORS	COMMISSION (₹)	SITTING FEES (₹)	TOTAL (₹)
Mr. KULDIP SINGH DHINGRA	10,00,000	14,000	10,14,000
Mr. GURBACHAN SINGH DHINGRA	10,00,000	26,000	10,26,000
Mr. KAMAL RANJAN DAS	2,50,000	22,000	2,72,000
Mr. NARESH GUJRAL	6,00,000	8,000	6,08,000
Mr. DHIRENDRA SWARUP	6,00,000	16,000	6,16,000
Mr. PULAK CHANDAN PRASAD	—	—	—
Mr. GOPAL KRISHNA PILLAI	6,00,000	12,000	6,12,000
<b>TOTAL</b>	<b>40,50,000</b>	<b>98,000</b>	<b>41,48,000</b>

Total number of equity shares of ₹1/- each held by Key Managerial Personnel (KMP) as on 31st March, 2016 are as follows :

NAME OF KMP	DESIGNATION	NUMBER OF EQUITY SHARES HELD
Mr. ABHIJIT ROY	MANAGING DIRECTOR & CEO	44,890
Mr. SRIJIT DASGUPTA	DIRECTOR- FINANCE & CFO	58,606
Mr. ANIRUDDHA SEN	SR. VICE PRESIDENT & COMPANY SECRETARY	24,800

## III. SHAREHOLDERS' COMMITTEE :

### A. SHARE TRANSFER COMMITTEE :

The Composition of Share Transfer Committee as on 31st March, 2016 is as follows :

- 1) Mr. Abhijit Roy – Chairman
- 2) Mr. Srijit Dasgupta
- 3) Mr. Kamal Ranjan Das
- 4) Mr. Aniruddha Sen.

Twenty-two resolutions by circulation of the Share Transfer Committee were passed and eleven Share Transfer Committee meetings were held during the financial year 2015-16 and the dates of the meetings were as follows :

SL. NO.	DATE OF MEETING
1.	30th April , 2015
2.	30th May, 2015
3.	30th June, 2015
4.	31st August, 2015
5.	30th September, 2015

SL. NO.	DATE OF MEETING
6.	31st October, 2015
7.	30th November, 2015
8.	31st December, 2015
9.	1st February, 2016
10.	29th February, 2016
11.	31st March, 2016

Number of meetings of the above Committee attended by the Directors during the financial year 2015-16 were as follows:

NAME OF DIRECTORS	STATUS	NO. OF MEETINGS ATTENDED
Mr. ABHIJIT ROY	CHAIRMAN	11
Mr. KAMAL RANJAN DAS	MEMBER	10
Mr. ANIRUDDHA SEN	MEMBER	11
Mr. SRIJIT DASGUPTA	MEMBER	11

#### B. STAKEHOLDERS' RELATIONSHIP AND INVESTOR GRIEVANCE COMMITTEE :

The Composition of Stakeholders' Relationship and Investor Grievance Committee as on 31st March, 2016 is as follows:

1. Mr. Kamal Ranjan Das - Chairman
2. Mr. Abhijit Roy
3. Mr. Gurbachan Singh Dhingra
4. Mr. Aniruddha Sen- Secretary.

Four Stakeholders' Relationship Committee meetings were held during the Financial Year 2015-16 and the dates were as follows :

SL. NO.	DATE OF MEETING
1.	16th April, 2015
2.	3rd August, 2015
3.	3rd November, 2015
4.	4th February, 2016

Number of meetings of the above Committee attended by the Directors during the financial year 2015-16 was as follows:

NAME OF DIRECTORS	STATUS	NO. OF MEETINGS ATTENDED
Mr. KAMAL RANJAN DAS	CHAIRMAN	3
Mr. ABHIJIT ROY	MEMBER	4
Mr. GURBACHAN SINGH DHINGRA	MEMBER	4

Mr. Aniruddha Sen, Senior Vice President and Company Secretary is acting as Compliance Officer of the Committee.

Required quorum was present for all the meetings of the Share Transfer Committee and Stakeholders' Relationship and Investor Grievance Committee.

#### SHAREHOLDERS' COMPLAINTS RECEIVED DURING THE YEAR :

- No. of Complaints received during the year : 5
- No. of Complaints resolved during the year : 5
- No. of Complaints not solved to the satisfaction of shareholders : NIL
- Pending Complaints as on 31st March, 2016 : NIL

#### IV. BUSINESS PROCESS AND RISK MANAGEMENT COMMITTEE :

The Board of Directors has defined the procedures, practices, roles and responsibilities of the said Committee and has delegated monitoring and reviewing of the Risk Management Plan and Policy to the Committee and such other functions as it has deemed fit.

**The Composition of Business Process and Risk Management Committee as on 31st March, 2016 is as follows :**

- 1) Mr. Gurbachan Singh Dhingra- Chairman
- 2) Mr. Kamal Ranjan Das
- 3) Mrs. Rishma Kaur
- 4) Mr. Kanwardip Singh Dhingra
- 5) Mr. Anil Bhalla
- 6) Mr. Subir Bose
- 7) Mr. Abhijit Roy
- 8) Mr. Srijit Dasgupta.

Three Business Process and Risk Management Committee meetings were convened during the financial year 2015-16 and the dates were as follows :

SL. NO.	DATE OF MEETING
1.	8th May, 2015
2.	28th August, 2015
3.	15th December, 2015

Number of meetings of the above Committee attended by the Directors / Members during the financial year 2015-16 were as follows :

NAME OF DIRECTORS	STATUS	NO. OF MEETINGS ATTENDED
Mr. GURBACHAN SINGH DHINGRA	CHAIRMAN	3
Mr. ANIL BHALLA	MEMBER	3
Mr. SUBIR BOSE	MEMBER	2
Mr. KAMAL RANJAN DAS	MEMBER	3
Mrs. RISHMA KAUR	MEMBER	3
Mr. KANWARDIP SINGH DHINGRA	MEMBER	3
Mr. SRIJIT DASGUPTA	MEMBER	3
Mr. ABHIJIT ROY	MEMBER	3

**V. CORPORATE SOCIAL RESPONSIBILITY :**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with Schedule VII of the Act, the Corporate Social Responsibility Committee had been framed.

**The Composition of Corporate Social Responsibility Committee as on 31st March, 2016 is as follows :**

1. Mr. Kuldip Singh Dhingra - Chairman
2. Mr. Abhijit Roy
3. Mr. Srijit Dasgupta
4. Mr. Anil Bhalla
5. Mr. Kamal Ranjan Das
6. Mr. Kanwardip Singh Dhingra
7. Mrs. Rishma Kaur
8. Mr. Aniruddha Sen.

One resolution by circulation of the Corporate Social Responsibility Committee was passed during the Financial Year 2015-16 and the Corporate Social Responsibility (CSR) Committee met on 1st December, 2015 to approve the CSR activities to be undertaken by the Company.

## VI. COMMITTEE OF DIRECTORS FOR REGULAR MATTERS :

Though not mandatory, the Committee was formed and reconstituted on 26th September, 2014 whose primary function is to grant approvals and authority to the employees of the Company to conduct routine business, such as opening/ closing of bank accounts, change in authorized signatories, authorization for appearance before court, tax authorities etc. which require immediate approval.

**The Composition of Committee of Directors for regular matters as on 31st March, 2016 is as follows :**

1. Mr. Kuldip Singh Dhingra – Chairman
2. Mr. Abhijit Roy
3. Mr. Kamal Ranjan Das
4. Mr. Aniruddha Sen – Secretary.

Twenty four meetings of the above Committee were convened during the financial year 2015-16 and the dates are as follows:

SL. NO.	DATE OF MEETING	SL. NO.	DATE OF MEETING	SL. NO.	DATE OF MEETING
1	16th April, 2015	9	17th August, 2015	17	16th December, 2015
2	30th April, 2015	10	31st August, 2015	18	4th January, 2016
3	16th May, 2015	11	16th September, 2015	19	15th January, 2016
4	29th May, 2015	12	30th September, 2015	20	4th February, 2016
5	16th June, 2015	13	16th October, 2015	21	15th February, 2016
6	30th June, 2015	14	3rd November, 2015	22	29th February, 2016
7	16th July, 2015	15	16th November, 2015	23	17th March, 2016
8	3rd August, 2015	16	30th November, 2015	24	31st March, 2016

Number of meetings of the above committee and the attendance thereat during the financial year 2015-16 were as follows :

NAME OF DIRECTORS	STATUS	NO. OF MEETINGS ATTENDED
Mr. KULDIP SINGH DHINGRA	CHAIRMAN	24
Mr. ABHIJIT ROY	MEMBER	23
Mr. KAMAL RANJAN DAS	MEMBER	19
Mr. ANIRUDDHA SEN	SECRETARY	24

## GENERAL BODY MEETINGS :

Date, time and venue of the last three Annual General Meetings are as follows :

FINANCIAL YEAR	VENUE	DATE	TIME	WHETHER SPECIAL RESOLUTION PASSED
2012-13	KALAMANDIR, 48, SHAKESPEARE SARANI, KOLKATA- 700 017	02.08.2013	11:00 am	YES
2013-14	KALAMANDIR, 48, SHAKESPEARE SARANI, KOLKATA- 700 017	01.08.2014	11:00 am	NO
2014-15	KALAMANDIR, 48, SHAKESPEARE SARANI, KOLKATA- 700 017	03.08.2015	11:00 am	YES

## DISCLOSURES :

- A. The Company has not entered into any materially significant related party transaction which would have potential conflict with the interests of the Company at large.
- B. The Company has complied with all the applicable requirements of the Listing Regulations.
- C. Whistle Blower Policy has been framed by the Company and no personnel has been denied access to the Audit Committee.
- D. The Company has complied with all the mandatory requirements of Regulation 27(2) of the Listing Regulations and the following non-mandatory requirement has been adopted by the Entity:
  1. **Non-executive Chairman's Office :** Chairman's office is separate from that of the Managing Director & CEO. He is entitled to maintain an office at the Company's expense and the Company reimburses the expenses incurred by the Chairman in the course of performance of his duties.
  2. **Separate posts of Chairman and CEO :** The Chairman of the Board is a Non-Executive Promoter Director and his position is separate from that of the Managing Director & CEO.
- E. The web link where policy for determining 'material' subsidiaries is disclosed and can be viewed at <https://www.bergerpaints.com/about-us/rpt-policy.html>.
- F. The web link where policy on dealing with related party transactions and can be viewed at <https://www.bergerpaints.com/about-us/rpt-policy.html>.
- G. The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements.
- H. No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

## DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE LISTING REGULATIONS :

The status of Compliance with discretionary recommendations of Regulation 27 of the Listing Regulations is provided below:

1. **Shareholders' Rights :** The quarterly and half yearly financial performance along with significant events are published in the news papers and are also posted on the Company's website.
2. **Modified opinion in Auditor's Report :** The Company's financial statement for the year ended 31st March, 2016 does not contain any modified audit opinion.

## MEANS OF COMMUNICATION :

- The Quarterly and Half – Yearly Financial Results of the Company are published in leading English and vernacular dailies namely, **Hindu Business Line, Business Standard, Mint, Ei Somoy, Dainik Statesman**. Such results are also uploaded in the Company's website: <http://www.bergerpaints.com/investors/quarterly-reports.html>.
- Any other such important announcements are published by the Company in leading English and Bengali dailies and also uploaded on the website.
- Since all the information are published in leading newspapers as well as displayed on the Company's website, hence no individual information to the shareholders are provided.
- Presentations made to Institutional Investors and Analysts are uploaded on the website: [www.bergerpaints.com](http://www.bergerpaints.com).

## CODE OF CONDUCT :

The Board has laid down a Code of Conduct for all the Board Members and senior management of the Company, and they have affirmed the same. The Code of Conduct includes all the applicable duties of Independent Directors as laid down in Schedule IV of the Companies Act, 2013. The Independent Directors shall be held liable only in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect to the provisions of the Listing Regulations.

The Code of Conduct has been uploaded on the Company's weblink: <https://www.bergerpaints.com/about-us/code-of-conduct-independent-directors.html>. The Certificate of affirmation in respect of compliance has been appended as a part of Corporate Governance Report.

#### PREVENTION OF INSIDER TRADING CODE :

As per Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. This can be viewed at <https://www.bergerpaints.com/about-us/code-of-practices-and-procedures-policy.html>.

As per Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Internal Procedures and Conduct for Prohibition of Insider Trading in dealing with the Securities of the Company. This can be viewed at <https://www.bergerpaints.com/about-us/code-of-internal-procedures-policy.html>.

#### NO. OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY THE NON-EXECUTIVE DIRECTORS :

The Company does not have any convertible instruments. Number of shares held by Non- Executive Directors as on 31st March, 2016 is given below :

SL. NO.	NAME OF NON-EXECUTIVE DIRECTORS	NUMBER OF SHARES HELD BY THEM
1.	Mr. KULDIP SINGH DHINGRA	2,14,770
2.	Mr. GURBACHAN SINGH DHINGRA	17,29,920
3.	Mr. KAMAL RANJAN DAS	66,624
4.	Mr. PULAK CHANDAN PRASAD	—
5.	Mr. DHIRENDRA SWARUP	—
6.	Mr. NARESH GUJRAL	—
7.	Mr. GOPAL KRISHNA PILLAI	—

Place : Kolkata

Dated : 30th May, 2016

On behalf of the Board of Directors

**Kuldip Singh Dhingra**

Chairman



**DECLARATION UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

As provided under Regulation 34(3) read with Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2016. The said Code of Conduct has also been uploaded by the Company in its website : [www.bergerpaints.com](http://www.bergerpaints.com).

Place : Kolkata

Dated : 30th May, 2016

**Abhijit Roy**

Managing Director & CEO

## ANNEXURE- C

[Annexure to Corporate Governance Report]

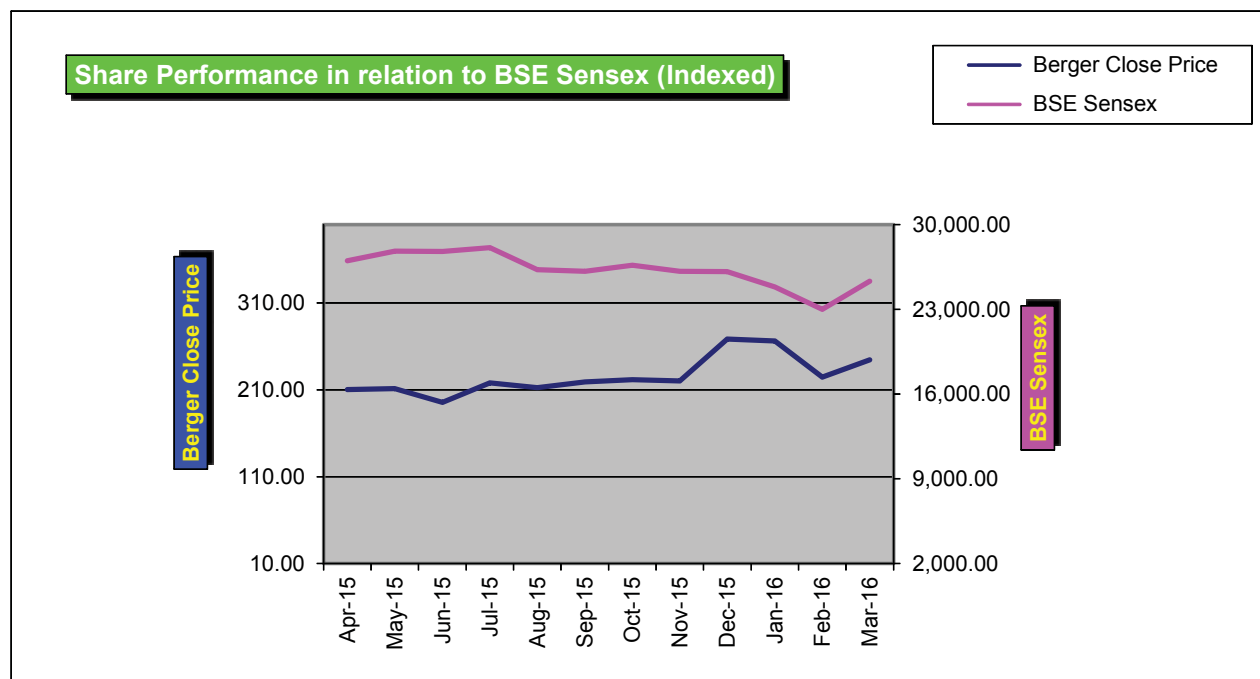
### GENERAL SHAREHOLDERS' INFORMATION

- ANNUAL GENERAL MEETING** : **DATE** - 3<sup>rd</sup> August, 2016.  
**TIME** - 11:00 AM.  
**VENUE** - Kalamandir, 48, Shakespeare Sarani, Kolkata- 700 017
- FINANCIAL YEAR** : The accounting year covers the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.  
**Financial Reporting for the quarters ending on :**  
30<sup>th</sup> June, 2016 (unaudited) --- By 14<sup>th</sup> August, 2016  
30<sup>th</sup> September, 2016 (unaudited) --- By 14<sup>th</sup> November, 2016  
31<sup>st</sup> December, 2016 (unaudited) --- By 14<sup>th</sup> February, 2017  
31<sup>st</sup> March, 2017 (audited) --- By 30<sup>th</sup> May, 2017  
[Note : The above dates are indicative in nature]
- BOOK CLOSURE DATES** : Book closure commences on 28.07.2016 and ends on 03.08.2016, both days inclusive.
- DIVIDEND PAYMENT DATE** : For interim dividend paid on 29<sup>th</sup> February, 2016, Record Date was 19<sup>th</sup> February, 2016. Final dividend will be paid on 29<sup>th</sup> August, 2016
- LISTING ON STOCK EXCHANGES** : **The shares of the Company are listed on the following Stock Exchanges:**
- **NATIONAL STOCK EXCHANGE (NSE)**  
National Stock Exchange of India Limited  
“Exchange Plaza”, 5<sup>th</sup> Floor, Plot no. C/1, G Block  
Bandra - Kurla Complex, Mumbai - 400 051.
  - **BOMBAY STOCK EXCHANGE (BSE)**  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.
  - **THE CALCUTTA STOCK EXCHANGE (CSE)**  
The Calcutta Stock Exchange Limited  
7, Lyons Range, Kolkata -700 001.
- DEPOSITORIES** : (a) The National Securities Depository Limited  
4<sup>th</sup> Floor, Trade World, Kamala Mill Compound  
Senapati Bapat Marg, Lower Parel,  
Mumbai - 400 013.  
(b) Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers, 17<sup>th</sup> Floor, Dalal Street  
Mumbai - 400 001.
- ISIN No.** : INE463A1038

### MARKET PRICE (HIGH/ LOW) AT BSE DURING EACH MONTH FOR THE FINANCIAL YEAR 2015-16 :

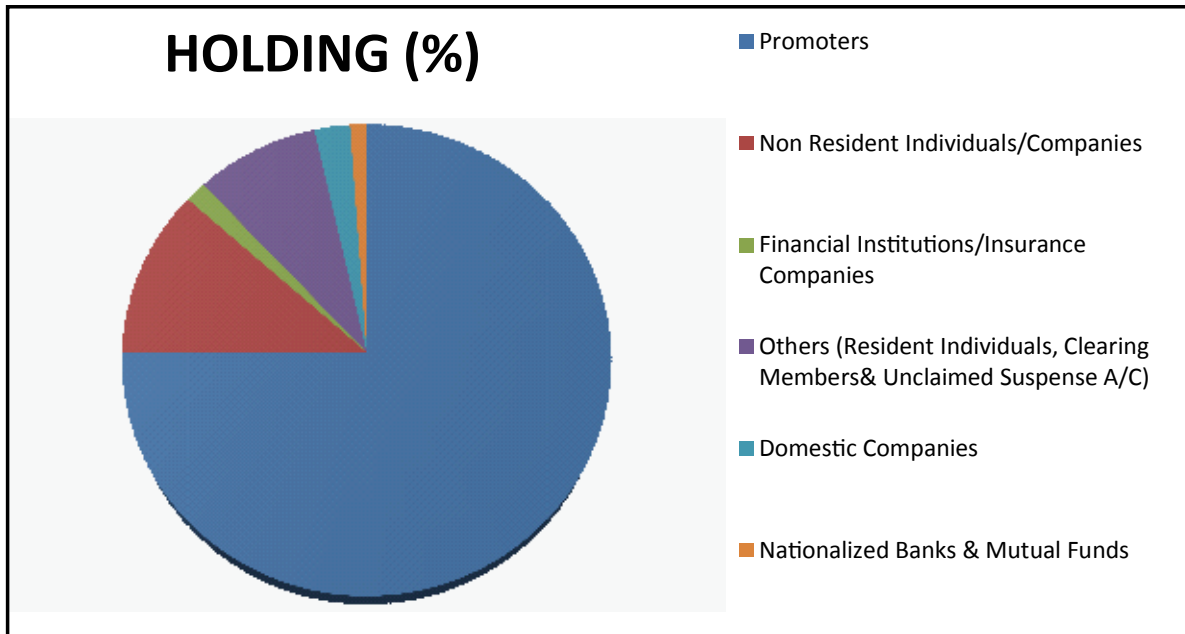
MONTH	HIGH(₹)	LOW(₹)
APRIL, 2015	232.00	201.00
MAY, 2015	218.90	203.20
JUNE, 2015	213.05	171.05
JULY, 2015	225.50	195.35
AUGUST, 2015	235.30	195.00
SEPTEMBER, 2015	226.00	208.65
OCTOBER, 2015	230.10	216.50
NOVEMBER, 2015	232.00	215.00
DECEMBER, 2015	270.85	214.00
JANUARY, 2016	276.80	241.00
FEBRUARY, 2016	283.50	220.15
MARCH, 2016	245.80	223.25

### SHARE PERFORMANCE IN RELATION TO BSE SENSEX :



## NUMBER OF SHAREHOLDERS AS ON 31st MARCH, 2016 : 52014

### SHAREHOLDING PATTERN AS ON 31st MARCH, 2016



Status	Holding (%)
Promoters	74.96
Non Resident Individuals/Companies	11.58
Financial Institutions/Insurance Companies	1.45
Others (Resident Individuals, Clearing Members & Unclaimed Suspense A/c)	8.45
Domestic Companies	2.43
Nationalized Banks & Mutual Funds	1.13
<b>TOTAL</b>	<b>100.00</b>

### DISTRIBUTION OF SHAREHOLDING AS AT 31st MARCH, 2016

SHARE HOLDING OF NOMINAL VALUE	SHARE AMOUNT		SHARE HOLDER	
₹	₹	% to total	NUMBER	% to total
1 – 5,000	2,34,12,232	3.38	49,174	94.54
5,001 – 10,000	1,21,68,546	1.75	1,566	3.01
10,001 – 20,000	1,08,31,926	1.56	792	1.52
20,001 – 30,000	49,90,345	0.72	201	0.39
30,001 – 40,000	25,50,041	0.37	72	0.14
40,001 – 50,000	18,96,079	0.27	42	0.08
50,001 – 1,00,000	37,25,112	0.54	55	0.11
1,00,001 & above	63,39,03,631	91.41	112	0.21
<b>TOTAL</b>	<b>69,34,77,912</b>	<b>100.00</b>	<b>52,014</b>	<b>100.00</b>

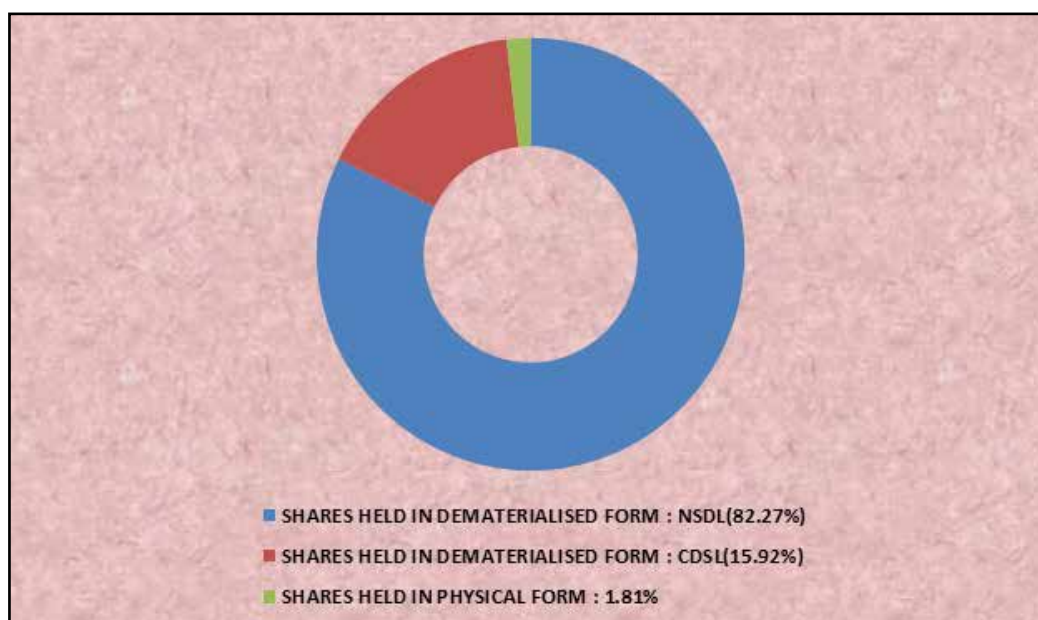
### SHARE TRANSFER SYSTEM :

Shares sent for physical transfer are effected within 10 working days of lodgement. Approval for registration of share transfer, transmission etc. is normally obtained from the Share Transfer Committee by means of circular resolutions/at meetings within every 10-11 days (if through circular resolutions) and once in every month (if through a meeting) . The total number of shares transferred in physical form during the year 2015-2016 were 4,56,230 as compared to 1,12,250 (73,838 shares of face value of ₹ 2/- each + 38,412 shares of face value of ₹1/-each during 2014-2015).

**DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON 31st MARCH, 2016 :** 98.19% of the Company's shares are held in electronic form.

**OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY :** There is no outstanding GDRs/ADRs/Warrants or convertible instruments.

### SHARES HELD IN PHYSICAL AND DEMATERIALIZATION MODE AS ON 31ST MARCH, 2016 :



### DIVIDEND HISTORY (LAST 10 YEARS)

FINANCIAL YEAR	DIVIDEND PER SHARE (₹)	TOTAL DIVIDEND (₹ IN CRORES)	DIVIDEND DISTRIBUTION TAX (₹ IN CRORES)	TOTAL DIVIDEND (INCLUDING DIVIDEND DISTRIBUTION TAX)
2015-16 (Interim)	0.65	45.08	9.18	54.26
2014-15 (Final)	0.65	45.06	9.17	54.23
2014-15 (Interim)	0.60	41.59	8.51	50.10
2013-14	2.20	76.23	12.95	89.18
2012-13	1.80	62.33	10.60	72.93
2011-12	1.40	48.46	7.86	56.32
2010-11	1.30	44.99	7.30	52.29
2009-10	1.10	38.07	6.32	44.39
2008-09	0.60	19.13	3.25	22.38
2007-08	0.50	15.94	2.71	18.65



## PLANT LOCATION (INCLUDING BRITISH PAINTS DIVISION)

### HOWRAH

14 & 15 Swarnamoyee Road  
Shibpur, Howrah – 711 103  
Phone : 033-2668 4706  
Fax : 033-2668 2956

### JAMMU

SIDCO Industrial Growth Centre  
Sambha, Distt. Jammu  
Jammu & Kashmir – 184 121  
Phone : 01923246451  
(\*includes British Paints Division)

### SURAJPUR

D-20, Site-B, Surajpur Industrial Area  
Greater Noida, Distt. Gautam Budh Nagar  
Phone : 0120-2560621, 2561321

### HINDUPUR

Plot No. 32 (PT)  
APIIC Industrial Park  
Gollapuram - 515 211, Hindupur  
Dist. : Anantapur, Andhra Pradesh

### SIKANDRABAD

38A, Industrial Area  
Bulandshar Road  
Sikandrabad (U.P.)  
Phone : 05735-224511/222249/222384

### GOA

316-317 Kundaim Industrial Estate  
Kundaim, North Goa  
Phone : 0832-239 5941/6212  
Fax : 0832-239 5663/ 239 5610

### JEJURI

Plot No. G-35, Additional Jejuri Industrial Area  
Tal- Purandar, Pune- 412 303  
Phone : 02115254816/17/18/19/20

### PUDUCHERRY

53-56 Pandasozhanallur Village  
Nettapakkam Commune  
Puducherry – 605 106  
Phone : 0413-269 9171

### RISHRA

103, G.T. Road  
Rishra, Hooghly- 712 248  
Phone : 033-2672 0640/41/42  
Fax: 033-2672 0491

### HINDUPUR

Plot No. 262, Industrial Growth Centre  
Thumukunta Village, Hindupur – 515 211  
Dist. : Anantapur, Andhra Pradesh  
Phone: 08556-297245

## REGISTRARS AND SHARE TRANSFER AGENTS AND ADDRESS FOR CORRESPONDENCE :

### M/s. CB Management Services ( P ) Ltd.

P-22 Bondel Road, Kolkata – 700 019  
Phone : 033- 4011 6700, 4011 6725  
Fax No. : 033-4011 6739  
E-mail : rta@cbmsl.com, dasg@cbmsl.com

**COMPLIANCE OFFICER : MR. ANIRUDDHA SEN**

## FOR QUERY RELATING TO YOUR SHAREHOLDING, PLEASE SEND YOUR QUERY/EMAIL AT :

### 1. BERGER PAINTS INDIA LIMITED

BERGER HOUSE, 129, PARK STREET, KOLKATA – 700 017  
PHONE : 033-2249 9754-58  
FAX NO. : 033-2227 7288  
EMAIL: consumerfeedback@bergerindia.com

### 2. M/s CB MANAGEMENT SERVICES (P) LTD. AT THE ABOVE ADDRESS

## MANDATORY REQUIREMENT OF PAN :

SEBI vide its circular dated 7th January, 2010 has made it mandatory to furnish PAN copy in the following cases:

1. Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholders;
2. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder.
3. Transposition of shares: In case of change in order of names in which physical shares are held jointly in the names of two or more shareholders.

# DISCLOSURES AS PER PARA F OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 :

As required by Regulation 34(3) read with Para F of Schedule V of the Listing Regulations, the details of Suspense Account are disclosed here :

SL. NO.	PARTICULARS	NO. OF SHAREHOLDER(S)	OUTSTANDING SHARES (FACE VALUE OF ₹1/-)
1.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year.	1,032	28,49,764
2.	Number of shareholders who approached issuer for transfer of shares from Suspense Account during the year.	10	59,826
3.	Number of shareholders to whom shares were transferred from Suspense Account during the year.	10	59,826
4.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year.	1,022	27,89,938

The voting rights on these shares under sl. no. (4) shall remain frozen till the rightful owner of such shares claims the shares.

Place : Kolkata

Dated : 30th May, 2016

On behalf of the Board of Directors

**Kuldip Singh Dhingra**

Chairman



## AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of Berger Paints India Limited

We have examined the compliance of conditions of corporate governance by **Berger Paints India Limited**, for the year ended on March 31, 2016, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchange(s).

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

**per Bhaswar Sarkar**

Partner

Membership No.: 55596

Place : Kolkata

Date : May 30, 2016

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

#### Report on the Financial Statements

We have audited the accompanying standalone financial statements of Berger Paints India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements –Refer Note 31 to the financial statements;
  - ii. The Company has long-term contracts including derivative contracts for which there were no material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

Place: Kolkata

Date : May 30, 2016

## ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

### TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of company's products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows :

Name of the statute	Nature of dues	Amount (Rs. in Crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944 and Service Tax	Excise Duty/Service Tax	11.84	1997-98, 1998-99, 2001-02 to 2015-16	Adjudicating Authority
		0.82	2005-06 to 2009-10, 2012-13, 2013-14	Commissioner of Central Excise (Appeals)
		11.36	1977-78, 1989-90, 1998-99, 2000-01, 2003-04 to 2009-10	Customs Excise Service Tax Appellate Tribunal (CESTAT)

Name of the statute	Nature of dues	Amount (Rs. in Crores)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Sales Tax	15.25	1996-97, 1999-00 to 2001-02, 2003-04 to 2006-07, 2008-09 to 2010-11	Appellate and Revisional Board
		30.04	1983-84, 1984-85, 1988-89, 1989-90, 1991-92 to 1993-94, 1995-96, 1996-97, 1998-99 to 2015-16	Appellate Authority
		2.37	1997-98 to 2003-04, 2007-08, 2009-10	Taxation Tribunal
		1.05	1994-95 to 1996-97, 2003-04, 2004-05, 2007-08	High Court
The Income Tax Act, 1961	Income Tax	14.01	2009-10 to 2011-12	Commissioner of Income Tax (Appeals)

- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. There were no outstanding debentures during the year.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that there were no monies raised by way of initial public offer / further public offer / debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi &amp; CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 55596

Place: Kolkata

Date : May 30, 2016

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BERGER PAINTS INDIA LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Berger Paints India Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Place: Kolkata

Date : May 30, 2016

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

## BALANCE SHEET AS AT 31ST MARCH, 2016

	Notes	31st March, 2016 ₹ Crores	31st March, 2015 ₹ Crores
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	69.35	69.33
Reserves and surplus	3	1,441.10	1,223.47
		<b>1,510.45</b>	<b>1,292.80</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	4	47.07	33.57
Other long term liabilities	5	4.21	3.71
		<b>51.28</b>	<b>37.28</b>
<b>Current liabilities</b>			
Short-term borrowings	6	66.51	288.49
Trade Payables			
-Total outstanding dues of micro, small and medium enterprises	7	3.93	2.05
-Total outstanding dues of creditors other than micro, small and medium enterprises		630.69	507.07
Other current liabilities	8	152.67	117.07
Short-term provisions	9	94.98	65.49
		<b>948.78</b>	<b>980.17</b>
<b>TOTAL</b>		<b>2,510.51</b>	<b>2,310.25</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	10	693.96	635.07
Intangible assets	10	8.93	12.57
Capital work-in-progress		48.77	87.51
		<b>751.66</b>	<b>735.15</b>
Non-current investments	11	115.22	109.26
Long-term loans and advances	12	73.70	43.81
Other non-current assets	13	0.14	0.14
		<b>940.72</b>	<b>888.36</b>
<b>Current assets</b>			
Current investments	14	299.17	134.49
Inventories	15	688.22	646.50
Trade Receivables	16	461.46	434.41
Cash and bank balances	17	62.81	141.15
Short term loans and advances	18	55.44	54.96
Other current assets	19	2.69	10.38
		<b>1,569.79</b>	<b>1,421.89</b>
<b>TOTAL</b>		<b>2,510.51</b>	<b>2,310.25</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

### For S.R. BATLIBOI & CO LLP

Firm Registration No. 301003E/E300005

Chartered Accountants

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

Place :Kolkata

Dated : 30th May, 2016

### On behalf of the Board of Directors

**Kuldip Singh Dhingra** - Chairman

**Gurbachan Singh Dhingra** - Vice - Chairman

**Abhijit Roy** - Managing Director & CEO

**Srijit Dasgupta** - Director - Finance & CFO

**Aniruddha Sen** - Sr. VP & Company Secretary



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

		For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Notes	₹ Crores	₹ Crores
<b>INCOME</b>			
Revenue from operations (Gross)	20	4,580.72	4,212.94
Less: Excise Duty		(448.10)	(406.43)
<b>Revenue from operations (Net)</b>		<b>4,132.62</b>	<b>3,806.51</b>
Other Income	21	34.69	34.19
<b>Total Revenue</b>		<b>4,167.31</b>	<b>3,840.70</b>
<b>EXPENSES</b>			
Cost of raw materials and components consumed	22	1,926.56	1,923.23
Purchases of Stock-in-Trade	23	385.08	327.64
(Increase)/Decrease in inventories of finished goods, work-in-process and stock-in-trade	24	(24.00)	(24.73)
Employee benefits expense	25	204.43	178.21
Finance costs	26	17.20	34.72
Depreciation and amortization expense	27	87.97	78.62
Other expenses	28	1,033.08	926.76
<b>Total Expenses</b>		<b>3,630.32</b>	<b>3,444.45</b>
<b>Profit Before Tax</b>		<b>536.99</b>	<b>396.25</b>
Tax expenses			
Current Tax			
- Pertaining to profit for the current year		172.00	121.62
- Adjustment of tax in respect of earlier years		(3.38)	-
Deferred tax	29	13.50	8.60
<b>Profit After Tax for the year</b>		<b>354.87</b>	<b>266.03</b>
Earnings per equity share ( nominal value of share : ₹ 1 [PY : ₹ 1] )	30		
Basic : (₹)		5.12	3.84
Diluted : (₹)		5.12	3.84

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

**For S.R. BATLIBOI & CO LLP**  
Firm Registration No. 301003E/E300005  
Chartered Accountants

per **Bhaswar Sarkar**  
Partner  
Membership Number: 55596  
Place : Kolkata  
Dated : 30th May, 2016

**On behalf of the Board of Directors**

**Kuldip Singh Dhingra** - Chairman  
**Gurbachan Singh Dhingra** - Vice - Chairman  
**Abhijit Roy** - Managing Director & CEO  
**Srijit Dasgupta** - Director - Finance & CFO  
**Aniruddha Sen** - Sr. VP & Company Secretary

## NOTES FORMING PART OF FINANCIAL STATEMENTS :-

### i) Corporate information

Berger Paints India Limited ('BPIL' or 'Company') is a public Company domiciled in India. Its shares are listed on three stock exchanges in India. The Company is engaged in the manufacturing and selling of paints. The Company caters primarily to domestic market.

### ii) Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the assets mentioned below which were revalued during 1985-1993 and are carried at revalued amounts.

Asset Type	Year of Revaluation
Freehold Building	1985
Leasehold Land, Freehold Building	1989
Freehold Land, Freehold Building	1993

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. Starting from 1st April, 2016, IND AS Accounting Standards, as prescribed by the Ministry of Corporate Affairs, have become applicable to the Company and the Accounting Policies would undergo necessary changes.

## 1 Statement of Significant Accounting Policies

### a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### b) Current and Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (which has been defined to be twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

### c) Fixed Assets and Depreciation / Amortization

- Fixed Assets are carried at cost of acquisition, except in the case of certain Land and Freehold Buildings which are carried at revalued figures (based on valuation by an external valuer) on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Before 1990, the Company revalued all its land and buildings. These land and buildings are carried at fair value on the revaluation date less accumulated depreciation and impairment losses, if any, recognized after the date of the revaluation. In case of revaluation of fixed assets, any revaluation surplus is credited to the Revaluation Reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the Statement of Profit and Loss, in which case the increase is recognized in the Statement of Profit and Loss. A revaluation deficit is recognized in the Statement of Profit and Loss, except to the extent that it offsets a surplus on the same asset previously recognized in the Revaluation Reserve.

## NOTES FORMING PART OF FINANCIAL STATEMENTS :-

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance and useful life. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The Company has carried out a detailed technical evaluation of existing plant and machinery to identify components that may have a useful life significantly different from the main plant / equipment. Based on such evaluation, no component of material carrying value and useful life significantly different from those of the main plant / equipment have been identified.

### ii) Depreciation

Depreciation is provided on Straight Line Method over the useful lives of fixed assets as estimated by management. Pursuant to Notification of Schedule II of the Companies Act, 2013, depreciation is provided prorata basis on straight line method at the rates determined based on estimated useful lives of tangible assets where applicable, prescribed under Schedule II to the Companies Act, 2013, with the exception of the following items for which useful lives as estimated by management based on technical evaluation are different from those specified in aforesaid Schedule II.

Plant and Machinery : 9.67 years to 21.05 Years

Motor Vehicles : 6.67 years

Tinting Machines - based on estimated useful life of 60 months

No depreciation is provided on Freehold Land.

Leasehold Land and Building is amortized on a straight line basis over the tenure of respective leases.

iii) Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful lives ranging from 3 to 5 years. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and are charged to Statement of Profit and Loss for the year during which such expenditure is incurred.

iv) Impairment losses, if any, are recognised as an expense in the Statement of Profit and Loss. The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

### d) Government grants and subsidies

Grants and subsidies from the Government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as a reduction to the cost of the asset.

## NOTES FORMING PART OF FINANCIAL STATEMENTS :-

### e) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are valued at lower of cost and fair value determined on an individual investment basis. Long term investments are stated at cost unless there is a diminution, other than temporary, in value of such investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### f) Inventories

Finished goods and Work-in-process are stated at lower of cost and estimated net realisable value. Cost of inventories constitutes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Raw materials, components, stores and spares are valued at lower of cost and estimated net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Provision is recognised for damaged, defective or obsolete stocks where necessary. Cost of all inventories is determined using weighted average method of valuation.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### g) Foreign Currency Translation

*Foreign currency transactions and balances :*

#### (i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate difference between the reporting currency and the foreign currency at the date of the transaction.

#### (ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### (iii) Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expenses in the period in which they arise.

#### (iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

**NOTES FORMING PART OF FINANCIAL STATEMENTS :-****h) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

*Sale of goods*

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, on delivery of the goods or as per buyer's instruction. The Company collects sales taxes and value added taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. Sales returns are recognised as and when they occur.

*Income from services*

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered.

*Interest Income*

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

**i) Employee Benefits***Defined benefit plans*

Provident Fund benefits are received by a majority of eligible employees from a trust administered by the Company as per the provisions of Employees' Provident Fund and Misc. Provisions Act, 1952. Both the Company and the employees contribute to the trust in accordance with the provisions of the Act. The Company's obligations in respect of any shortfall in interest payable to employees is actuarially determined and recognised in the Statement of Profit and Loss.

Retirement Gratuity for employees, is funded through a scheme of Life Insurance Corporation of India. The costs of providing benefits under this plan are determined on the basis of actuarial valuation using the projected unit credit method at each year-end. Actuarial gains and losses are recognized in full in the period in which they occur in the Statement of Profit and Loss. The excess / shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain / loss in the Statement of Profit and Loss.

The Company treats accumulated leave to the extent such leave are carried forward as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents its related obligation as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement of related obligations beyond 12 months, the same is presented as non-current liability.

*Defined contribution plan*

Provident fund contributions for another category of employees are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Misc. Provisions Act, 1952 and are charged to the Statement of Profit and Loss as and when services are rendered by employees.

Contribution made to Superannuation Fund for certain category of employees are recognized in the Statement of Profit and Loss as and when services are rendered.

**j) Borrowing Costs**

Borrowing costs charged to the Statement of Profit and Loss include interest and discounts on short and long term borrowings. Borrowing costs attributable to qualifying assets, incurred upto the date of commencement of commercial production if any, are capitalised as cost of the assets.

**NOTES FORMING PART OF FINANCIAL STATEMENTS :-****k) Employee Stock Option Scheme**

Stock options granted to employees are accounted for as per the intrinsic value method and complies with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The difference between exercise price and intrinsic valuation is recognised as cost on straight line basis over vesting period.

**l) Research and Development**

Fixed Assets acquired for Research & Development are capitalized. Revenue expenditure on Research & Development is charged to Statement of Profit and Loss in the year in which it is incurred.

**m) Leases**

*Where the Company is lessee*

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

*Where the Company is the lessor*

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

**n) Segment reporting**

Based on the synergies, risks and returns associated with business operations and in terms of Accounting Standard - 17, the Company is engaged in business of paints and allied products. The analysis of geographical segments is based on the areas in which customers of Company are located.

**o) Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961, enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right

**NOTES FORMING PART OF FINANCIAL STATEMENTS :-**

exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

**p) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**q) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**r) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a probable obligation that cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**s) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 2 SHARE CAPITAL

#### Authorised :

75,00,00,000 Equity Shares of ₹ 1 each

(2014-15 : 75,00,00,000 Equity Shares of ₹ 1 each)

#### Issued :

69,35,69,392 Equity Shares of ₹ 1 each

(2014-15 : 69,33,75,600 Equity Shares of ₹ 1 each)

#### Subscribed and paid-up :

69,34,77,912 Equity Shares of ₹ 1 each

(2014-15 : 69,32,84,120 Equity Shares of ₹ 1 each)

**31st March, 2016**
**₹ Crores**
**31st March, 2015**
**₹ Crores**

75.00

75.00

69.36

69.34

69.35

69.33

**69.35**
**69.33**

#### a) Reconciliation of the number of shares and the amount of share capital :

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	No. of Shares	Amount (₹ Crores)	No. of Shares	Amount (₹ Crores)
Balance as at 1st April	69,32,84,120	69.33	69,29,62,634	69.30
Add: Shares issued on exercise of employee stock options	1,93,792	0.02	3,21,486	0.03
Balance as at 31st March	69,34,77,912	69.35	69,32,84,120	69.33

#### Details of shareholders having more than 5% of holding :

Name of the shareholders	31st March, 2016		31st March, 2015	
	No. of Shares	% Holding	No. of Shares	% Holding
U K Paints (India) Private Limited (Holding Company)	33,72,55,608	48.63	33,67,97,404	48.58
Jenson & Nicholson (Asia) Limited, UK	10,04,69,130	14.49	10,04,69,130	14.49
Nalanda India Fund Limited	3,62,49,576	5.23	3,62,49,576	5.23

- b) As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### c) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March, 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.65 (31 March, 2015 : ₹ 1.25).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer Note 46.

### NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>3 RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>	<b>0.02</b>	<b>0.02</b>
<b>Capital Redemption Reserve</b>	<b>0.04</b>	<b>0.04</b>
<b>Securities Premium Account</b>		
<b>Balance as at 1st April</b>	135.91	133.64
Add : On exercise of employee stock options	1.59	2.27
<b>Balance as at 31st March</b>	<b>137.50</b>	<b>135.91</b>
<b>Revaluation Reserve</b>	<b>0.83</b>	<b>0.83</b>
<b>Employee Stock Options Outstanding #</b>		
Options granted upto 1st April	2.55	5.21
Add: Compensation options granted during the year	-	-
Less: Deferred Employee Compensation	(0.02)	(0.62)
Less: Transferred to Securities Premium on exercise of stock options	(1.59)	(2.27)
Less: Forfeited / Lapsed	(0.11)	(0.39)
<b>Balance as at 31st March</b>	<b>0.83</b>	<b>1.93</b>
# Refer Note 46.		
<b>General Reserve</b>		
<b>Balance as at 1st April</b>	290.61	292.57
Less: Depreciation adjustment ₹ Nil	-	(1.96)
(31st March, 2015 - net of deferred tax of ₹ 1.04 crores) Refer Note 10		
<b>Balance as at 31st March</b>	<b>290.61</b>	<b>290.61</b>
<b>Surplus in the Statement of Profit and Loss</b>		
<b>Balance as at 1st April</b>	794.13	632.45
Add: Net profit for the year	354.87	266.03
Amount available for Appropriation	1,149.00	898.48
Less: Appropriations :		
Proposed Final Dividend	(69.35)	(45.06)
Tax on proposed Dividend	(14.12)	(9.17)
Interim Dividend	(45.08)	(41.60)
Tax on Interim Dividend	(9.18)	(8.52)
<b>Balance as at 31st March</b>	<b>1,011.27</b>	<b>794.13</b>
	<b>1,441.10</b>	<b>1,223.47</b>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>4 DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Liabilities		
Difference between WDV of fixed assets as per books of accounts and for tax purposes	44.05	34.61
Expense claimed for tax purpose on payment basis	4.08	—
	<u>48.13</u>	<u>34.61</u>
Deferred Tax Assets		
On expenses allowable against taxable income in future years	1.06	1.04
	<u>1.06</u>	<u>1.04</u>
Deferred Tax Liability (net)	<u>47.07</u>	<u>33.57</u>
<b>5 OTHER LONG-TERM LIABILITIES</b>		
Deposits	3.35	2.97
Other payables	0.86	0.74
	<u>4.21</u>	<u>3.71</u>
<b>6 SHORT-TERM BORROWINGS</b>		
<u>Secured</u>		
Cash credit from banks	61.24	213.08
<u>Unsecured</u>		
Import finance from banks - Buyer's Credit	5.27	75.41
	<u>66.51</u>	<u>288.49</u>

Cash Credits from banks are secured by way of first charge on book debts and current assets (first pari passu charge over entire current assets)

Cash credit is repayable on demand and carries interest @ 8%-13% per annum (31st March, 2015 @ 8.5%-14.5%)

The buyers' credit is repayable in 6 months and carries interest @ LIBOR + 0.25 % (31st March, 2015 : LIBOR + 0.45%) and is secured by hypothecation of Stocks and book debts, both present and future.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>7 TRADE PAYABLES FOR GOODS AND SERVICES</b>		
Total outstanding dues of micro and small enterprises - (Refer Note 33)	3.93	2.05
Total outstanding dues of creditors other than micro and small enterprises	482.30	384.29
Acceptances	148.39	122.78
	<u><b>634.62</b></u>	<u><b>509.12</b></u>

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>8 OTHER CURRENT LIABILITIES</b>		
Interest accrued but not due on borrowings	0.20	0.26
Unpaid Dividends ( To be credited to Investor Education and Protection Fund as and when due)	4.23	3.72
Advances from customers	9.97	10.09
Capital creditors	16.58	14.79
Statutory liabilities	58.15	50.72
Accrued employee liabilities	26.25	9.32
Deposits	27.72	21.58
Other liabilities	9.57	6.59
	<u><b>152.67</b></u>	<u><b>117.07</b></u>

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>9 SHORT-TERM PROVISIONS</b>		
Provision for Employee Benefits (Refer Note 41)		
-Provision for Gratuity	0.35	0.75
-Provision for Leave Encashment	11.16	10.51
Other Provisions		
-Proposed Dividend	69.35	45.06
-Tax on proposed dividend	14.12	9.17
	<u><b>94.98</b></u>	<u><b>65.49</b></u>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

## 10 FIXED ASSETS

	Gross Block			Depreciation /Amortization				Net Block		
	##Original Cost/ Revalued amount at 1st April, 2015	Addition	Deletion	##Original Cost/ Revalued amount at 31st March, 2016	Upto 1st April, 2015	For the Year##	On deletions (Accumulated Upto the date of sale)	Adjustment	Upto 31st March, 2016	Net Book Value at 31st March, 2016
	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores
<b>Tangible Assets :</b>										
Land :										
Freehold	10.69	0.31	-	11.00	-	-	-	-	-	11.00
Leasehold	5.76	-	-	5.76	0.52	0.07	-	-	0.59	5.17
<b>Buildings :</b>										
Freehold #	273.82	47.39	-	321.21	38.68	10.39	-	-	49.07	272.14
Leasehold	9.45	-	-	9.45	0.95	0.19	-	-	1.14	8.31
Plant and Equipment	625.35	77.03	0.84	701.54	294.11	58.82	0.73	-	352.20	349.34
Furniture and Fixtures	24.91	5.31	1.22	29.00	11.15	3.41	1.12	-	13.44	15.56
Computer	68.29	7.71	1.63	74.37	49.42	7.58	1.59	-	55.41	18.96
Office Equipment	6.50	3.41	0.52	9.39	2.89	1.29	0.48	-	3.70	5.69
Vehicles	13.46	2.35	2.44	13.37	5.44	1.82	1.68	-	5.58	7.79
	1038.23	143.51	6.65	1175.09	403.16	83.57	5.60	-	481.13	693.96
<b>Intangible Asset :</b>										
Computer Software	28.51	0.75	-	29.26	15.94	4.40	0.01	-	20.33	8.93
	1066.74	144.26	6.65	1204.35	419.10	87.97	5.61		501.46	702.89

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

## 10A. FIXED ASSETS

	Gross Block			Depreciation /Amortization				Net Block	
	##Original Cost/ Revalued amount at 1st April, 2014	Addition	Deletion	##Original Cost/ Revalued amount at 31st March, 2015	Upto 1st April, 2014	For the Year##	On deletions (Accumulated Upto the date of sale)	Upto 31st March, 2015	Net Book Value at 31st March, 2015
	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores
<b>Tangible Assets :</b>									
Land :									
Freehold	10.52	0.17	-	10.69	-	-	-	-	10.69
Leasehold	5.76	-	-	5.76	0.45	0.07	-	0.52	5.24
Buildings :									
Freehold #	219.25	54.57	-	273.82	28.28	9.47	-	38.68	235.14
Leasehold	3.11	6.34	-	9.45	0.86	0.09	-	0.95	8.50
Plant and Equipment	525.22	100.22	0.09	625.35	241.29	51.65	0.05	294.11	331.24
Furniture and Fixtures	19.99	4.94	0.02	24.91	7.66	3.19	0.02	11.15	13.76
Computer	66.03	6.47	4.21	68.29	46.24	7.15	4.07	49.42	18.87
Office Equipment	4.38	2.14	0.02	6.50	1.64	0.94	0.00*	2.89	3.61
Vehicles	11.55	3.27	1.36	13.46	4.59	1.67	0.94	5.44	8.02
	865.81	178.12	5.70	1038.23	331.01	74.23	5.08	403.16	635.07
<b>Intangible Asset :</b>									
Computer Software	25.17	3.34	-	28.51	11.55	4.39	-	15.94	12.57
	890.98	181.46	5.70	1066.74	342.56	78.62	5.08	419.10	647.64

\* Refer Note 48

# Partly on Leasehold Land.

## Leasehold Land, Freehold Building of the Company were revalued at the following dates by the approved valuer and the surplus arising thereon, had been transferred to revaluation reserve

Year of Revaluation	Asset Type
1989	Leasehold Land, Freehold Building
1985	Freehold Building
1993	Freehold Land, Freehold Building

Refer note 27

## Note :

Pursuant to notification of Schedule II of the Companies Act, 2013 ('the Act') with effect from April 1, 2014 the Company had reviewed and revised the estimated useful life of its fixed assets. In respect of assets whose useful life was exhausted as at April 1, 2014 the related carrying amount aggregating ₹ Nil (31st March, 2015: ₹ 1.96 crores) [net of deferred tax of ₹ Nil (31st March, 2015: ₹ 1.04 crores)] was adjusted against the opening balance of the surplus (Refer Note 3). Further the revision of useful life of fixed assets had resulted in additional depreciation of ₹ Nil (31st March, 2015: ₹ 9.77 crores) charged to the Statement of Profit and Loss



## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>11 NON-CURRENT INVESTMENTS</b>		
(Valued at cost unless stated otherwise)		
<b>Trade (Unquoted)</b>		
<b>In wholly owned subsidiary companies</b>		
Beepee Coatings Private Limited 2,500,000 (31st March, 2015 : 2,500,000) Equity Shares of ₹ 10/- each fully paid up	2.50	2.50
Berger Jenson & Nicholson (Nepal) Private Limited 345,421 (31st March, 2015 : 345,421) Equity Shares of NRs. ₹ 100/- each fully paid up	4.46	4.46
Berger Paints (Cyprus) Limited 3,286,189 (31st March, 2015 : 3,057,807) Equity Shares of Euro 1.71 each fully paid up	36.78	34.07
Lusako Trading Limited 5,403,439 (31st March, 2015 : 5,136,802) Equity Shares of Euro 1.71 each fully paid up	62.40	59.15
<b>In Joint Ventures</b>		
Berger Becker Coatings Private Limited 270,850 (31st March, 2015 : 270,850) Equity Shares of ₹ 100/- each fully paid up	2.71	2.71
BNB Coatings India Private Limited 63,700 (31st March 2015 : 63,700) Equity Shares of ₹ 1,000/- each fully paid up	6.37	6.37
<b>Other than Trade (Unquoted)</b>		
Shantikunj Apartments Limited - at cost * 1,498 Shares of ₹ 1/- each fully paid up (31st March, 2015 : 1,498 Shares of ₹ 1/- each fully paid up)	0.00	0.00
Aggregate amount of unquoted investments	<b>115.22</b>	<b>109.26</b>

\* Refer Note 48



## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

		31st March, 2016	31st March, 2015
		₹ Crores	₹ Crores
<b>12 LONG-TERM LOANS AND ADVANCES</b> (Unsecured, considered good)			
Capital advances		14.10	12.46
Loans and advances to related parties @		13.17	1.83
Security Deposits		18.64	18.10
Advances recoverable in cash or in kind or for value to be received		0.28	0.23
Balances with statutory / Government authorities		20.04	9.31
Advance payment of income tax		7.47	1.88
[net of provision of ₹ 520.43 crores (31March, 2015 : ₹ 351.80 crores)]			
		<b>73.70</b>	<b>43.81</b>
Lusako Trading Limited	Wholly owned subsidiary in which directors of the Company are directors - towards share application money	0.83	0.75
Berger Paints (Cyprus) Limited	Wholly owned subsidiary in which directors of the Company are directors - towards share application money	12.34	1.08
@Includes amounts pertaining to payments made to companies, Berger Paints (Cyprus) Limited and Lusako Trading Limited, in which directors of the Company are directors, against shares allotted / to be allotted after 31st March, 2016, the end of accounting period for Berger Paints India Limited, the holding Company.			
<b>13 OTHER NON-CURRENT ASSETS</b>			
In Fixed Deposit Account (with maturity of not less than 12 months)		0.14	0.14
		<b>0.14</b>	<b>0.14</b>
<b>14 CURRENT INVESTMENTS</b> (At lower of cost and market value)			
<b>Non Trade Unquoted</b>			
Investments in Mutual Funds			
Reliance Regular Savings fund - Debt plan - Direct Growth plan 282725278 units of ₹ 10 each		59.78	-
Reliance Medium Term Fund Direct Growth 8199423 units of ₹ 10 each		25.97	-
Reliance Banking & PSU Debt Fund Direct Growth 21487908 units of ₹ 10 each		23.16	-
Birla Sunlife Cash Manager - Direct Growth 847098 (31st March, 2015 : 1143086) units of ₹ 10 each		31.58	39.01
Birla Sunlife Short term Opportunities fund - Direct Growth 2402253 units of ₹ 10 each		6.03	-
Kotak Low Duration Fund - Direct - Growth 287730 units of ₹ 10 each		53.03	-
ICICI Prudential Savings Fund - Direct plan - Growth 1860371 units of ₹ 10 each		42.58	-
Reliance Liquid Fund - cash plan - Direct - Dividend 98912 units of ₹ 10 each		10.80	-
Reliance Liquid Fund - cash plan- Direct - Growth 74668 units of ₹ 10 each		18.24	-
Birla Sunlife Cash Plus - Direct Growth 534806 units of ₹ 10 each		13.00	-
IDFC Liquid Fund - Direct - growth 50207 units of ₹ 10 each		15.00	-
Birla Sunlife treasury optimizer - Direct Growth-Nil (31st March, 2015 1723029 units of ₹ 10 each)		-	30.02
Reliance Short Term Fund Direct Growth - Nil (31st March, 2015 : 14145708 units of ₹ 10 each)		-	37.51
HDFC High Interest Fund - Direct Growth - Nil (31st March, 2015 : 10022944 units of ₹ 10 each)		-	27.95
Aggregate amount of unquoted investments		<b>299.17</b>	<b>134.49</b>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

15 INVENTORIES	31st March, 2016	31st March, 2015
(Valued at lower of cost and net realizable value)	₹ Crores	₹ Crores
Raw materials [including in transit - ₹ 42 crores (31st March, 2015 : ₹ 27 crores )]	172.41	161.96
Containers	11.01	11.20
Work in process [including in transit - ₹ 2 crores (31st March, 2015 : ₹ 3 crores)]	47.07	44.66
Finished goods [including in transit - ₹ 32 crores (31st March, 2015 : ₹ 35 crores)]	392.37	376.12
Stock-in-trade	57.78	46.13
Stores and Spare Parts	7.58	6.43
	<b>688.22</b>	<b>646.50</b>
16 TRADE RECEIVABLES (UNSECURED)	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	22.30	18.80
Considered doubtful	2.66	2.60
Less: Provision for bad and doubtful debts	(2.66)	(2.60)
	<b>22.30</b>	<b>18.80</b>
Other Receivables considered good @	439.16	415.61
	<b>461.46</b>	<b>434.41</b>
@Includes debts due from Berger Becker Coatings Private Limited, a joint venture Company, in which directors of the Company are directors	0.37	0.59
@ Includes debts due from BNB Coatings India Private Limited, a joint venture Company, in which directors of the Company are directors	1.40	1.89
17 CASH AND BANK BALANCES	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
a) <u>Cash and cash equivalents</u>		
Cash on hand	0.61	0.75
Balances with banks		
On current accounts	12.24	21.82
Deposits with original maturity of less than 3 months	0.17	35.76
In Unpaid Dividend Account	4.23	3.73
Cheques in Hand	12.64	-
b) <u>Other bank balances</u>		
Margin Money Deposit*	0.09	-
Deposits with original maturity of more than 3 months but less than 12 months	32.83	79.09
	<b>62.81</b>	<b>141.15</b>

\*Margin money deposits are subject to first charge against the Bank Gurantees issued by the Company

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>18 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good unless stated otherwise )		
Loans and advances to related parties @	15.11	5.11
Others		
Advances recoverable in cash or kind or for value to be received	9.73	14.89
Balances with statutory / government authorities	25.82	32.05
Deposits	4.78	2.91
	<u>55.44</u>	<u>54.96</u>

		<u>31st March, 2016</u>	<u>31st March, 2015</u>
		₹ Crores	₹ Crores
@	<b>Subsidiary</b>		
	<b>Relation/Purpose of loan</b>		
	BJN Paints India Limited	15.11	5.11
	Indirect Subsidiary - (Subsidiary of wholly owned subsidiary Beepee Coatings Private Limited)		

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>19 OTHER CURRENT ASSETS</b>		
(Unsecured considered good)		
Interest accrued on investments, deposits and others	0.66	5.49
Other Receivables	2.00	3.34
Unamortized Premium on Forward Contracts	0.03	1.55
	<u>2.69</u>	<u>10.38</u>

	<u>For the year ended 31st March, 2016</u>	<u>For the year ended 31st March, 2015</u>
	₹ Crores	₹ Crores
<b>20 REVENUE FROM OPERATIONS</b>		
Sale of Products	4,568.18	4,198.85
Scrap Sales	8.11	7.53
Other operating Income	4.43	6.56
	<u>4,580.72</u>	<u>4,212.94</u>
<b>Details of sale of Products-</b>		
Intermediates	14.81	19.43
Paints, Varnishes, Enamels, Painting Equipment ,etc.	4,553.37	4,179.42

	<u>For the year ended 31st March, 2016</u>	<u>For the year ended 31st March, 2015</u>
	₹ Crores	₹ Crores
<b>21 OTHER INCOME</b>		
Interest Income on bank deposits	6.22	18.03
Net Gain on sale of current investments	16.99	5.71
Other non operating income	11.48	10.45
	<u>34.69</u>	<u>34.19</u>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016 ₹ Crores	For the year ended 31st March, 2015 ₹ Crores
<b>22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED</b>		
<u>Raw Materials Consumed</u>		
Opening Stocks	161.96	164.45
Add: Purchases	1,652.78	1,652.85
Less: Cost of raw materials sold	(13.09)	(18.58)
Less: Closing Stock	(172.41)	(161.96)
	<u>1,629.24</u>	<u>1,636.76</u>
<u>Packing Materials Consumed</u>		
Opening Stocks	11.20	11.59
Add: Purchases	297.14	286.51
Less: Cost of packing materials sold	(0.01)	(0.43)
Less: Closing Stock	(11.01)	(11.20)
	<u>297.32</u>	<u>286.47</u>
	<u><b>1,926.56</b></u>	<u><b>1,923.23</b></u>
Refer Note 34 for details of raw materials consumed.		
<b>23 PURCHASES OF STOCK-IN-TRADE</b>	For the year ended 31st March, 2016 ₹ Crores	For the year ended 31st March, 2015 ₹ Crores
<u>Details of Purchases of traded goods</u>		
Purchases of traded goods includes liquid & Powder Paints and paint application tools	385.08	327.64
	<u><b>385.08</b></u>	<u><b>327.64</b></u>
<b>24 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE</b>	For the year ended 31st March, 2016 ₹ Crores	For the year ended 31st March, 2015 ₹ Crores
Opening Stocks		
Work-in-process	44.66	45.21
Finished Goods	376.12	350.38
Stock-in-trade	46.13	40.82
	<u>466.91</u>	<u>436.41</u>
Closing Stocks		
Work-in-process	(47.07)	(44.66)
Finished Goods	(392.37)	(376.12)
Stock-in-trade	(57.78)	(46.13)
	<u>(497.22)</u>	<u>(466.91)</u>
Consumed in painting contracts/Others	(5.63)	(4.06)
<b>Increase/(Decrease) in Excise Duty on Stock of Finished Goods</b>	11.94	9.83
	<u><b>(24.00)</b></u>	<u><b>(24.73)</b></u>
<b>Details of Work-in-process as at 31st March :</b>		
Intermediate	33.03	30.97
Paints	14.04	13.69
	<u><b>47.07</b></u>	<u><b>44.66</b></u>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>25 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	172.23	146.31
Contribution to provident and other funds #	13.11	12.98
Expense on Employee Stock Option Scheme	0.49	1.16
Staff welfare expenses	18.60	17.76
	<b>204.43</b>	<b>178.21</b>
# Refer Note 41.		
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>26 FINANCE COSTS</b>		
Interest Expense	14.16	33.13
Net Exchange difference on foreign currency transactions and translation	3.04	1.59
	<b>17.20</b>	<b>34.72</b>
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>27 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation of tangible assets	83.57	74.23
Amortization of intangible assets	4.40	4.39
	<b>87.97</b>	<b>78.62</b>
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>28 OTHER EXPENSES</b>		
Freight, Octroi and Delivery	266.20	236.07
Power & Fuel	34.32	37.04
Consumption of Stores and Spare Parts	5.57	5.41
Repairs to Buildings@	0.58	0.26
Repairs to Machinery @	15.19	12.42
Repairs to Other Assets@	2.31	1.69
Rent (Refer Note 45)	36.81	32.91
Rates & Taxes	2.83	1.48
Travelling	37.85	32.24
Advertisement and Sales Promotion Expenses	295.09	258.61
Insurance	2.51	2.53
Cash Discount	164.92	151.11
Processing Charges	41.01	38.00
Directors' Fees	0.01	0.02
Foreign Exchange Loss (net)	3.83	1.91
Commission to Non-Executive Directors	0.41	0.29
Other expenses* (#) (##)	123.64	114.77
	<b>1,033.08</b>	<b>926.76</b>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
@ Includes Consumption of Stores and Spare Parts	4.03	3.97
(#) Includes Provision for doubtful debts ₹ 1.42 crores (2014-15 : ₹ 2.60 crores)		
(##) CSR expenses ₹ 4.38 crores (2014-15 : ₹ 1.53 crores) includes company's own programme for promoting employment enhancing vocational skill programme named 'iTrain'		
* Other expenses include Auditor's Remuneration-		
<b>As auditors</b>		
Audit fees	0.28	0.28
Tax Audit	0.04	0.04
Miscellaneous Certificates and Other Matters	0.12	0.12
Reimbursement of expenses	0.04	0.01
	<b>0.48</b>	<b>0.45</b>
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>29 DEFERRED TAX CHARGE / (CREDIT)</b>		
Liability		
Difference between WDV of fixed assets as per books of accounts and for tax purposes	9.44	9.24
Expense claimed for tax purpose on payment basis	4.08	
	<b>13.52</b>	<b>9.24</b>
Asset		
On expenses allowable against taxable income in future years	0.02	0.64
	<b>0.02</b>	<b>0.64</b>
	<b>13.50</b>	<b>8.60</b>
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>30 EARNING PER SHARE</b>		
i) Profit after Tax	354.87	266.03
ii) Weighted average number of Equity Shares outstanding in calculating Basic EPS	69,33,90,105	69,31,50,576
iii) Effect of potential Equity Shares on Employee Stock Options outstanding	86,785	2,89,969
iv) Weighted average number of Equity Shares in computing diluted earnings per share [(ii) + (iii)]	69,34,76,890	69,34,40,545
v) Earnings per share : (Face Value ₹ 1.00 per Share) -		
- Basic [(i) / (ii)]	₹ 5.12	₹ 3.84
- Diluted [(i) / (iv)]	₹ 5.12	₹ 3.84

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>31 CONTINGENT LIABILITIES</b>		
a) Claims against the Company not acknowledged as debts :		
The Sales Tax, Excise & Service Tax, and Income Tax have made certain claims totalling ₹ 54.74 crores (31st March, 2015 : ₹ 32.87 crores), ₹ 23.75 crores (31st March, 2015 : ₹ 17.72 crores), ₹ 32.24 crores (31st March 2015 : ₹ 24.74 crores) respectively in respect of earlier years. The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same. The future cash flows on account of the above cannot be determined unless the judgement/decisions are received from the ultimate judicial forums.		
b) i) Corporate guarantees issued by the Company to certain banks for loans taken by some of its subsidiaries and amount outstanding as at the year end	259.90	267.40
ii) Outstanding Bank Gurantees	24.05	7.62
c) Tangibles assets of the Company having a carrying value of ₹ 191.29 Crores (31st March, 2015 : ₹ 197.93 Crores) have been mortgaged by deposit of title deeds in favour of BNP Paribas & JP Morgan Chase Bank towards loan extended to its subsidiary, M/s Lusako Trading Limited		
<b>32 COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for	81.93	18.98
<b>33 DUES TO MICRO AND SMALL ENTERPRISES</b>		
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under to the extent the Company has received intimation from the suppliers regarding their status under the Act :		
<u>Total Outstanding with Micro, Medium &amp; Small Creditors</u>		
Principal amount remaining unpaid at the end of the year	3.04	1.28
Interest due thereon remaining unpaid at the end of the year	0.89	0.77
	<b>3.93</b>	<b>2.05</b>
Delayed Payment of Principal amount paid beyond appointed date during the entire accounting year	15.39	6.60
Interest actually paid under Section 16 of the Act during the entire accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making the payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act	Nil	Nil
Amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act not paid)	0.11	0.05
Interest accrued and remaining unpaid at the end of the year	0.12	0.06
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises for the purpose of disallowances as deductible expenditure under Section 23 of this Act	0.89	0.77

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>34 DETAILS OF RAW MATERIALS AND COMPONENTS CONSUMED</b>	<b>Consumption</b>	<b>Consumption</b>
Acids and Chemicals	341.66	368.45
Resins	189.57	187.14
Pigments	344.82	330.50
Solvents	325.33	363.22
Oils	111.86	109.22
Extenders	134.58	116.05
Additives	176.22	151.35
Others	5.20	10.83
	<b>1629.24</b>	<b>1636.76</b>

Raw Materials and components consumed are after adjustment of shortage/excess.

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>35 C.I.F. VALUE OF IMPORTS</b>	<b>₹ Crores</b>	<b>₹ Crores</b>
Raw Materials	506.72	476.41
Capital Goods	1.71	1.87
Stores and Spare Parts	0.23	0.26
	<b>508.66</b>	<b>478.54</b>

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>36 EXPENDITURE IN FOREIGN CURRENCY</b>	<b>₹ Crores</b>	<b>₹ Crores</b>
Travelling	0.24	0.16
Shade Card	3.69	4.31
Consultancy Fees	0.02	0.13
Interest	0.36	0.17
Others	0.03	0.09
	<b>4.34</b>	<b>4.86</b>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 37 IMPORTED AND INDIGENOUS RAW MATERIALS, STORES AND SPARE PARTS CONSUMPTION

	% of Total Consumption	For the year ended 31st March, 2016 ₹ Crores	% of Total Consumption	For the year ended 31st March, 2015 ₹ Crores
Raw Materials				
(i) Imported	33.92	552.65	30.20	494.25
(ii) Indigenous	66.08	1,076.59	69.80	1142.51
	<b>100.00</b>	<b>1,629.24</b>	<b>100.00</b>	<b>1636.76</b>
Stores and Spare Parts				
(i) Imported	1.67	0.16	2.96	0.26
(ii) Indigenous	98.33	9.44	97.04	8.52
	<b>100.00</b>	<b>9.60</b>	<b>100.00</b>	<b>8.78</b>

### 38 DIVIDEND REMITTED IN FOREIGN CURRENCY

	2015-16			2014-15		
	Number of Non-Resident Shareholders	Number of Equity Shares held	Dividend remitted (₹ Crores)	Number of Non-Resident Shareholders	Number of Equity Shares held	Dividend remitted (₹ Crores)
Final Dividend 2013-14				1	5,02,34,565	11.05
Interim Dividend 2014-15				1	10,04,69,130*	6.02
Final Dividend 2014-15	1	10,04,69,130	6.53			
Interim Dividend 2015-16	1	10,04,69,130	6.53			

\*During the previous year, the face value of the equity shares of the Company was sub-divided from ₹ 2 to ₹ 1 each

### 39 EARNINGS IN FOREIGN EXCHANGE

	For the year ended 31st March, 2016 ₹ Crores	For the year ended 31st March, 2015 ₹ Crores
F.O.B value of Export	2.52	1.77
Consultancy Fees	0.20	0.19
	<b>2.72</b>	<b>1.96</b>

### 40 EXPENDITURE ON RESEARCH AND DEVELOPMENT

	For the year ended 31st March, 2016 ₹ Crores	For the year ended 31st March, 2015 ₹ Crores
Revenue Expenditure	9.82	9.41
Capital expenditure	1.11	9.25
	<b>10.93</b>	<b>18.66</b>

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 41 EMPLOYEE BENEFITS

#### i) Defined benefit plans

#### a) Gratuity

		31.03.2016	31.03.2015
		₹ Crores	₹ Crores
<b>A</b>	<b>Expense recognised in the Statement of Profit &amp; Loss</b>		
1	Current service cost	1.84	1.70
2	Interest cost	1.95	1.74
3	Expected return on plan assets	(2.18)	(1.94)
4	Net actuarial (gain) / loss recognised during the year	0.67	1.15
5	<b>Total Expense</b>	<b>2.28</b>	<b>2.65</b>
<b>B</b>	<b>Change in Present value of the Obligation during the year</b>		
1	Present value of obligation as at the beginning of the year	24.36	21.79
2	Current service cost	1.84	1.70
3	Interest cost	1.95	1.74
4	Benefits paid	(3.52)	(2.02)
5	Actuarial (gain) / loss on obligation	0.67	1.15
6	Present value of obligation as at the end of the year	<b>25.30</b>	<b>24.36</b>
<b>C</b>	<b>Change in Fair value of plan assets during the year</b>		
1	Fair value of plan assets as at the beginning of the year	23.61	20.95
2	Expected return on plan assets	2.18	1.94
3	Contributions made	2.68	2.74
4	Benefits paid	(3.52)	(2.02)
5	Fair value of plan assets as at the end of the year	<b>24.95</b>	<b>23.61</b>
<b>D</b>	<b>The major categories of plan assets as a percentage of the fair value of total plan assets</b>		
	Investments with insurer	100%	100%
<b>E</b>	<b>The principal assumptions used in determining gratuity obligations for the Company's plan are shown below</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
	Discount rate	8.00%	8.00%
	Expected rate of return on assets*	8.74%	8.23%
	Employee turnover	Agewise 0.10%-0.50%	Agewise 0.10%-0.50%
	Mortality rate	Indian Assured lives (Mortality 2006-08 modified )	Indian Assured lives (Mortality 2006-08 modified )

\* Expected rate of return on plan assets is same as actual rate of return since ARD falls on 31st March

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

		Gratuity				
F	Net Liability recognised in the Balance Sheet	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
	Present value of the obligation	25.30	24.36	21.79	20.04	18.57
	Fair value of plan assets	24.95	23.61	20.95	19.56	17.32
	Funded Status [surplus / (deficit)]	(0.35)	(0.75)	(0.84)	(0.48)	(1.25)
	<b>Net Liability recognised in the Balance Sheet</b>	<b>(0.35)</b>	<b>(0.75)</b>	<b>(0.84)</b>	<b>(0.48)</b>	<b>(1.25)</b>
	Experience Gain/(Loss) adjustments on plan liabilities	0.02	(1.22)	(0.40)	-	-
	Experience Gain/(Loss) adjustments on plan assets	-	-	-	-	-
	Actuarial Gain/(Loss) due to change in assumptions	(0.69)	0.07	0.02	-	-

**G** In 2016-17 the Company expects to contribute ₹ 2.71 crores (31st March, 2015 : ₹ 2.68 crores) to gratuity

Notes a) The disclosures included above are limited to the extent provided by the actuary.

b) The amounts for "Other Defined Benefit Plans" are below the rounding off norm adopted by the Company (refer Note 48) and hence the disclosures as required under AS - 15 "Employee Benefits" have not been given.

b) Provident Fund for certain eligible employees is administered by the Company through the Trust "Berger Paints Provident Fund (Covered)" as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Rules for such a Trust provide that in a provident fund set up by the employer, being exempt under Section 17(1) of the said Act, any shortfall in the rate of interest on contributions as compared to the rate approved by the Government for the Employees' Provident Fund administered by the Regional Provident Fund Commissioner is to be met by the employer. Such a provident fund would in effect be a defined benefit plan in accordance with the requirement of AS 15, Employee Benefits (Revised 2005). Provident Fund maintained with Trust ₹ 7.48 crores (31st March, 2015 : ₹ 6.94 crores)

The actuarial valuation conducted (as per the Guidance Note issued by the Actuarial Society of India during the year) indicate that there is no shortfall as on 31st March, 2016 based on the following assumptions :

Discount rate (per annum)	7.9%
Expected rate of return on plan assets	8.60%-8.65%

### ii) Defined contribution plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss for defined contribution plans :

- Provident and Family Pension Fund (applicable for certain eligible employees whose provident fund accounts are maintained with the Regional Provident Fund Commissioner - ₹ 1.34 crores (31st March, 2015 : ₹ 1.37 crores).
- Superannuation Fund - ₹ 2.01 crores (31st March, 2015 : ₹ 2.02 crores)

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 42 DISCLOSURES ON RELATED PARTIES

#### Independent Directors

Mr. Kamal Ranjan Das  
Mr. Naresh Gujral  
Mr. Dharendra Swarup  
Mr. Pulak Chandan Prasad  
Mr. Gopal Krishna Pillai

#### Key Management Personnel

Mr. Abhijit Roy, Managing Director & CEO.  
Mr. Srijit Dasgupta, Director Finance & Chief Financial Officer  
Mr. Aniruddha Sen, Sr. Vice President & Company Secretary

	Related Party	Relationship	Outstanding as on 31.3.2016	Outstanding as on 31.3.2015	Payable/ Receivable	Nature of transaction	For the year ended 31.03.16 Value of Transaction	For the year ended 31.03.15 Value of Transaction
			₹ Crore	₹ Crore			₹ Crore	₹ Crore
(A)	U K Paints (India) Limited	Holding Company	15.86	16.74	Payable	1 Charges for Processing of Goods	14.53	16.19
						2 Purchase of Goods	61.30	60.10
						3 Sale of Goods	0.35	0.33
						4 Rent Expense / Security Charges	3.50	3.35
(B)	Berger Becker Coatings Private Limited	Joint Venture Company	0.32	0.43	Receivable	1 Sale of Goods / Services	1.35	0.78
						2 Purchase of Goods	0.00	0.17
(C)	BNB Coatings India Private Limited	Joint Venture Company	1.02	1.89	Receivable	1 Sale of Goods	3.45	3.09
						2 Purchase of Goods	0.11	0.07
(D)	Berger Jenson & Nicholson (Nepal) Private Limited	Wholly owned Subsidiary Company	2.74	2.47	Receivable	1 Sale of Goods	4.76	6.89
						2 Royalty Income	1.50	1.37
(E)	Beepee Coatings Private Limited	Wholly owned Subsidiary Company	6.52	4.07	Payable	1 Charges for Processing of Goods	23.22	21.58
						2 Machinery Rental	0.43	0.43
			0.10	-	Corporate Guarantees given	3 Building Rent Paid	0.07	0.07
						4 Interest on Loan given	-	0.09

# NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	Related Party	Relationship	Outstanding as on 31.3.2016	Outstanding as on 31.3.2015	Payable/ Receivable	Nature of transaction	For the year ended 31.03.16 Value of Transaction	For the year ended 31.03.15 Value of Transaction
			₹ Crore	₹ Crore			₹ Crore	₹ Crore
(F)	BJN Paints India Limited	Subsidiary of Beepee Coatings Private Limited	19.14	9.23	Receivable	1 Sale of Goods	2.41	2.63
			6.41	22.00	Corporate Guarantees given	2 Purchase of goods	-	0.03
						3 Rental Income	0.03	0.03
						4 Short-term Loan Given	10.00	-
						5 Interest Income	0.40	-
(G)	Seaward Packaging Private Limited	Enterprise over which directors have significant influence	5.64	3.15	Payable	1 Purchase of goods	23.30	16.88
						2 Sale of Goods	0.01	
(H)	Kanwar Properties Private Limited	Enterprise over which directors have significant influence	-	-		1 Rent Expense/ Security Deposit	-	0.06
(I)	Flex Properties Pvt. Ltd.	Enterprise over which directors have significant influence	-	-	Payable	1 Rent Expense/ Security Deposit	0.22	0.19
(J)	Wazir Estates Pvt. Ltd.*	Enterprise over which directors have significant influence	0.01	0.00	Receivable	1 Sale of Goods - FG	0.03	-
(K)	Kay Dee Farms Pvt. Ltd.*	Enterprise over which directors have significant influence	0.00	0.00	Receivable	1 Sale of Goods - FG	-	-
(L)	Malibu Estate Pvt. Ltd.*	Enterprise over which directors have significant influence	0.00	0.00	Receivable	1 Sale of Goods - FG	0.00	0.00
(M)	Berger Paints (Cyprus) Limited	Wholly owned Subsidiary Company	12.34	1.08	Receivable	1 Equity Contribution	2.71	5.15
						2 Share Application	13.97	6.22
(N)	Berger Paints Overseas Limited	Wholly owned Indirect Subsidiary Company	2.12	7.94	Receivable	1 Sale of Goods	0.67	1.34

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	Related Party	Relationship	Outstanding as on 31.3.2016	Outstanding as on 31.3.2015	Payable/ Receivable	Nature of transaction	For the year ended 31.03.16 Value of Transaction	For the year ended 31.03.15 Value of Transaction
			₹ Crore	₹ Crore			₹ Crore	₹ Crore
(O)	Lusako Trading Limited	Wholly owned Subsidiary Company	0.83	0.75	Receivable	1 Equity Contribution	3.25	6.13
						2 Share Application	3.33	6.88
			253.39	245.40	Corporate Guarantees given			
(P)	Mr. K S Dhingra	Director	0.01	0.01	Payable	1 Rent Paid	0.19	0.19
						2 Directors commission	0.10	0.10
(Q)	Mr. G S Dhingra	Director	0.01	0.01	Payable	1 Rent Paid	0.19	0.19
						2 Directors commission	0.10	0.10
(R)	Mr. Subir Bose**	Director*	-	0.00	Receivable	1 Rent Paid	-	0.01
(S)	Mrs. Chandrika Bose**	Relative of Director*	-	0.00	Receivable	1 Rent Paid	-	0.01
(T)	Mr. Kanwardip Singh Dhingra	Whole time Director & Relative of Mr G.S Dhingra	-	-		1 Remuneration	0.23	0.23
(U)	Mrs. Rishma Kaur	Whole time Director & Relative of Mr K.S Dhingra				1 Remuneration	0.24	0.24
(V)	Mr. Abhijit Roy	Managing Director & CEO and Key Managerial Personnel	0.31	0.26	Payable	1 Remuneration	1.81	1.25
(W)	Mr. Srijit Dasgupta	Director Finance & Chief Financial Officer and Key Managerial Personnel	-	0.10	Payable	1 Remuneration	1.11	1.02
(X)	Mr. Aniruddha Sen	Sr. Vice President & Company Secretary and Key Managerial Personnel	-	-	Payable	1 Remuneration	0.82	0.73
(Y)	Independent Directors	Independent Directors	-	-		1 Remuneration	0.21	0.09

\* Refer Note 48.

\*\* Till 30th August, 2014

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 43 INTEREST IN JOINT VENTURES

- a) Description of Company's interest in the joint venture Company

Name of the Entity	Proportion of interest	Country of incorporation
Berger Becker Coatings Private Limited	48.98%	India
BNB Coatings India Private Limited	49.00%	India

- b) The aggregate amount of assets, liabilities, income and expenses related to the Company's interest in the joint venture companies are as follows :

	Berger Becker Coatings Private Limited		BNB Coatings India Private Limited	
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Assets	71.15	75.45	23.32	15.75
Liabilities	34.83	42.75	12.00	6.41
Income	111.00	135.35	25.49	22.21
Expenses	105.44	126.92	22.55	18.97
Other matters	0.05	0.59	0.27	0.15

### 44 SEGMENT INFORMATION

The Company has only one business segment, namely Paints with almost the entire sales being made in the domestic market.

### 45 LEASES

The Company's leasing arrangement are in the nature of cancellable operating leases. These are usually renewed periodically by mutual consent. Related lease rentals have been disclosed under the head Rent in Note 28 of Statement of Profit and Loss. There are no restrictions placed upon the Company by entering into these leases.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 46 DISCLOSURE REGARDING EMPLOYEE STOCK PLAN PURSUANT TO THE SEBI (EMPLOYEE STOCK OPTION SCHEME AND EMPLOYEE STOCK PURCHASE SCHEME) GUIDELINES, 1999 (as on 31st March, 2016)

	As at 31st March 2016	As at 31st March 2015
a. Number of Stock Options outstanding (ESOP Grant I)	-	54368
Number of Stock Options outstanding (ESOP Grant II)	-	116376
Number of Stock Options outstanding (ESOP Grant III)	109806	242408
Number of Stock outstanding (ESOP Grant IV)	183598	279204
	<b>293404</b>	<b>692356</b>
(The price of the Company's shares have been changed to ₹ 1 from ₹ 2 per share in 2014-15, hence the opening balance of stock options have been doubled)		
b. Option granted during the FY 2015-16	Nil	Nil
c. Pricing Formula	Use of Intrinsic Value Exercise Price for all Grant will be @ ₹ 1 FV	Use of Intrinsic Value Exercise Price for all Grant will be @ ₹ 1 FV
d. Number of Options vested (ESOP Grant II)	-	100372
Number of Options vested (ESOP Grant III)	108416	112726
Number of Options vested (ESOP Grant IV)	90628	92092
	<b>199044</b>	<b>305190</b>
e. Number of options exercised (ESOP Grant I)	-	12000
Number of options exercised (ESOP Grant II)	-	104372
Number of options exercised (ESOP Grant III)	106192	115366
Number of options exercised (ESOP Grant IV)	87600	89748
	<b>193792</b>	<b>321486</b>
f. Number of shares arising on exercise (ESOP Grant I)	-	12000
Number of shares arising on exercise (ESOP Grant II)	-	104372
Number of shares arising on exercise (ESOP Grant III)	106192	115366
Number shares arising on exercise (ESOP Grant IV)	87600	89748
	<b>193792</b>	<b>321486</b>
g. Number of options lapsed (ESOP Grant I)	-	42368
Number of options lapsed (ESOP Grant II)	-	12004
Number of options lapsed (ESOP Grant III)	1390	17236
Number of options lapsed (ESOP Grant IV)	10546	5858
	<b>11936</b>	<b>77466</b>
h. Variation of terms of option	None during the year	None during the year
i. Money realised by exercise of option (in Rupees)	193792	321486

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2016

j.	Total Number of options in force (ESOP Grant III)	*2224 (out of Grant III)	109806
	Total Number of options in force (ESOP Grant IV)	*85452 # (out of Grant IV)	183598
	*Vested, but yet to be exercised	<b>87676</b>	<b>293404</b>
	# 1172 Shares vested in August, 2015 yet to be exercised		
k.	Options were granted during the year FY 2015 -16	Nil	Nil
l.	Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20 - 'Earning Per Share'	5.12	3.84
	<p>The Company has used intrinsic value method for calculating the employee compensation cost with respect to the stock options. All the options of Grant I and Grant II have been completely exercised. The intrinsic value for each ESOP works out to ₹137.45 for options granted on 01.08.2012 and ₹ 195.45 for options granted on 01.08.2013. The fair value as on 31st March, 2016 of each ESOP is determined as follows -</p> <p>a) ₹ 240.51 for options granted under Grant III and Grant IV for which the exercise period is from August, 2015 - July, 2018 (Vested on 01.08.2015) (Period of exercise left as on 31st March, 2016 is 2.33 years)</p> <p>b) ₹ 239.11 for options granted under Grant IV for which the vesting is yet to happen in August 2016 and the maximum exercise period is 3.33 years. Had the employee compensation cost for the ESOP been determined in a manner consistent with the fair value approach, the stock option compensation expense would have been higher by ₹ 0.40 Crores. (31 March, 2015 ₹ 0.43 Crores) Consequently, profit after tax would have been lower by ₹ 0.40 Crores. (31 March, 2015 ₹ 0.43 Crores) and the Basic EPS of the Company would have been ₹ 5.11 per share (31 March, 2015 ₹ 3.83 per share) [lower by ₹ 0.01 per share (31 March, 2015 lower by ₹ 0.01 per share)].</p>		
m.	Weighted average exercise price of the options granted during the year	Nil Nothing has been granted	Nil Nothing has been granted
n.	Weighted average fair value of the options granted during the year	Nil Nothing has been granted	Nil Nothing has been granted
o.	<p>A description of the method and significant assumptions used during the year to estimate the fair value of options granted, including the following weighted average information :-</p> <p>The Black Scholes Option Pricing Model for dividend paying stock has been used to compute the fair value of the options. The significant assumptions are :</p>		
i.	risk free interest rate	7.46%	7.73%
ii.	expected life	For options vested on 01-08-2015 - 2.33 years, For options yet to be vested - 3.33 years	For options vested on 01-08-2014 - 2.33 years, For options yet to be vested - 3 years
iii.	expected volatility	24.00%	31.00%

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2016

iv. expected dividend yield	0.61%	0.74%
v. the price of the underlying share in the market at the time of option grant	Rs. 138.70 (Grant-III) - 31.07.2012; Rs 205.45 (Grant-IV) - 31.07.2013	Rs. 138.70 (Grant-III) - 31.07.2012; Rs 205.45 (Grant-IV) - 31.07.2013
vi. Time to Maturity as at 31st March, 2016	Grant III and Grant IV For options vested on 01.08.2015- 2.33 years Yet to be vested- 3.33 years	Grant III and Grant IV For options vested on 01.08.2014- 2.33 years Yet to be vested- 3 years

- 47 The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes. The foreign currency exposure hedged/unhedged as at 31st March, 2016 are as under :

	Hedged / Unhedged	Currency	Amount (In Millions FC)		Amount (₹ In Crores)	
			As on 31st Mar, 2016	As on 31st Mar, 2015	As on 31st Mar, 2016	As on 31st Mar, 2015
Trade Payables	Unhedged	USD	4.06	6.76	26.47	43.55
Trade Payables	Hedged	USD	3.69	—	24.75	—
Trade Payables	Unhedged	EURO	0.19	0.14	1.42	0.97
Short term borrowings	Hedged	USD	0.80	10.94	5.27	71.03
Short term borrowings	Unhedged	USD	-	0.70	-	4.38
Trade Receivables	Unhedged	USD	0.38	1.33	2.52	8.32

- 48 All figures are in Rupees Crores. Figures marked with asterisks (\*) are below the rounding off norm adopted by the Company.

### 49 Previous year comparatives

Figures in bracket relate to previous year. Previous year's figures have been regrouped and reclassified to confirm to current year's classification wherever necessary.

- 50 The figures of previous year were audited by a firm of Chartered Accountants other than S.R. Batliboi & Co LLP

#### For S.R. BATLIBOI & CO LLP

Firm Registration No. 301003E/E300005

Chartered Accountants

per Bhaswar Sarkar

Partner

Membership Number: 55596

Place :Kolkata

Dated : 30th May, 2016

#### On behalf of the Board of Directors

Kuldip Singh Dhingra - Chairman

Gurbachan Singh Dhingra - Vice - Chairman

Abhijit Roy - Managing Director & CEO

Srijit Dasgupta - Director - Finance & CFO

Aniruddha Sen - Sr. VP & Company Secretary

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>A Cash flow from operating activities</b>		
Profit before tax	537.00	396.25
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	87.97	78.62
Loss on sale of fixed assets [net]	0.04	0.04
Employee stock compensation expenses	0.49	1.16
Unrealised foreign exchange (gain)/loss - [net]	(1.27)	0.42
Interest expenses	14.16	33.13
Interest income	(6.22)	(18.03)
Net (gain)/loss on sale of current investment	(16.99)	(5.71)
<b>Operating profit before working capital changes</b>	<b>615.18</b>	<b>485.88</b>
Movements in working capital :		
Decrease in loans and advances	34.37	62.76
Increase in trade receivables	(26.91)	(53.80)
Decrease in other current assets	2.86	3.33
Increase in inventories	(41.72)	(27.80)
Increase in trade payables	126.76	20.84
Increase in provisions	0.25	1.30
Increase in current liabilities	33.86	10.50
<b>Cash generated from operations</b>	<b>744.65</b>	<b>503.01</b>
Direct taxes paid (net of refunds)	(174.21)	(117.57)
<b>Net cash from operating activities (A)</b>	<b>570.44</b>	<b>385.44</b>
<b>B Cash Flow from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances	(105.37)	(136.49)
Proceeds from sale of fixed assets	1.01	0.56
Interest received	11.05	15.47
Investment in joint venture and subsidiaries	(17.30)	(10.16)
Proceeds of non current investment	-	0.50
Purchase of current investments	(1,477.22)	(758.45)
Proceeds from sale of current investment	1,329.53	719.85
<b>Net cash used in investing activities (B)</b>	<b>(258.30)</b>	<b>(168.72)</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>C Cash flow from financing activities</b>		
Proceeds from issuance of equity share capital	0.02	0.03
Repayment of short term borrowings [net]	(222.13)	(15.22)
Interest paid	(14.22)	(33.17)
Dividend paid including tax thereon	(107.98)	(137.30)
<b>Net cash used in financing activities (C)</b>	<b>(344.31)</b>	<b>(185.66)</b>
<b>Net decrease in cash &amp; cash equivalents(A+B+C)</b>	<b>(32.17)</b>	<b>31.06</b>
<b>Cash &amp; cash equivalents at the beginning of the year #</b>	<b>62.06</b>	<b>31.00</b>
<b>Cash &amp; cash equivalents at the end of the year #</b>	<b>29.89</b>	<b>62.06</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.61	0.75
Balances with banks		
In Current Account	12.24	21.82
In Fixed Deposit Account (less than 3 months maturity)	0.17	35.76
In Unpaid Dividend Account*	4.23	3.73
Cheques in Hand	12.64	-
<b>Total cash and cash equivalents (Note 17)</b>	<b>29.89</b>	<b>62.06</b>

\* The company can utilize these balances only toward settlement of the respective unpaid dividend.

Summary of significant accounting policies 1

As per our report on even date

**For S.R. BATLIBOI & CO LLP**  
Firm Registration No. 301003E/E300005  
*Chartered Accountants*  
per **Bhaswar Sarkar**  
Partner  
Membership Number: 55596  
Place :Kolkata  
Dated : 30th May, 2016

**On behalf of the Board of Directors**  
**Kuldip Singh Dhingra** - Chairman  
**Gurbachan Singh Dhingra** - Vice - Chairman  
**Abhijit Roy** - Managing Director & CEO  
**Srijit Dasgupta** - Director - Finance & CFO  
**Aniruddha Sen** - Sr. VP & Company Secretary

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES**

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

**Part "A" : Subsidiaries**

₹ in Crores

Sl. No.	Name of Subsidiary	Berger Jenson & Nicholson (Nepal) Private Limited	Beepee Coatings Private Limited	BJN Paints India Limited	Berger Paints (Cyprus) Limited	Lusako Trading Limited	Berger Paints Overseas Limited	Bolix S.A	Build-Trade sp z.o.o	Bolix Ukraine Limited Liability Company	Build Trade SKA
1	Reporting Period	14/03/2016	31/03/2016	31/03/2016	31/12/2015	31/12/2015	31/12/2015	31/12/2015	31/12/2015	31/12/2015	31/12/2015
2	Reporting Currency	Nepalese Rs	INR	INR	USD	USD	Russian Ruble	Polish Zloty	Polish Zloty	Ukrainian hryvnia	Polish Zloty
3	Exchange Rate as on last date of relevant Financial year in case of foreign subsidiaries	0.62	1.00	1.00	66.33	66.33	0.91	17.00	17.00	3.86	17.00
4	Share Capital	2.16	2.50	0.05	48.71	82.89	1.26	17.00	-	0.22	0.17
5	Reserves & Surplus	68.65	4.96	-6.82	-2.41	-60.89	-23.59	150.64	0.08	-1.66	69.84
6	Total assets	103.07	12.24	55.06	46.38	276.37	29.35	319.52	0.10	0.35	70.04
7	Total liabilities	32.26	4.78	61.88	0.08	254.37	51.68	151.88	0.02	1.79	0.03
8	Investments	-	0.05	-	3.29	262.18	-	66.48	0.01	-	-
9	Turnover	102.16	23.22	108.12	-	-	3.20	157.77	-	1.41	-
10	Profit before taxation	21.41	3.03	0.34	-0.26	-5.53	-9.72	4.86	-0.01	-0.57	1.80
11	Provision for taxation	4.12	1.03	-	-	-	-	0.52	-	-	0.38
12	Profit after taxation	17.29	2.00	0.34	-0.26	-5.53	-9.72	4.35	-0.01	-0.57	1.42
13	Proposed Dividend	3.24	-	-	-	-	-	-	-	-	-
14	% of shareholding	100%	100%	99.90%	100%	100%	100%	100%	100%	99%	100%

Notes : The following information shall be furnished at the end of the statement :

- Names of subsidiaries which are yet to commence operations – Not applicable
- Names of subsidiaries which have been liquidated or sold during the year – Not applicable

**STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES**

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

**Part "B": Associates and Joint Ventures**

Sl. No.	Name of Associates / Joint Ventures	Berger Becker Coatings Private Limited	BNB Coatings India Private Limited
		<b>Joint Venture</b>	<b>Joint Venture</b>
1	Latest audited Balance Sheet Date	<b>31st March, 2016</b>	<b>31st March, 2016</b>
2	Shares of Associate / Joint Ventures held by the company on the year end		
	i) Number	270850	63700
	ii) Amount of Investment in Associates / Joint Venture	2.71	6.37
	iii) Extend of Holding %	48.98%	49.00%
3	Description of how there is significant influence	By way of shareholding	By way of shareholding
4	Reasons why the associate/ joint venture is not consolidated	Consolidated	Consolidated
5	Net worth attributable to shareholding as per latest audited Balance Sheet	36.31	11.32
6	Profit / Loss for the year		
	i) Considered in consolidation	3.61	1.99
	ii) Not Considered in consolidation	Not Applicable	Not Applicable

₹ in Crores

Notes : The following information shall be furnished at the end of the statement :

- Names of associates or joint ventures which are yet to commence operations – Not applicable
- Names of associates or joint ventures which have been liquidated or sold during the year – Not applicable

On behalf of the Board of Directors

**Kuldip Singh Dhingra** - Chairman

**Gurbachan Singh Dhingra** - Vice -Chairman

**Abhijit Roy** - Managing Director & CEO

**Srijit Dasgupta** - Director - Finance & CFO

**Aniruddha Sen** - Sr. VP & Company Secretary

Place :Kolkata

Dated : 30th May, 2016

## FINANCIAL SUMMARY OF BERGER PAINTS INDIA LIMITED (STANDALONE) – FIVE YEARS AT A GLANCE

₹ Crores

	2015-16	2014-15	2013-14	2012-13	2011-12
Gross Revenue	4,580.72	4,212.94	3,735.35	3,330.61	2,901.22
Revenue from Operations (Net of Excise Duty)	4,132.62	3,806.51	3,384.82	3,024.21	2,662.09
% Growth	8.57	12.46	11.92	13.60	26.34
Other Income	34.69	34.19	30.59	30.76	30.62
Materials Consumed	2,287.64	2,226.14	2,051.94	1,871.75	1,708.23
Employee Benefits Expense	204.43	178.21	158.74	139.96	122.32
Other Expenses	1,033.08	926.76	784.50	676.18	554.06
Operating Profit - EBITDA	642.16	509.59	420.23	367.08	308.10
% to Net Revenue	15.54	13.39	12.42	12.14	11.57
Depreciation / Amortization	87.97	78.62	58.27	46.28	37.56
Finance Cost	17.20	34.72	34.26	27.67	22.37
Profit Before Tax	536.99	396.25	327.70	293.13	248.17
Tax Expense	182.12	130.22	93.45	83.33	70.78
Profit After Tax	354.87	266.03	234.25	209.80	177.39
Return On Net Worth ( % ) ^	23.51	20.59	20.71	21.33	21.00
Dividend - including Tax on Dividend	137.73	104.35	89.18	72.93	56.32
Retained Earnings	217.14	161.68	145.07	136.87	121.07
<b>Shareholders' Funds :</b>					
Share Capital	69.35	69.33	69.30	69.26	69.23
Reserves and Surplus	1,441.10	1,223.47	1,062.59	915.17	776.37
<b>Total</b>	<b>1,510.45</b>	<b>1,292.80</b>	<b>1,131.89</b>	<b>984.43</b>	<b>845.60</b>
Deferred Tax Liability (Net)	47.07	33.57	26.01	16.64	12.47
Borrowings	66.51	288.49	302.80	303.02	169.85
Other current and non-current liabilities	886.48	695.39	700.22	534.74	482.33
<b>EQUITY AND LIABILITIES</b>	<b>2,510.51</b>	<b>2,310.25</b>	<b>2,160.92</b>	<b>1,838.83</b>	<b>1,510.25</b>
Fixed Assets	751.66	735.15	680.64	492.91	337.83
Investments	414.39	243.75	187.29	90.58	79.57
Other current and non-current assets	1,344.46	1,331.35	1,292.99	1,255.34	1,092.85
<b>ASSETS</b>	<b>2,510.51</b>	<b>2,310.25</b>	<b>2,160.92</b>	<b>1,838.83</b>	<b>1,510.25</b>
Debt - Equity Ratio	0.04 : 1	0.22 : 1	0.27 : 1	0.31 : 1	0.2 : 1
Cash Earnings Per Share (₹)	6.39	4.97	4.22	3.70	3.11
Earnings Per Share - Basic (₹)	5.12	3.84	3.38	3.03	2.56
Earnings Per Share - Diluted (₹)	5.12	3.84	3.38	2.56	2.56
Book Value Per Share (₹)^	21.77	18.64	16.33	14.20	12.20
Dividend per share (₹)	1.65 ^^	1.25	1.10	0.90	0.70
Number of employees	2802	2666	2607	2,464	2,431

^ Net Worth and Book Value is exclusive of Revaluation Reserve.

^^ Total Dividend ₹ 1.65 for the year 2015-16 (Interim - ₹ 0.65, Final - ₹ 1).

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Berger Paints India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its jointly controlled entities as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that :

- (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies and jointly controlled companies incorporated in India, none of the directors of the Group's companies and its jointly controlled companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies and jointly controlled companies incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its jointly controlled entities – Refer Note 35 to the consolidated financial statements;
  - ii. The Group and its jointly controlled entities had long-term contracts including derivative contracts as at March 31, 2016 for which there were no foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its jointly controlled companies incorporated in India.

#### Other Matter

The accompanying consolidated financial statements include total assets of Rs.385.23 crores as at March 31, 2016, and total revenues and net cash inflows of Rs.475.86 crores and Rs.1.15 crores respectively for the year ended on that date, in respect of subsidiaries and jointly controlled entities (collectively, the, "Components"), derived from the financial statements of those Components, which have been audited by other auditors. Such audited financial statements, other financial information and the auditors' reports thereon have been furnished to us by the holding Company's management. Certain of these Components are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors who have submitted their audit reports, prepared under generally accepted auditing standards applicable in their respective countries, to the shareholders of these entities. The holding company's management has converted the financial statements and other financial information of the Components located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We audited the adjustments, which were applied to prepare the consolidated financial statements, made by the Company's management to convert the financial statements of these Components from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion on the consolidated financial statements, report in terms of sub-section (3) of Section 143 of the Act and matters stated under the section "Other Legal and Regulatory Requirements" above, in so far as it relates to the aforesaid Components, is based solely on the reports of such other auditors. Our opinion is not modified in respect of this matter.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

Place: Kolkata

Date : May 30, 2016

## **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BERGER PAINTS INDIA LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Berger Paints India Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Berger Paints India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and jointly controlled companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies and its jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



### Opinion

In our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these two subsidiary companies and two jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and jointly controlled companies incorporated in India.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

Place: Kolkata

Date : May 30, 2016



**CONSOLIDATED BALANCE SHEET OF BERGER PAINTS INDIA LIMITED AND ITS SUBSIDIARY AND JOINT VENTURE COMPANIES**  
AS AT 31ST MARCH, 2016

	Note	31st March, 2016 ₹ Crores	31st March, 2015 ₹ Crores
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	69.35	69.33
Reserves and surplus	3	1409.83	1191.27
		<b>1479.18</b>	<b>1260.60</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	4	68.70	57.86
Long Term borrowings	5	214.42	251.21
Other long term liabilities	6	7.89	8.50
Long-term provisions	7	6.50	5.37
		<b>297.51</b>	<b>322.94</b>
<b>Current liabilities</b>			
Short-term borrowings	8	109.85	357.59
Trade Payables	9		
- Total outstanding dues of micro, small and medium enterprises		3.93	2.05
- Total outstanding dues of creditors other than micro, small and medium enterprises		689.50	557.63
Other current liabilities	10	236.18	143.87
Short-term provisions	11	102.95	71.16
		<b>1142.41</b>	<b>1132.30</b>
<b>TOTAL</b>		<b>2919.10</b>	<b>2715.84</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	12	779.92	719.46
Intangible assets	12	196.44	211.20
Capital work-in-progress [Includes share of Joint Venture ₹ 11.22 crores (2014-15 : ₹ 10.66 crores)]		62.30	100.44
		<b>1038.66</b>	<b>1031.10</b>
Non-current investments*	13	0.00	0.00
Long-term loans and advances	14	70.87	46.26
Other non-current assets	15	0.22	0.18
		<b>1109.75</b>	<b>1077.54</b>
<b>Foreign Currency Monetary Item Translation Difference Account</b>		9.02	6.95
<b>Current assets</b>			
Current investments	16	299.18	134.49
Inventories	17	758.16	719.47
Trade Receivables	18	580.61	535.21
Cash and bank balances	19	109.46	169.76
Short term loans and advances	20	49.32	60.77
Other current assets	21	3.60	11.65
		<b>1800.33</b>	<b>1631.35</b>
<b>TOTAL</b>		<b>2919.10</b>	<b>2715.84</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

\* Refer Note 44

**For S.R. BATLIBOI & CO LLP**  
Firm Registration No. 301003E/E300005  
Chartered Accountants

**per Bhaswar Sarkar**  
Partner  
Membership Number: 55596  
Place :Kolkata  
Dated : 30th May, 2016

**On behalf of the Board of Directors**

**Kuldip Singh Dhingra** - Chairman  
**Gurbachan Singh Dhingra** - Vice - Chairman  
**Abhijit Roy** - Managing Director & CEO  
**Srijit Dasgupta** - Director - Finance & CFO  
**Aniruddha Sen** - Sr. VP & Company Secretary



**STATEMENT OF CONSOLIDATED PROFIT AND LOSS OF BERGER PAINTS INDIA LIMITED  
AND ITS SUBSIDIARY AND JOINT VENTURE COMPANIES  
FOR THE YEAR ENDED 31ST MARCH, 2016**

	Note	For the year ended 31st March, 2016 ₹ Crores	For the year ended 31st March, 2015 ₹ Crores
<b>INCOME</b>			
Revenue from operations (Gross)	22	5111.70	4758.67
Less: Excise Duty [Includes share of Joint Venture ₹ 16.83 crores (2014-15 : ₹ 18.49 crores)]		(477.58)	(436.61)
<b>Revenue from operations (Net)</b>		<b>4634.12</b>	<b>4322.06</b>
Other Income	23	34.46	36.02
<b>Total Revenue</b>		<b>4668.58</b>	<b>4358.08</b>
<b>EXPENSES</b>			
Cost of raw materials and components consumed	24	2177.83	2196.64
Purchases of Stock-in-Trade	25	414.12	353.30
(Increase)/Decrease in inventories of finished goods, work-in-process and stock-in-trade	26	(19.31)	(18.68)
Employee benefits expense	27	281.29	253.13
Finance costs	28	29.01	50.14
Depreciation and amortization expense	29	100.01	92.50
Other expenses	30	1124.78	1026.95
<b>Total Expenses</b>		<b>4107.73</b>	<b>3953.98</b>
<b>Profit Before Tax</b>		<b>560.85</b>	<b>404.10</b>
Tax expense			
Current Tax			
- Pertaining to profit for the current year	31	182.19	130.87
- Adjustment of tax in respect of earlier years	31	(3.37)	-
Deferred tax	32	12.26	8.53
<b>Profit After Tax for the year</b>		<b>369.77</b>	<b>264.70</b>
Earnings per equity share [nominal value of share : ₹ 1 (PY : ₹ 1)]	33		
Basic		5.33	3.82
Diluted		5.33	3.82

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

**For S.R. BATLIBOI & CO LLP**  
Firm Registration No. 301003E/E300005  
Chartered Accountants

**per Bhaswar Sarkar**  
Partner  
Membership Number: 55596  
Place : Kolkata  
Dated : 30th May, 2016

**On behalf of the Board of Directors**

**Kuldip Singh Dhingra** - Chairman  
**Gurbachan Singh Dhingra** - Vice - Chairman  
**Abhijit Roy** - Managing Director & CEO  
**Srijit Dasgupta** - Director - Finance & CFO  
**Aniruddha Sen** - Sr. VP & Company Secretary

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### i) Corporate information

Berger Paints India Limited ('BPIL' or 'Company') is a public Company domiciled in India. Its shares are listed on three stock exchanges in India. The Company is engaged in manufacturing and selling paints. The Company caters primarily to domestic market.

### ii) Basis of preparation

The consolidated financial statements of the BPIL, its subsidiaries and joint ventures ('Group'), have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The financial statement of the Group is prepared using uniform accounting policy.

The financial statements of Berger Paints Cyprus Limited ('BPCL'), Lusako Trading Company ('LTC'), Berger Paints Overseas Limited ('BPOL'), Bolix S.A. ('BSA'), Build-Trade sp. z.o.o. ('BTSZ'), Bolix Ukraine Limited Liability Company ('BULLC') and Build-Trade SKA ('BTSKA') have been drawn up for the accounting year from 1 January, 2015 to 31 December, 2015 and that for Berger Jenson & Nicholson (Nepal) Private Limited ('BJNNPL') has been drawn up for the accounting year from 15 March, 2015 to 14 March, 2016. However, there are no material transactions / events that have occurred in between 31 December, 2015 / 14 March, 2016 and 31 March, 2016 which might have a material impact on the profitability or financial position on these consolidated financial statements.

These consolidated financial statements are prepared to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the below mentioned assets of BPIL which were revalued during 1985 - 1993 and are carried at revalued amounts.

Asset Type	Year of Revaluation
Freehold Building	1985
Leasehold Land, Freehold Building	1989
Freehold Land, Freehold Building	1993

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

## 1 Statement of Significant Accounting Policies

### a) Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### b) Current and Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (which has been defined to be twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

### c) Fixed Assets and Depreciation / Amortization

- Fixed Assets are carried at cost of acquisition, except in the case of certain Land and Freehold Buildings which are carried at revaluation (based on valuation by an external valuer) on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Before 1990, BPIL revalued all its land and buildings. These land and buildings are carried at fair value on the revaluation date less accumulated depreciation and impairment losses, if any, recognized after the date of the revaluation. In case of revaluation of fixed assets, any revaluation surplus is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the Statement of Profit and Loss, in which case the increase is recognized

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

in the Statement of Profit and Loss. A revaluation deficit is recognized in the Statement of Profit and Loss, except to the extent that it offsets a surplus on the same asset previously recognized in the revaluation reserve.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance and useful life. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The Group has carried out a detailed technical evaluation of existing plant and machinery to identify components that may have a useful life significantly different from the main plant / equipment. Based on such evaluation, no component of material carrying value and useful life significantly different from those of the main plant/equipment have been identified.

### ii) Depreciation

Depreciation is provided on Straight line method over the useful lives of fixed assets as estimated by management. Pursuant to Notification of Schedule II of the Companies Act, 2013 depreciation is provided prorata basis on straight line method at the rates determined based on estimated useful lives of tangible assets where applicable, prescribed under Schedule II to the Companies Act, 2013 with the exception of the following items for which useful lives as estimated by management based on technical evaluation are different from those specified in aforesaid Schedule II.

Plant and Machinery : 9.67 years to 21.05 Years

Motor Vehicles : 6.67 years

Tinting Machines - based on estimated useful life of 60 months

No depreciation is provided on Freehold Land.

Leasehold land is amortized on a straight line basis over the tenure of respective leases.

### iii) Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life ranging from 3 to 5 years. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and are charged to Statement of Profit and Loss for the year during which such expenditure is incurred.

### iv) Cash generating units/Assets are assessed for possible impairment at balance sheet dates based on external and internal sources of information. Impairment losses, if any, are recognised as an expense in the Statement of Profit and Loss. The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

## d) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as a reduction to the cost of the asset.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### e) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are valued at lower of cost and fair value determined on an individual investment basis. Long term investments are stated at cost unless there is a diminution, other than temporary, in value of such investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### f) Inventories

Finished goods and Work-in-progress are stated at the lower of cost and estimated net realisable value. Cost of inventories constitutes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Raw materials, components, stores and spares are valued at lower of cost and estimated net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Provision is recognised for damaged, defective or obsolete stocks where necessary. Cost of all inventories is determined using weighted average method of valuation.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### g) Foreign currency translation

#### *Foreign currency transactions and balances*

#### (i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### (ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### (iii) Exchange differences

The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expenses in the period in which they arise.

#### (iv) Forward exchange contracts entered into, to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016****h) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

*Sale of goods*

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, on delivery of the goods or per buyer's instruction. The Group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. Sales returns are recognised as and when they occur.

*Income from services*

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered.

*Interest Income*

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**i) Employee Benefits***Defined benefit plans*

Provident Fund benefits are received by a majority of eligible employees of BPIL from a trust administered by the Company as per the provisions of Employees' Provident Fund and Misc. Provisions Act, 1952. Both the Company and the employees contribute to the trust in accordance with the provisions of the Act. The Company's obligations in respect of any shortfall in interest payable to employees is actuarially determined and recognised in the Statement of Profit and Loss.

Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation, as per projected unit credit method made at the balance sheet date. Retirement Gratuity for employees of BPIL is funded through a scheme of Life Insurance Corporation of India. The costs of providing benefits under this plan are determined on the basis of actuarial valuation using the projected unit credit method at each year-end. Actuarial gains and losses are recognized in full in the period in which they occur in the Statement of Profit and Loss. The excess / shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain / loss in the Statement of Profit and Loss.

Accumulated leave to the extent such leave are carried forward are treated as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents its related obligation as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement of related obligations beyond 12 months, the same is presented as non-current liability.

*Defined contribution plan*

Provident fund contributions for another category of employees of BPIL are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Misc. Provisions Act, 1952 and are charged to Statement of Profit and Loss as and when services are rendered by the employees.

For other Companies of the Group, retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to Statement of Profit and Loss of the year when the employee renders the service. There are no obligations other than the contribution payable to the respective trusts.

Contribution made to Superannuation Fund for certain category of employees of BPIL are recognized in the Statement of Profit and Loss as and when services are rendered by the employees.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### j) **Borrowing Costs**

Borrowing costs charged to the Statement of Profit and Loss include interest and discounts on short and long term borrowings. Borrowing costs attributable to qualifying assets, incurred upto the date of commencement of commercial production if any, are capitalised as cost of the assets.

### k) **Employee Stock Option Scheme**

Stock options granted to employees of BPIL are accounted for as per the intrinsic value method and complies with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The difference between exercise price and intrinsic valuation is recognised as cost on straight line basis over vesting period.

### l) **Research and Development**

Fixed Assets acquired for Research & Development are capitalized. Revenue expenditure on Research & Development is charged to Statement of Profit and Loss in the year in which it is incurred.

### m) **Leases**

*Where the Group is lessee*

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

*Where the Group is the lessor*

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

### n) **Segment reporting**

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

*Inter-segment transfers*

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

*Allocation of common costs*

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

*Unallocated items*

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

*Segment accounting policies*

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

### o) **Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016**

originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. In case of foreign subsidiaries, the tax liability is provided as per the Income Tax Laws prevailing in the respective countries.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred Tax Assets and Liabilities across various countries of operations are not set-off against each other as BPIL does not have a legal right to do so.

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Group restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

**p) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**q) Provisions**

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**r) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a probable obligation that cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

**s) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 2 SHARE CAPITAL

#### Authorised :

75,00,00,000 Equity Shares of ₹ 1 each

(2014-15: 75,00,00,000 Equity Shares of ₹ 1 each)

#### Issued :

69,35,69,392 Equity Shares of ₹ 1 each

(2014-15: 69,33,75,600 Equity Shares of ₹ 1 each)

#### Subscribed and paid-up :

69,34,77,912 Equity Shares of ₹ 1 each

(2014-15: 69,32,84,120 Equity Shares of ₹ 1 each)

**31st March, 2016**
**₹ Crores**
**31st March, 2015**
**₹ Crores**

75.00

75.00

69.36

69.34

69.35

69.33

**69.35**
**69.33**

#### a) Reconciliation of the number of shares and the amount of share capital :

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	No. of Shares	Amount (₹ Crores)	No. of Shares	Amount (₹ Crores)
<b>Balance as at 1st April</b>	69,32,84,120	69.33	69,29,62,634	69.30
Add: Shares issued on exercise of employee stock options	1,93,792	0.02	3,21,486	0.03
<b>Balance as at 31st March</b>	69,34,77,912	69.35	69,32,84,120	69.33

#### b) Details of shareholders having more than 5% of holding :

Name of the shareholder	31st March, 2016		31st March, 2015	
	No. of Shares	% Holding	No. of Shares	% Holding
U K Paints (India) Pvt. Limited (Holding Company)	33,72,55,608	48.63	33,67,97,404	48.58
Jenson & Nicholson (Asia) Limited, UK	10,04,69,130	14.49	10,04,69,130	14.49
Nalanda India Fund Limited	3,62,49,576	5.23	3,62,49,576	5.23

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### c) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.65 (31st March 2015 : ₹ 1.25).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>3 RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>	0.19	0.19
	<b>0.19</b>	<b>0.19</b>
<b>Capital Redemption Reserve</b>	0.04	0.04
	<b>0.04</b>	<b>0.04</b>
Securities Premium Account		
Balance as at 1st April	135.91	133.64
Add: On exercise of employee stock options	1.59	2.27
<b>Balance as at 31st March</b>	<b>137.50</b>	<b>135.91</b>
<b>Revaluation Reserve</b>	<b>0.83</b>	<b>0.83</b>
<b>Employee Stock Options Outstanding</b>		
Options granted upto 1st April	2.55	5.21
Add: Compensation options granted during the year	-	-
Less: Deferred Employee Compensation	(0.02)	(0.62)
Less: Transferred to Securities Premium on exercise of stock options	(1.59)	(2.27)
Less: Forfeited / Lapsed	(0.11)	(0.39)
<b>Balance as at 31st March</b>	<b>0.83</b>	<b>1.93</b>
<b>Foreign Currency Translation Reserve</b>		
Balance as at 1st April	(66.76)	(47.69)
Add: Currency translation (loss) / gain during the year	(13.97)	(19.07)
<b>Balance as at 31st March</b>	<b>(80.73)</b>	<b>(66.76)</b>
<b>General Reserve</b>		
Balance as at 1st April	302.87	305.07
Less: Depreciation adjustment ₹ Nil	0.00	(2.20)
(31st March, 2015 - net off deferred tax of ₹ 1.15 crores) Refer Note 12		
<b>Balance as at 31st March</b>	<b>302.87</b>	<b>302.87</b>
<b>Surplus in the Statement of Profit and Loss</b>		
<b>Balance as at 1st April</b>	816.26	655.91
Add: Net profit for the year	369.77	264.70
Amount available for Appropriation	1186.03	920.61
Less: Appropriations		
Proposed Final Dividend	(69.35)	(45.06)
Tax on proposed dividend	(14.12)	(9.17)
Interim Dividend	(45.08)	(41.60)
Tax on Interim Dividend	(9.18)	(8.52)
<b>Balance as at 31st March</b>	<b>1048.30</b>	<b>816.26</b>
	<b>1409.83#</b>	<b>1191.27#</b>

# Includes ₹ 33.60 crores (2014-15 : ₹ 29.99 crores) on account of 48.98% holding in the Joint Venture Company M/s Berger Becker Coatings Private Limited & ₹ 4.95 crores [2014-15 : ₹ 2.97 crores] on account of 49% holding in the Joint Venture Company M/s BNB Coatings India Limited as per proportionate consolidation principle.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>4 DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Liabilities		
Difference between WDV of fixed assets as per books of accounts and for tax purposes	71.15	63.04
Expense claimed for tax purpose on payment basis	4.08	–
Others	0.04	0.06
	<u>75.27</u>	<u>63.10</u>
Deferred Tax Assets		
On expenses allowable against taxable income in future years	3.75	5.06
Others	2.82	0.18
	<u>6.57</u>	<u>5.24</u>
Deferred Tax Liability (net)	<u>68.70 #</u>	<u>57.86 #</u>
# Includes share of Joint Ventures	0.18	(0.08)

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>5 LONG TERM BORROWINGS</b>		
Term loan (secured)		
- From Banks	210.75	243.86
- From Financial institutions	3.67	7.35
	<u>214.42 #</u>	<u>251.21 #</u>
# Includes share of Joint Venture	3.67	7.35

Term Loan from banks are secured by a charge by way of mortgage on some specific fixed assets.

Term loan of ₹ 3.67 crores (48.98%) [31 March, 2015 – ₹ 7.35 crores (48.98%)] from financial institutions was taken during the financial year 2014-15 and carries interest @ 12.40%, which was further reduced to 10.90% w.e.f October, 2015. There is a moratorium of 1.5 years from the first drawdown and thereafter the loan is repayable in 8 equal half yearly installments. The loan has been guaranteed by the corporate guarantee of Aktiebolaget Wilh. Becker, the ultimate holding Company.

Term loan of ₹ 109.84 crores (31 March, 2015 – ₹ 131.10 crores) is repayable by 6th June, 2018 and carries interest of 3 months Libor+ 190 Basis points.

Term loan of ₹ 98.66 crores (31 March, 2015 – ₹ 110.83 crores) is repayable by 13th October, 2018 and carries interest of 6 months Libor+ 190 Basis points.

Term loan of ₹ 2.25 (31 March, 2015 – ₹ 1.93 crores) crores carries interest of 1 month Wibor+ margin.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>6 OTHER LONG-TERM LIABILITIES</b>		
Deposits	6.23	5.99
Other payables	1.66	2.51
	<u>7.89</u>	<u>8.50</u>
	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>7 LONG-TERM PROVISIONS</b>		
Provision for Employee Benefits @		
- Provision for Gratuity	1.59	1.43
- Provision for Leave Encashment	1.53	1.39
- Others	3.38	2.55
	<u>6.50 #</u>	<u>5.37 #</u>
# Includes share of Joint Ventures	0.54	0.59
@ Refer No. 38		
	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
<b>8 SHORT-TERM BORROWINGS</b>		
<u>Secured</u>		
Cash credit from banks	80.63	252.08
<u>Unsecured</u>		
Other Loans from banks	23.87	30.10
Import finance from banks - Buyer's Credit	5.27	75.41
Loan and advances from related parties	0.08	-
	<u>109.85 #</u>	<u>357.59 #</u>
# Includes share of Joint Venture	11.05	17.93

Cash Credits from banks are secured by way of first charge on book debts and current assets (first pari passu charge over entire current assets)

Cash credit is repayable on demand and carries interest @ 8%-13% per annum (31st March, 2015 @ 8.5%-14.5%)

The buyers' credit is repayable in 6 months and carries interest @ LIBOR + 0.25 % (31st March, 2015 : LIBOR +0.45%) and is secured by hypothecation of Stocks and book debts, both present and future)

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

		<u>31st March, 2016</u>	<u>31st March, 2015</u>
		₹ Crores	₹ Crores
<b>9</b>	<b>TRADE PAYABLES FOR GOODS AND SERVICES</b>		
	Total outstanding dues of micro enterprises and small enterprises -	3.93	2.05
	Total outstanding dues of creditors other than micro and small enterprises	541.11	434.86
	Acceptances	148.39	122.77
		<u><b>693.43 #</b></u>	<u><b>559.68 #</b></u>
	# Includes share of Joint Ventures	23.71	19.34
		<u>31st March, 2016</u>	<u>31st March, 2015</u>
		₹ Crores	₹ Crores
<b>10</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Current maturities of long-term debt	46.71	0.76
	Interest accrued but not due on borrowings	1.02	0.97
	Unpaid Dividends	4.23	3.72
	(To be credited to Investor Education and Protection Fund as and when due)		
	Advances from customers	10.53	10.36
	Capital creditors	16.68	14.80
	Statutory liabilities	66.94	58.80
	Accrued employee liabilities	37.19	16.24
	Deposits	28.65	22.24
	Other liabilities	24.23	15.98
		<u><b>236.18 #</b></u>	<u><b>143.87 #</b></u>
	# Includes share of Joint Ventures	7.39	3.74
		<u>31st March, 2016</u>	<u>31st March, 2015</u>
		₹ Crores	₹ Crores
<b>11</b>	<b>SHORT-TERM PROVISIONS</b>		
	Provision for Employee Benefits (Refer note 38)		
	- Provision for Gratuity	2.25	2.07
	- Provision for Leave Encashment	11.36	10.85
	- Others	0.13	1.10
	Others		
	- Claims against Warranty	0.27	0.27
	- Others	5.47	2.63
	- Proposed Dividend	69.35	45.06
	- Tax on dividend	14.12	9.18
		<u><b>102.95 #</b></u>	<u><b>71.16 #</b></u>
	# Includes share of Joint Ventures	0.29	0.29

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

## 12 FIXED ASSETS

	Gross Block				Depreciation /Amortization					Net Block			
	^^Original Cost/ Revalued Amount at 1st April 2015@	Additions	Deletions	Translation Difference	^^Original Cost/ Revalued amount at 31st March, 2016	As at 1st April, 2015 @	For the Year ^^	On deletions (Accumulated upto the date of sale)	Adjustment	Translation Difference	Upto 31st March, 2016	Net Book Value at 31st March, 2016	
	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	
<b>Tangible Assets</b>													
Land :													
Freehold	13.07	0.31	-	(0.14)	13.24	-	-	-	-	-	-	13.24	
Leasehold	9.62	-	-	-	9.62	0.85	0.11	-	-	-	0.96	8.66	
Buildings :													
Freehold ^	316.36	49.42	-	(2.60)	363.18	58.15	12.37	-	-	(1.08)	69.44	293.74	
Leasehold	27.16	0.05	-	-	27.21	4.54	0.90	-	-	-	5.44	21.77	
Plant and Equipment	708.84	88.03	2.54	(3.94)	790.39	346.53	63.51	1.51	-	(2.37)	406.16	384.23	
Furniture and Fittings	36.07	7.37	1.92	(0.57)	40.95	18.68	5.22	1.77	-	(0.39)	21.74	19.21	
Office Equipment	9.27	3.58	0.52	-	12.33	4.91	1.65	0.48	-	-	6.08	6.25	
Computers	69.39	7.82	1.63	-	75.58	50.19	7.71	1.59	-	-	56.31	19.27	
Motor Cars and Other Vehicles	25.17	4.97	3.94	(0.64)	25.56	11.64	3.43	2.72	-	(0.34)	12.01	13.55	
	1214.95	161.55	10.55	(7.89)	1358.06	495.49	94.90	8.07	-	(4.18)	578.14	779.92	
<b>Intangible Assets</b>													
Goodwill ^^^	197.12	-	-	(10.67)	186.45	-	-	-	-	-	-	186.45	
Trade Mark	1.26	-	-	0.06	1.32	0.85	0.13	-	-	0.04	1.02	0.30	
Software	47.99	1.06	-	(1.12)	47.93	34.32	4.98	-	-	(1.06)	38.24	9.69	
	246.37	1.06	-	(11.73)	235.70	35.17	5.11	-	-	(1.02)	39.26	196.44	
	1461.32	162.61	10.55	(19.62)	1593.76	530.66	100.01	8.07	-	(5.20)	617.40	976.36#	
Includes share of Joint Venture													14.61

# NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

## 12A. FIXED ASSETS

	Gross Block					Depreciation /Amortization					Net Block		
	^^Original Cost/ Revalued Amount at 1st April 2014@	Additions	Deletions	Translation Difference	^^Original Cost/ Revalued amount at 31st March, 2015	As at 1st April, 2014 @	For the Year ^^	On deletions (Accumulated upto the date of sale)	Adjustment	Translation Difference	Upto 31st March, 2015	Net Book Value at 31st March, 2015	
	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	₹ Crores	
<b>Tangible Assets</b>													
Land :													
Freehold	13.24	0.18	-	(0.35)	13.07	-	-	-	-	-	-	13.07	
Leasehold	7.65	1.97	-	-	9.62	0.73	0.12	-	-	-	0.85	8.77	
Buildings :													
Freehold ^	269.06	54.75	-	(7.45)	316.36	47.99	11.74	-	0.99	(2.57)	58.15	258.21	
Leasehold	20.29	6.87	-	-	27.16	3.73	0.81	-	-	-	4.54	22.62	
Plant and Equipment	609.89	110.49	4.10	(7.44)	708.84	297.74	56.99	3.50	1.25	(5.95)	346.53	362.31	
Furniture and Fittings	33.00	5.95	1.45	(1.43)	36.07	15.54	5.19	1.40	0.32	(0.97)	18.68	17.39	
Office Equipment	6.68	2.61	0.02	-	9.27	2.82	1.53	-	0.56	-	4.91	4.36	
Computers	66.92	6.68	4.21	-	69.39	46.57	7.59	4.07	0.10	-	50.19	19.20	
Motor Cars and Other Vehicles	23.59	4.90	1.91	(1.41)	25.17	10.40	3.36	1.47	0.13	(0.78)	11.64	13.53	
	1050.32	194.40	11.69	(18.08)	1214.95	425.52	87.33	10.44	3.35	(10.27)	495.49	719.46	
<b>Intangible Assets</b>													
Goodwill ^^^	222.98	-	-	(25.86)	197.12	-	-	-	-	-	-	197.12	
Trade Mark	1.23	-	-	0.03	1.26	0.71	0.12	-	-	0.02	0.85	0.41	
Software	47.45	3.42	0.21	(2.67)	47.99	31.98	5.05	0.21	-	(2.50)	34.32	13.67	
	271.66	3.42	0.21	(28.50)	246.37	32.69	5.17	0.21	-	(2.48)	35.17	211.20	
	1321.98	197.82	11.90	(46.58)	1461.32	458.21	92.50	10.65	3.35	(12.75)	530.66	930.66#	
Includes share of Joint Venture													12.32

^ Partly on Leasehold Land.

Leasehold land, freehold building of the Company were revalued at the following dates by the approved valuer and the surplus arising thereon, has been transferred to revaluation reserve

^^ Year of Revaluation  
1989 Leasehold Land, Freehold Building

1985 Freehold Building

1993 Freehold Land, Freehold Building

@ After considering reclassification

Refer note 29

^^^ Includes Goodwill on consolidation ₹ 1.06 crores (2014-2015 ₹ 1.06 crores)

^^^ Includes ₹ 0\* (2014-15 : ₹ 0\*) on account of 48.98 % holding in the joint venture Company M/s Berger Becker Coatings Pvt. Limited as per proportionate consolidation principle.

\* Refer Note 44

**Note :** Pursuant to notification of Schedule II of the Companies Act 2013 ('the Act') with effect from April 1 2014 the Company has reviewed and revised the estimated useful life of its fixed assets. In respect of assets whose useful life is exhausted as at 1 April 2014 the related carrying amount aggregating ₹ Nil (31st March 2015 ₹ 2.20 crores net of deferred tax of ₹ 1.15 crores ) has been adjusted against the opening balance of the surplus (Refer Note 3). Further the revision of useful life of fixed assets has resulted in additional depreciation of ₹ Nil (31st March 2015 ₹ 10.29 crores) charged to the statement of profit and loss.

# NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>13 NON-CURRENT INVESTMENTS</b>		
(Valued at cost unless stated otherwise)		
<b>Other than Trade (Unquoted)</b>		
Shantikunj Apartments Limited - at cost (Refer Note 44)	0.00	0.00
1498 Shares of ₹ 1 each fully paid up (31st March, 2015 : 1498 Shares of ₹ 1 each fully paid up)		
Charotar Gas Company (Refer Note 44)	0.00	0.00
10 shares of ₹ 10 each (31st March, 2015 : 10 shares of ₹ 10 each)		
Aggregate amount of unquoted investments	<b>0.00</b>	<b>0.00</b>
<b>14 LONG-TERM LOANS AND ADVANCES</b>		
	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>Secured, considered good</b>		
Deposits	—	0.23
<b>Unsecured, considered good</b>		
Capital advances	14.26	12.58
Loans and advances to related parties @	11.21	1.83
Security Deposits	19.80	19.17
Advance payment of income tax (net of provision for tax)	5.23	2.87
Advances recoverable in cash or in kind or for value to be received	0.33	0.27
Balances with statutory / government authorities	20.04	9.31
	<b>70.87 #</b>	<b>46.26 #</b>
# Includes share of Joint Ventures	0.71	0.16

Lusako Trading Limited	Wholly owned subsidiary in which directors of the Company are directors - towards share application money	—	0.75
Berger Paints (Cyprus) Limited	Wholly owned subsidiary in which directors of the Company are directors - towards share application money	11.21	1.08

@Includes amounts pertaining to payments made to companies, Berger Paints (Cyprus) Limited and Lusako Trading Limited, in which directors of the Company are directors, against shares allotted / to be allotted after 31st March 2016 the end of accounting period for Berger Paints India Limited, the holding Company.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

15 OTHER NON-CURRENT ASSETS	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
In Fixed Deposit Account (with maturity of not less than 12 months)	0.22	0.18
	<u>0.22 #</u>	<u>0.18 #</u>
# Includes share of Joint Ventures	0.05	0.05

16 CURRENT INVESTMENTS (At lower of cost and market value)	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>Non Trade Unquoted</b>		
<u>Investments in Mutual Funds :</u>		
Reliance Regular Savings fund - Debt plan - Direct growth plan 28,27,25,278 units of ₹ 10 each	59.78	-
Reliance Medium Term Fund Direct growth 81,99,423 units of ₹ 10 each	25.97	-
Reliance Banking & PSU Debt Fund Direct growth 2,14,87,908 units of ₹ 10 each	23.16	-
Birla Sunlife Cash Manager - Direct growth 8,47,098 (31st March, 2015 – 11,43,086) units of ₹ 10 each	31.58	39.01
Birla Sunlife Short term Opportunities fund - Direct growth 24,02,253 units of ₹ 10 each	6.03	-
Kotak Low Duration Fund - Direct - growth 2,87,730 units of ₹ 10 each	53.03	-
ICICI Prudential Savings Fund - Direct plan - growth 18,60,371 units of ₹ 10 each	42.58	-
Reliance Liquid Fund -cash plan- Direct - dividend 98,912 units of ₹ 10 each	10.81	-
Reliance Liquid Fund -cash plan- Direct - growth 74,668 units of ₹ 10 each	18.24	-
Birla Sunlife Cash Plus - Direct growth 5,34,806 units of ₹ 10 each	13.00	-
IDFC Liquid Fund - Direct - growth 50,207 units of ₹ 10 each	15.00	-
Birla Sunlife treasury optimizer - Direct growth - Nil (31st March, 2015 – 17,23,029 units of ₹ 10 each)	-	30.02
Reliance short term fund Direct growth - Nil (31st March, 2015 – 1,41,45,708 units of ₹ 10 each)	-	37.51
HDFC High Interest Fund - Direct growth - Nil (31st March, 2015 – 1,00,22,944 units of ₹ 10 each)	-	27.95
Aggregate amount of unquoted investments	<u>299.18</u>	<u>134.49</u>

\* Refer note 44

# NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>17 INVENTORIES</b> (at lower of cost and net realizable value)		
Raw materials [including in transit - ₹ 42 crores (31st March, 2015 : ₹ 27 crores)]	204.11	192.38
Containers	12.93	13.08
Work in process [including in transit - ₹ 2 crores (31st March, 2015 : ₹ 3 crores)]	53.18	53.48
Finished goods [including in transit - ₹ 32 crores (31st March, 2015 : ₹ 35 crores)]	417.88	402.90
Stock-in-trade	60.76	49.72
Stores and Spare Parts	9.30	7.91
	<b>758.16 #</b>	<b>719.47 #</b>
# Includes share of Joint Ventures	24.93	25.69
	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>18 TRADE RECEIVABLES</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured Considered Good	27.47	19.34
Unsecured Considered Doubtful	9.29	7.96
	36.76	27.30
Less: Provision for bad and doubtful debts	(9.29)	(7.96)
	27.47	19.34
Other Receivables (Secured Considered Good)	0.89	1.69
Other Receivables (Unsecured Considered Good)	552.25	514.18
Other Receivables (Unsecured Considered Doubtful)	2.02	0.05
	555.16	515.92
Less: Provision for bad and doubtful debts	(2.02)	(0.05)
	553.14	515.87
	<b>580.61 #</b>	<b>535.21 #</b>
# Includes share of Joint Ventures	35.36	35.04
Includes debts due by Private Company in which director is a Member or Director	0.40	—
	31st March, 2016	31st March, 2015
	₹ Crores	₹ Crores
<b>19 CASH AND BANK BALANCES</b>		
a) Cash and cash equivalents		
Cash on hand	0.80	0.90
Cheques, drafts on hand	14.08	1.34
Balances with banks		
on current accounts	28.57	35.84
Deposits with original maturity of less than 3 months	0.28	37.56
In Unpaid Dividend Account	4.23	3.73
b) Other bank balances		
Margin Money Deposit*	0.09	—
Deposits with original maturity of more than 3 months but less than 12 months	61.41	90.39
	<b>109.46 #</b>	<b>169.76 #</b>
# Includes share of Joint Ventures	3.85	1.79

\*Margin money deposits are subject to first charge against the Bank Guarantees issued by the Company

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	31st March, 2016 ₹ Crores	31st March, 2015 ₹ Crores
<b>20 SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Loans and advances to related parties @	0.43	-
Others		
Advances recoverable in cash or kind or for value to be received	11.96	18.37
Balances with statutory / government authorities	31.36	39.03
Deposits	5.57	3.37
	<b>49.32 #</b>	<b>60.77 #</b>
# Includes share of Joint Ventures	3.75	5.47
<b>21 OTHER CURRENT ASSETS</b>		
Interest accrued on investments, deposits and others	0.77	5.59
Other Receivables	2.80	4.51
Unamortized Premium on Forward Contracts	0.03	1.55
	<b>3.60 #</b>	<b>11.65 #</b>
# Includes share of Joint Venture	-	0.01
<b>22 REVENUE FROM OPERATIONS</b>		
Sale of Products	5097.68	4741.60
Scrap Sales	8.11	7.53
Other operating Income	5.91	9.54
	<b>5111.70 #</b>	<b>4758.67 #</b>
# Includes share of Joint Ventures	153.04	173.93
<b>23 OTHER INCOME</b>		
Interest Income on bank deposits	7.40	18.40
Net Gain on sale of current investments	16.99	5.71
Profit on sale of Fixed Assets (net)	0.08	0.08
Foreign Exchange Gain (net)	0.01	0.86
Other non operating income	9.98	10.97
	<b>34.46 #</b>	<b>36.02 #</b>
# Includes share of Joint Ventures	0.28	2.11

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>24 COST OF RAW MATERIALS AND COMPONENTS CONSUMED</b>		
<u>Raw Materials Consumed</u>		
Opening Stocks	192.38	193.49
Add: Purchases	1898.49	1918.08
Less: Cost of materials sold	(18.67)	(22.03)
Less: Closing Stock	(204.11)	(192.38)
	1868.09	1897.16
<u>Packing Materials Consumed</u>		
Opening Stocks	13.08	12.87
Add: Purchases	309.60	300.12
Less: Cost of materials sold	(0.01)	(0.43)
Less: Closing Stock	(12.93)	(13.08)
	309.74	299.48
	<b>2177.83 #</b>	<b>2196.64 #</b>
# Includes share of Joint Ventures	103.56	121.63
<b>25 PURCHASES OF STOCK-IN-TRADE</b>		
<u>Details of Purchases of traded goods</u>		
Purchases of traded goods includes liquid & powder Paints and paint application tools	414.12	353.30
	<b>414.12</b>	<b>353.30</b>
<b>26 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE</b>		
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
Opening Stocks		
Work-in-process	53.48	53.96
Finished Goods	402.90	381.11
Stock-in-trade	49.72	46.86
	506.10	481.93
Closing Stocks		
Work-in-process	(53.18)	(53.48)
Finished Goods	(417.88)	(402.90)
Stock-in-trade	(60.76)	(49.72)
	(531.82)	(506.10)
Consumed in painting contracts	(5.63)	(4.06)
Increase/(Decrease) in Excise Duty on Stock of Finished Goods	12.04	9.55
	<b>(19.31) #</b>	<b>(18.68) #</b>
# Includes share of Joint Ventures	0.32	1.86

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>27 EMPLOYEE BENEFITS EXPENSE</b>	<b>₹ Crores</b>	<b>₹ Crores</b>
Salaries and Wages	238.91	211.21
Contribution to provident and other funds (Refer Note 38)	21.97	21.70
Expense on Employee Stock Option Scheme	0.49	1.19
Staff welfare expenses	19.92	19.03
	<b>281.29 #</b>	<b>253.13 #</b>
# Includes share of Joint Ventures	6.76	5.38
<b>28 FINANCE COSTS</b>	<b>₹ Crores</b>	<b>₹ Crores</b>
Interest Expense	25.77	44.86
Other borrowing costs	0.20	0.60
Net Exchange difference on foreign currency transactions and translation	3.04	4.68
	<b>29.01 #</b>	<b>50.14 #</b>
# Includes share of Joint Venture	1.58	2.75
<b>29 DEPRECIATION AND AMORTIZATION EXPENSE</b>	<b>₹ Crores</b>	<b>₹ Crores</b>
Depreciation of tangible assets	94.90	87.33
Amortization of intangible assets	5.11	5.17
	<b>100.01</b>	<b>92.50</b>
# Includes share of Joint Ventures	<b>100.01 #</b>	<b>92.50 #</b>
	1.47	1.02
<b>30 OTHER EXPENSES</b>	<b>₹ Crores</b>	<b>₹ Crores</b>
Freight, Octroi and Delivery	296.94	267.32
Power & Fuel	42.83	47.03
Consumption of Stores and Spare Parts	6.60	6.58
Repairs to Buildings	1.06	1.00
Repairs to Machinery	18.38	15.59
Repairs to Other Assets	6.49	5.05
Rent	40.31	35.99
Rates & Taxes	5.30	4.25
Travelling	43.91	39.38
Advertisement and Sales Promotion Expenses	319.93	284.62
Insurance	4.34	4.36
Cash Discount	165.52	151.88
Processing Charges	18.32	17.43
Directors' Fees	0.01	0.02
Commission to Non-Executive Directors	0.41	0.29
Foreign Exchange Loss (net)	10.75	11.35
Other expenses (#) (##)	143.68	134.81
	<b>1124.78 #</b>	<b>1026.95 #</b>
# Includes share of Joint Ventures	14.29	13.25

(##) CSR expenses ₹ 4.38 crores (2014-15 ₹ 1.53 crores) includes company's own programme for promoting employment enhancing vocational skill programme named 'iTrain'

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>31 CURRENT TAX</b>		
Provision for the year	182.19	130.56
Adjustment in respect of earlier years	(3.37)	0.31
	<b>178.82 #</b>	<b>130.87 #</b>
# Includes share of Joint Ventures	2.64	4.02
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>32 DEFERRED TAX CHARGE / (CREDIT)</b>		
Liability		
Difference between WDV of fixed assets as per books of accounts and for tax purposes	9.64	9.21
Expense claimed for tax purpose on payment basis	4.08	-
Others	(0.02)	(0.02)
	<b>13.70</b>	<b>9.19</b>
Less: Asset		
On expenses allowable against taxable income in future years	0.27	0.78
Others	1.17	(0.12)
	<b>1.44</b>	<b>0.66</b>
	<b>12.26 #</b>	<b>8.53 #</b>
# Includes share of Joint Ventures	0.26	0.07
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>33 EARNINGS PER SHARE</b>		
i) Profit after Tax (₹ Crores)	369.77	264.70
ii) Weighted average number of Equity Shares outstanding in calculating Basic EPS	69,33,90,105	69,31,50,576
iii) Effect of potential Equity Shares on Employee Stock Options outstanding	86,785	2,89,969
iv) Weighted average number of Equity Shares in computing diluted earnings per share [(ii) + (iii)]	69,34,76,890	69,34,40,545
v) Earnings per share : (Face Value ₹ 1.00 per Share) -		
- Basic [(i) / (ii)] ₹	5.33	3.82
- Diluted [(i) / (iv)] ₹	5.33	3.82

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 34 PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) - "Consolidated Financial Statements" and Accounting Standard 27 (AS 27) - "Financial Reporting of Interests in Joint Ventures", notified by the Companies (Accounting Standard) Rules, 2006.

- a) The consolidated financial statements pertain to Berger Paints India Limited, its wholly owned subsidiary and joint venture companies as detailed below -

Name of the Company	Country of Incorporation	% voting power held at 31st March, 2015	Accounting Period
<b>Direct Subsidiaries</b>			
Berger Jenson & Nicholson (Nepal) Private Limited	Nepal	100.00	15th March - 14th March
Beepee Coatings Private Limited	India	100.00	1st April - 31st March
Berger Paints (Cyprus) Limited	Cyprus	100.00	1st January - 31st December
Lusako Trading Limited	Cyprus	100.00	1st January - 31st December
<b>Indirect Subsidiaries</b>			
BJN Paints India Limited	India	100.00	1st April - 31st March
Berger Paints Overseas Limited [a 100% subsidiary of Berger Paints (Cyprus) Limited]	Russia	100.00	1st January - 31st December
Bolix S.A. [a 100% subsidiary of Lusako Trading Limited]	Poland	100.00	1st January - 31st December
Build-Trade sp. z.o.o. [a 100% subsidiary of Bolix S.A.]	Poland	100.00	1st January - 31st December
Bolix Ukraine Limited Liability Company [a 99% subsidiary of Bolix S.A.]	Ukraine	100.00	1st January - 31st December
Build-Trade SKA [a 100% subsidiary of Bolix S.A.]	Poland	100.00	1st January - 31st December
<b>Joint Ventures</b>			
Berger Becker Coatings Private Limited	India	48.98	1st April - 31st March
BNB Coatings India Private Limited	India	49.00	1st April - 31st March

- i) The financial statements of Berger Paints India Limited and its subsidiaries have been compiled by adding together on a line by line basis the book value of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions. The Company's interest in its joint venture companies, M/s Berger Becker Coatings Private Limited and M/s BNB Coatings India Private Limited have been consolidated using the proportionate consolidation principle based on the audited financial statements.

In translating the financial statements of non-integral foreign operations, assets & liabilities have been translated using the exchange rates prevailing at the end of the financial year and income & expenses have been translated at the average exchange rates for the period. The resulting exchange differences are transferred to the Foreign Currency Translation Reserve.

- ii) The excess / deficit of the cost to the Company of its investments over its share in the equity of the subsidiaries and joint venture companies as on the date (or as near to the date as practicable) of takeover has been recognised in the consolidated financial statements as goodwill / (capital reserve).

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 35 CONTINGENT LIABILITIES

- a) Claims against the Company not acknowledged as debts :  
The Sales Tax, Excise & Service Tax and Income Tax have made certain claims totalling ₹ 56.58 crores (2014-15 : ₹ 34.70 crores), ₹ 24.95 crores (2014-15 : ₹ 18.95 crores) and ₹ 35.26 crores (2014-15 : ₹ 27.04 crores) respectively in respect of earlier years. The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same.  
The future cash flows on account of the above cannot be determined unless the judgement/decisions are received from the ultimate judicial forums.
- b) Some of the fixed assets of the Company have been mortgaged by deposit of title deeds in favour of Standard Chartered Bank towards loan extended to its subsidiary, M/s Lusako Trading Limited.

### 36 COMMITMENTS

	<u>31st March, 2016</u>	<u>31st March, 2015</u>
	₹ Crores	₹ Crores
Estimated amount of Contracts remaining to be executed on Capital Account not provided for	82.16	23.53
37 In accordance with Government of India notification amending Companies (Accounting Standards) Rules, 2006, in respect of AS 11 one of the Company's subsidiary has capitalized foreign exchange loss on reporting of long term foreign currency monetary items used for depreciable assets amounting to ₹ 2.92 crores (31st December, 2014 - ₹ 4.98 crores) Amount remaining to be amortized in respect of long term foreign currency monetary items used in other cases as at 31st December, 2015 is ₹ 9.02 crores (31st December 2014 - ₹ 6.95 crores).		

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 38 EMPLOYEE BENEFITS

i) Defined benefit plans

a) Gratuity

		31.03.2016	31.03.2015
		₹ Crores	₹ Crores
<b>A</b>	<b>Expense recognised in the statement of Profit &amp; Loss</b>		
1	Current service cost	2.26	2.06
2	Interest cost	2.34	2.14
3	Expected return on plan assets	(2.36)	(2.13)
4	Net actuarial (gain) / loss recognised during the year	1.08	1.59
5	Past service cost	-	-
6	<b>Total Expense</b>	<b>3.32</b>	<b>3.66</b>
<b>B</b>	<b>Change in Present value of the Obligation during the year</b>		
1	Present value of obligation as at the beginning of the year	29.55	26.24
2	Current service cost	2.26	2.06
3	Interest cost	2.34	2.14
4	Benefits paid	(3.95)	(2.48)
5	Actuarial (gain) / loss on obligation	1.09	1.59
6	Past service cost	-	-
7	<b>Present value of obligation as at the end of the year</b>	<b>31.29</b>	<b>29.55</b>
<b>C</b>	<b>Change in Fair value of plan assets during the year</b>		
1	Fair value of plan assets as at the beginning of the year	26.05	23.25
2	Expected return on plan assets	2.36	2.13
3	Contributions made	2.98	3.15
4	Benefits paid	(3.95)	(2.48)
5	Actuarial gain / (loss) on plan assets	0.01	-
6	<b>Fair value of plan assets as at the end of the year</b>	<b>27.45</b>	<b>26.05</b>
<b>D</b>	<b>The major categories of plan assets as a percentage of the fair value of total plan assets</b>		
	Investments with insurer	100%	100%
		<b>31st March, 2016</b>	<b>31st March, 2015</b>
<b>E</b>	<b>The principal assumptions used in determining gratuity obligations for the Company's plan are shown below</b>		
	Discount rate	8.00%	8.00%
	Expected rate of return on assets*	8.74%	8.23%
	Employee turnover	Agewise 0.10%-0.50%	Agewise 0.10%-0.50%
	Mortality rate	Indian Assured lives (Mortality 2006-08 modified )	Indian Assured lives (Mortality 2006-08 modified )

\* Expected rate of return on plan assets is same as actual rate of return since ARD falls on 31st March.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

F	Net Liability recognised in the Balance Sheet	Gratuity	Gratuity	Gratuity	Gratuity	Gratuity
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
		₹ Crore	₹ Crore	₹ Crore	₹ Crore	₹ Crore
1	Present value of the obligation	31.29	29.55	26.24	24.22	20.35
2	Fair value of plan assets	27.45	26.05	23.25	21.86	18.48
3	Funded Status [surplus / (deficit)]	(3.84)	(3.50)	(2.99)	(2.36)	(1.87)
4	Net Liability recognised in the Balance Sheet	(3.84)	(3.50)	(2.99)	(2.36)	(1.87)

**G** In 2016-17 the Company expects to contribute ₹ 3.06 crores (31st March, 2016 ₹ 2.98 crores) to gratuity

Notes a) The disclosures included above are limited to the extent provided by the actuary.

b) The amounts for "Other Defined Benefit Plans" are below the rounding off norm adopted by the Company and hence the disclosures as required under AS - 15 "Employee Benefits" have not been given. (Refer note 44)

b) Provident Fund for certain eligible employees is administered by the Company through the Trust "Berger Paints Provident Fund (Covered)" as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Rules for such a Trust provide that in a provident fund set up by the employer, being exempt under Section 17(1) of the said Act, any shortfall in the rate of interest on contributions as compared to the rate approved by the government for the Employees' Provident Fund administered by the Regional Provident Fund Commissioner is to be met by the employer. Such a provident fund would in effect be a defined benefit plan in accordance with the requirement of AS 15, Employee Benefits (Revised 2005). Provident Fund maintained with Trust ₹ 7.48 crores (31st March, 2015: ₹ 6.94 crores) The actuarial valuation conducted (as per the Guidance Note issued by the Actuarial Society of India during the year) indicate that there is no shortfall as on 31st March, 2016 based on the following assumptions :

Discount rate (per annum)	7.9%
Expected rate of return on plan assets	8.60%-8.65%

### ii) Defined contribution plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss for defined contribution plans :

- Provident and Family Pension Fund (applicable for certain eligible employees whose provident fund accounts are maintained with the Regional Provident Fund Commissioner - ₹ 1.34 crores (31st March, 2015 : ₹ 1.37 crores).
- Superannuation Fund - ₹ 2.01 crores (31st March, 2015 : ₹ 2.02 crores)

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 39 SEGMENT REPORTING FOR THE YEAR ENDED 31ST MARCH, 2016

Based on the guiding principles given in the Accounting Standard on Segment Reporting (AS-17) issued by the “Institute of Chartered Accountants of India”, the financial information about the primary business segment is as under:

₹ Crores

	2015-16			2014-15		
	Paints	Others #	Total	Paints	Others #	Total
<b>REVENUE</b>						
External Sales (Net)	4475.83	158.29	4634.12	4155.51	166.55	4322.06
<b>Total Revenue</b>	<b>4475.83</b>	<b>158.29</b>	<b>4634.12</b>	<b>4155.51</b>	<b>166.55</b>	<b>4322.06</b>
<b>RESULTS</b>						
Segment/Operating Results	580.33	9.53	589.86	446.25	7.99	454.24
Provision for Tax [including Deferred Tax]	(189.25)	(1.83)	(191.08)	(138.89)	(0.51)	(139.40)
Unallocated reconciling item - Finance cost	(29.01)		(29.01)	(50.14)		(50.14)
<b>Net Profit</b>	<b>369.77</b>		<b>369.77</b>	<b>264.70</b>		<b>264.70</b>
<b>OTHER INFORMATION</b>						
Segment Assets	2657.18	261.92	2919.10	2442.77	273.07	2715.84
<b>Total Assets</b>	<b>2657.18</b>	<b>261.92</b>	<b>2919.10</b>	<b>2442.77</b>	<b>273.07</b>	<b>2715.84</b>
Segment Liabilities	1116.60	323.33	1439.92	1137.52	317.72	1455.24
<b>Total Liabilities</b>	<b>1116.60</b>	<b>323.33</b>	<b>1439.92</b>	<b>1137.52</b>	<b>317.72</b>	<b>1455.24</b>
Depreciation / Amortization	93.68	6.33	100.01	85.38	7.12	92.50
<b>Total Depreciation / Amortization</b>	<b>93.68</b>	<b>6.33</b>	<b>100.01</b>	<b>85.38</b>	<b>7.12</b>	<b>92.50</b>
Capital Expenditure including CWIP	118.64	5.84	124.48	159.12	5.84	164.96

# Others represent External Insulation Finishing Systems

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 40 DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY, SUBSIDIARIES AND JOINT VENTURES

Entity Name	31 March, 2016 Net Assets		31 March, 2016 Share of Profit/Loss	
	% of consolidated assets	Amount ₹ Crores	% of consolidated profit and loss	Amount ₹ Crores
<b>Parent</b>				
Berger Paints India Limited	104.17	1,540.72	95.97	354.87
<b>Indian Subsidiaries</b>				
1) Beepee Coatings Private Limited	(0.13)	(1.93)	0.64	2.35
<b>Foreign Subsidiaries</b>				
1) Berger Jenson & Nicholson (Nepal) Private Limited	5.01	74.15	4.67	17.29
2) Berger Paints (Cyprus) Limited consolidated with Berger Paints Overseas Limited	(1.89)	(28.01)	(2.69)	(9.96)
3) Lusako Trading Limited consolidated with Bolix Ukraine Limited Liability Company & Group*	(9.76)	(144.30)	(0.10)	(0.38)
<b>Joint Ventures</b>				
1) Berger Becker Coatings Private Limited	2.27	33.60	0.97	3.61
2) BNB Coatings India Private Limited	0.33	4.95	0.54	1.99
	<b>100.00</b>	<b>1,479.18</b>	<b>100.00</b>	<b>369.77</b>

\* Group includes Bolix Ukraine Limited Liability Company, Built Trade S.K.A. and Build - Trade sp. z.o.o.

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

### 41 DISCLOSURES ON RELATED PARTIES

#### Independent Directors

Mr. Kamal Ranjan Das  
Mr. Naresh Gujral  
Mr. Dharendra Swarup  
Mr. Pulak Chandan Prasad  
Mr. Gopal Krishna Pillai

#### Key Managerial Personnel

Mr. Abhijit Roy, Managing Director & CEO.  
Mr. Srijit Dasgupta, Director Finance & Chief Financial Officer  
Mr. Aniruddha Sen, Sr. Vice President & Company Secretary

	Related Party	Relationship	Outstanding as on 31.3.2016	Outstanding as on 31.3.2015	Payable/ Receivable	Nature of transaction	For the year ended 31.03.16 Value of Transaction	For the year ended 31.03.15 Value of Transaction
			₹ Crore	₹ Crore			₹ Crore	₹ Crore
(A)	U K Paints (India) Pvt. Limited	BPIL is a subsidiary Company of UKPI Ltd	15.86	16.74	Payable	1 Charges for Processing of Goods	14.53	16.19
						2 Purchase of Goods	61.30	60.10
						3 Sale of Goods	0.35	0.33
						4 Rent Expense / Security Charges	3.50	3.35
(B)	Seaward Packaging Private Limited	Enterprise over which directors have significant influence	5.64	3.15	Payable	1 Purchase of goods	23.30	16.88
						2 Sale of Goods	0.01	
(C)	Kanwar Properties Private Limited	Enterprise over which directors have significant influence	-	-		1 Rent Expense/ Security Deposit	-	0.06
(D)	Flex Properties Pvt Ltd	Enterprise over which directors have significant influence	-	-	Payable	Rent Expense/ Security Deposit	0.22	0.19
(E)	Wazir Estates Pvt Ltd*	Enterprise over which directors have significant influence	0.01	0.00	Receivable	Sale of Goods - FG	0.03	-
(F)	Kay Dee Farms Pvt Ltd*	Enterprise over which directors have significant influence	0.00	0.00	Receivable	1 Sale of Goods - FG	-	-
(G)	Malibu Estate Pvt Ltd*	Enterprise over which directors have significant influence	0.00	0.00	Receivable	1 Sale of Goods - FG	0.00	0.00
(H)	Mr. K S Dhingra	Director	0.01	0.01	Payable	1 Rent Paid	0.19	0.19
						2 Directors' commission	0.10	0.10
(I)	Mr. G S Dhingra	Director	0.01	0.01	Payable	1 Rent Paid	0.19	0.19
						2 Directors' commission	0.10	0.10

# NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	Related Party	Relationship	Outstanding as on 31.3.2016	Outstanding as on 31.3.2015	Payable/ Receivable	Nature of transaction	For the year ended 31.03.16 Value of Transaction	For the year ended 31.03.15 Value of Transaction
			₹ Crore	₹ Crore			₹ Crore	₹ Crore
(J)	Mr. Subir Bose **	Director *	-	0.00	Receivable	1 Rent Paid	-	0.01
(K)	Mrs. Chandrika Bose**	Relative of Direor *	-	0.00	Receivable	1 Rent Paid	-	0.01
(L)	Mr. Kanwardip Singh Dhingra	Whole time Director & Relative of Mr G.S Dhingra	-	-		1 Remuneration	0.23	0.23
(M)	Mrs. Rishma Kaur	Whole time Director & Relative of Mr K.S Dhingra	-	-		1 Remuneration	0.24	0.24
(N)	Mr. Abhijit Roy	Managing Director & CEO and Key Managerial Personnel	0.31	0.26	Payable	1 Remuneration	1.81	1.25
(O)	Mr. Srijit Dasgupta	Director Finance & Chief Financial Officer and Key Managerial Personnel	-	0.10	Payable	1 Remuneration	1.11	1.02
(P)	Mr. Aniruddha Sen	Sr. Vice President & Company Secretary and Key Managerial Personnel	-	-	Payable	1 Remuneration	0.82	0.73
(Q)	Independent Directors	Independent Directors	-	-		1 Remuneration	0.21	0.09

\* Refer Note 44

\*\* Till 30 th August 2014

- 42 The Company's leasing arrangement are in the nature of operating leases which are not non cancellable. These are usually renewed periodically by mutual consent. The rentals payable against these arrangements appear under the head 'Rent' in Note 30 to the Statement of Profit and Loss ₹ 0\* (2014-15 : ₹ 0\*).
- 43 Previous year comparatives  
Figures in bracket relate to previous year .  
Previous year's figures have been regrouped and reclassified to conform to current year's classification.
- 44 All figures are in Rupees Crores. Figures marked with asterisks (\*) are below the rounding off norm adopted by the Company.
- 45 The figures of previous year were audited by a firm of Chartered Accountants other than S.R. Batliboi & Co. LLP.

**For S.R. BATLIBOI & CO LLP**  
Firm Registration No. 301003E/E300005  
Chartered Accountants  
**per Bhaswar Sarkar**  
Partner  
Membership Number: 55596  
Place : Kolkata  
Dated : 30th May, 2016

**On behalf of the Board of Directors**  
**Kuldip Singh Dhingra** - Chairman  
**Gurbachan Singh Dhingra** - Vice - Chairman  
**Abhijit Roy** - Managing Director & CEO  
**Srijit Dasgupta** - Director - Finance & CFO  
**Aniruddha Sen** - Sr. VP & Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT OF BERGER PAINTS INDIA LIMITED AND ITS SUBSIDIARY AND JOINT VENTURE COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>A Cash flow from operating activities</b>		
Profit before tax	560.84	404.10
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	100.01	92.50
Exchange difference on deferred tax	(1.41)	(3.35)
Profit on sale of fixed assets [net]	(0.08)	(0.08)
Unrealised foreign exchange (gain)/loss - [net]	(1.28)	0.41
Foreign currency translation	(1.63)	8.98
Employee stock compensation expenses	0.49	1.16
Interest expenses	25.77	44.86
Interest income	(7.40)	(18.40)
Net (gain)/loss on sale of current investment	(16.99)	(5.71)
<b>Operating profit before working capital changes</b>	658.32	524.47
Movements in working capital :		
Decrease in loans and advances	19.77	52.73
Increase in trade receivables	(45.23)	(48.89)
Decrease in other current assets	3.19	2.95
Increase in Inventories	(38.69)	(23.82)
Increase in trade payables	135.01	15.22
Increase in provisions	3.70	2.10
Increase in current liabilities	43.31	11.25
<b>Cash generated from operations</b>	779.38	536.01
Direct taxes paid (net of refunds)	(181.19)	(122.20)
<b>Net cash from operating activities (A)</b>	598.19	413.81
<b>B Cash Flow from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances	(124.28)	(161.52)
Proceeds from sale of fixed assets	2.56	1.31
Interest received	12.22	14.75
Proceeds of non current investment	-	0.50
Purchase of current investments	(1,477.22)	(758.45)
Proceeds from sale of current investment	1,329.54	719.86
<b>Net cash used in investing activities (B)</b>	(257.18)	(183.55)



**CONSOLIDATED CASH FLOW STATEMENT OF BERGER PAINTS INDIA LIMITED AND ITS SUBSIDIARY AND JOINT VENTURE COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2016 (CONTD.)**

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹ Crores	₹ Crores
<b>C Cash flow from financing activities</b>		
Proceeds from issuance of equity share capital	0.02	0.03
Proceeds from long term borrowings	9.16	9.57
Repayment of short term borrowings [net]	(247.89)	(24.45)
Interest paid	(25.72)	(45.11)
Dividend paid including tax thereon	(107.99)	(138.33)
<b>Net cash used in financing activities (c)</b>	<b>(372.42)</b>	<b>(198.29)</b>
<b>Net decrease in cash &amp; cash equivalents(A+B+C)</b>	<b>(31.41)</b>	<b>31.97</b>
<b>Cash &amp; cash equivalents at the beginning of the year #</b>	<b>79.37</b>	<b>47.40</b>
<b>Cash &amp; cash equivalents at the end of the year #</b>	<b>47.96</b>	<b>79.37</b>
Cash on hand	0.80	0.90
Components of cash and cash equivalents :		
Balances with banks		
In Current Account	28.57	35.84
In Fixed Deposit Account (less than 3 months maturity)	0.28	37.56
In Unpaid Dividend Account*	4.23	3.73
Cheques in Hand	14.08	1.34
Total cash and cash equivalents (Note 19)	<b>47.96</b>	<b>79.37</b>

\* The company can utilize these balances only toward settlement of the respective unpaid dividend.

Summary of significant accounting policies 1

As per our report on even date

**For S.R. BATLIBOI & CO LLP**  
Firm Registration No. 301003E/E300005  
Chartered Accountants

**per Bhaswar Sarkar**  
Partner  
Membership Number: 55596  
Place : Kolkata  
Dated : 30th May, 2016

**On behalf of the Board of Directors**

**Kuldip Singh Dhingra** - Chairman  
**Gurbachan Singh Dhingra** - Vice - Chairman  
**Abhijit Roy** - Managing Director & CEO  
**Srijit Dasgupta** - Director - Finance & CFO  
**Aniruddha Sen** - Sr. VP & Company Secretary

## FINANCIAL SUMMARY OF BERGER PAINTS INDIA LIMITED (CONSOLIDATED) – FIVE YEARS AT A GLANCE

₹ Crores

	2015-16	2014-15	2013-14	2012-13	2011-12
Gross Revenue	5,111.70	4,758.67	4,250.71	3,663.12	3,193.68
Revenue from Operations (Net of Excise Duty)	4,634.12	4,322.06	3,869.72	3,346.41	2,947.73
% Growth	7.22	11.69	15.64	13.52	25.93
Other Income	34.46	36.02	35.95	31.43	30.54
Materials Consumed	2,572.64	2,531.26	2,345.35	2,058.63	1,875.43
Employee Benefits Expense	281.29	253.13	225.24	187.12	164.00
Other Expenses	1,124.78	1,026.95	867.76	729.47	604.87
Operating Profit - EBITDA	689.87	546.74	467.32	402.62	333.97
% to Net Revenue	14.89	12.65	12.08	12.03	11.33
Depreciation / Amortization	100.01	92.50	70.71	56.72	47.18
Finance Cost	29.01	50.14	46.63	37.66	32.36
Profit Before Tax	560.85	404.10	349.98	308.24	254.43
Tax Expense	191.08	139.40	100.59	89.84	74.39
Profit After Tax	369.77	264.70	249.39	218.40	180.04
Return On Net Worth ( % ) ^	25.01	21.01	22.28	22.93	22.77
<b>Shareholders' Funds :</b>					
Share Capital	69.35	69.33	69.30	69.26	69.23
Reserves and Surplus	1,409.83	1,191.27	1,051.03	883.90	722.31
Total	1,479.18	1,260.60	1,120.33	953.16	791.54
Other current and non-current liabilities	1,439.92	1,455.24	1,474.53	1,232.92	996.56
<b>EQUITY AND LIABILITIES</b>	<b>2,919.10</b>	<b>2,715.84</b>	<b>2,594.86</b>	<b>2,186.08</b>	<b>1,788.10</b>
Fixed Assets	1,038.66	1,031.10	997.09	771.40	581.84
Investments	299.18	134.49	90.68	10.82	3.96
Other current and non-current assets	1,581.26	1,550.25	1,507.09	1,403.86	1,202.30
<b>ASSETS</b>	<b>2,919.10</b>	<b>2,715.84</b>	<b>2,594.86</b>	<b>2,186.08</b>	<b>1,788.10</b>
Cash Earnings Per Share (₹)	6.78	5.15	4.62	3.97	3.28
Earnings Per Share - Basic (₹)	5.33	3.82	3.60	3.15	2.60
Earnings Per Share - Diluted (₹)	5.33	3.82	3.60	3.15	2.60
Book Value Per Share (₹)^	21.32	18.17	16.16	13.75	11.42

^ Net worth and Book Value is exclusive of Revaluation Reserve.

**BERGER PAINTS INDIA LIMITED****REGISTERED & HEAD OFFICE** - BERGER HOUSE, 129, Park Street, Kolkata - 700 017

Phone Nos. : 033-2229 9724-28; Fax No. : 033-2227 7288

Website : www.bergerpaints.com ; E-mail : consumerfeedback@bergerindia.com

**SALES DEPOTS****EAST-1**

- **CHAMRAIL**  
C/o. Shriram Warehousing Pvt. Ltd.,  
NH-6, Bombay Road, Chamrail,  
Liluah, Howrah - 711 114  
Phone : 033 649 93292/85/84
- **DURGAPUR**  
G. T. Road, Khairasole,  
Durgapur - 713 212  
Phone : 0343 645 158/159/160/136
- **HOWRAH\*\***  
Jalan Complex, NH-6,  
Near Brick field, Bipparnapara, Begri,  
Howrah - 711 411  
Phone : 08282945921
- **KOLKATA-1**  
6C, Rameshwar Shaw Road,  
Kolkata - 700 014  
Phone : 033 2284 8120/2289 7395/7762  
Fax : 033 2289 7084
- **KOLKATA-2**  
Godown No.1A & 1C,  
C/o. Central Warehousing Corporation,  
1B, Kishore Mohan Banerjee Road, Pani-  
hati, Kolkata - 700 114  
Phone : 033 65009700 to 9723
- **KOLKATA-4**  
Apeejay Industries Limited Complex  
47, Hide Road, P.S. Taratolla  
Kolkata 700 088  
Phone : 033 6500 1693/1352/1665/1433
- **PANIHATI++**  
Godown No. 2B & 2C, C/o. Central Ware-  
housing Corporation,  
1B, Kishore Mohan Banerjee Road, Pani-  
hati, Kolkata - 700 114  
Phone : 033 6499 0773/706
- **PATNA-1**  
TPS Compound,  
Exide Battery Campus,  
Near Sonali Mahendra Showroom,  
New By Pass Road,  
Near Anisabad, Patna - 800 002  
Phone : 0612 6455370 to 6455385
- **PATNA-2**  
Shailesh Amber House,  
Mahatma Gandhi Setu Road,  
Opposite - Tata Motors, Pahari,  
Patna - 800 007  
Phone : 0612 322 7623 - 322 7625

- **RAIPUR**  
G D Warehousing, Warehouse No.10  
Behind Raika Rolling Mill  
Ring Road, No. 2, Gondwara,  
Raipur - 493 221, Chhattisgarh  
Phone : 0771 661 6601/3/5/614/619
- **SILIGURI**  
Kusum Warehouse,  
3rd Mile Sevoke Road, Plot No.120,  
Mouza Dabgram, Block Rajganj,  
P.S.. Bhaktinagar,  
Dist. Jalpaiguri - 734 008  
Beside Hotel Cindrella  
Phone : 09233333455/09233470002
- **EAST-2**
- **AGARTALA**  
Road No.2&3, Crossing,  
Dhaleswar,Natun Pally, Agartala,  
Tripura (West) - 799 007  
Phone : 0381 231 1433/230 8404
- **BHUBANESWAR**  
Plot No.146, Sector - A, Zone-B, Man-  
cheswar Industrial Estate,  
Bhubaneswar - 751 010  
Phone : 0674 258 8719/8720
- **CUTTACK**  
Village - Bilateruan,  
Near Maguli Chhak,  
N.H. 5, P.O. Harianta,  
P.S. Tangi, Cuttack - 754 025  
Phone : 0671 239 2616/239 2584
- **GUWAHATI-1**  
Honuram Boro Path, Kachari Basti,  
Dispur, Guwahati - 781 005  
Phone : 0361 234 8381/3026/28
- **GUWAHATI-2**  
C/o. Assam Fertilizer Compound,  
Holding No.127, Ward No.55,  
Tripura Road, Jawaharnagar,  
Beltola, Guwahati - 781 028  
Phone : 0361 2133524/3467
- **GUWAHATI++**  
Holding Number 901, Ward No.13,  
N.H. 37, Lokhra, Guwahati - 781 034  
Phone : 0361 2236606
- **RANCHI**  
Plot No.763/26, Thana 194,  
P.S. Sadar, Kokar Area,  
Distt. Ranchi - 834 001  
Phone : 0651 2544 397/254 4174

- **JAMSHEDPUR\*\*\***  
Near Military Camp, Sundernagar  
Tatanagar, Jamshedpur, Jharkhand
- **SAMBALPUR**  
Global Warehouse, Remed,  
Sambalpur-768 006, Odisha.  
Phone : 07894469691
- **SHILLONG**  
Near Chief Engineer Office (MES),  
Lower Nongrim Hills, East Khasi Hills,  
District Shillong - 793 003, Meghalaya  
Phone : 0364 253 4901/4903
- **SOUTH-1**
- **CHENNAI-1+**  
99/5, MGR Road, Nagalkeni,  
Chrompet, Chennai - 600 044  
Phone : 044 669 14000
- **CHENNAI-2**  
Plot No. D-18,  
Ambattur Industrial Estate,  
Ambattur, Chennai - 600 058  
Phone : 044 2635 7835/6/7/8/9
- **COIMBATORE+**  
1/1, Mettupalayam Road,  
Cheran Nagar-P.O.,  
Coimbatore - 641 029  
Phone : 0422 2434508/2431132/4368288  
Fax : 0422 243 1132
- **HYDERABAD-1+**  
Plot No.5, Opp. IDPL Company,  
Lane Beside Tibcon Capacitor,  
Balanagar, Hyderabad - 500 037  
Phone : 040 29804277/88/99
- **HYDERABAD-2**  
Door No.10-10/21, Opp. SBH,  
Jillelaguda Branch,New Gayatri Nagar,  
Jillelaguda, Hyderabad - 500 079  
Phone : 040 240 97334/240 94334
- **KURNOOL**  
Door No.51/15/A/4/8, Sy.No.312/2,  
321, Rajiv Nagar, Bellary Road,  
Near Hanuman Weight Bridge,  
Kurnool - 518 003  
Phone : 08518 259 677/577
- **MADURAI**  
"Sundara Bhavanam", Door No.175,  
Kamarajar Salai, Madurai - 625 009  
Phone : 0452 262 8274/8312  
Fax : 0452 262 9023

- **PUDUCHERRY**  
8, Main Road,  
Gnanapragasam Nagar,  
Puducherry - 605 008  
Phone : 0413 224 9035/8098  
Fax : 0413 224 8098
- **TIRUNELVELI**  
200-E/2/1, Tiruchendur Road  
Samathanapuram Palayamkottai  
Tirunelveli - 627 002  
Phone : 0462 257 3315/16
- **TIRUPATI**  
No.14-39, Opp. G.D.R. Cylinders, Reni-  
guntta Industrial Estate,  
Renigunta - 517 520  
Phone : 0877 2239395/200
- **TRICHY**  
249/2B, Opp. SIT Hostel,  
Tanjavur Main Road,  
Ariyamangalam, Trichy - 620 010  
Phone : 0431 244 1476/71  
Fax : 0431 244 0104
- **VIJAYAWADA-1**  
R.S. # 171/2, Kanuru Donka Road, Enike-  
padu - 521 108  
Vijayawada Rural  
Phone : 0866 284 3641/42  
  
R. S. No.87/1A,  
Prasadampadu Village, Vijayawada Rural,  
Vijayawada - 521 108  
To be shifted to : (R.S.No. 73/2, Prasad-  
ampadu Village, Vijayawada)
- **VISAKHAPATNAM**  
Plot No. 188, D-Block, IDA,  
Autonagar, Visakhapatnam - 530 012  
Phone : 0891 254 5936/257 8396
- **SOUTH-2**
- **ALLEPPEY**  
C/o. Jasspack Services Pvt. Ltd.,  
Building No.8/52 C,  
Karinganamkuzhy,  
P.O. Arookutty Ferry Road, Aroor,  
Alleppey - 688 534  
Phone : 0478 287 2366
- **BENGALURU-1+**  
# 22, Fort "A", K R Road,  
Opp. Vani Vilas Hospital,  
Bengaluru - 560 002  
Phone : 080 2670 1315/1815  
Fax : 080 2670 9641

\*\* Raw Material Godown  
++ Regional Distribution Centre  
† Also Berger Paints Home Decor Centre  
\*\*\* To Start

## BENGALURU-1 (New)

103/1, Gottigere, Basavanapura  
Near Nice Road Junction  
Bannerghata Road, Bangalore - 560 083  
Phone : 080 2842 9721  
Fax : 080 2842 9722

## BENGALURU-3

Plot No.32, Peenya III Phase,  
Peenya Industrial Area,  
Bangaluru - 560 058  
Phone : 080 283 77778/283 77668

## BENGALURU++

Survey No.250,  
Huchhegowdanapalya,  
T. Begur Grama Panchayat  
& Post Nelamangala Taluk,  
Bangaluru Rural District  
Karnataka - 562 123  
Phone : 080 2773 3557

## CALICUT

Door No.III/102D, (New No.XV/517B)  
Ground floor, Parammal Junction  
Near ALPB School, N H Bypass Road  
Azinjilam, Malappuram - 673 632  
Calicut, Kerala  
Phone : 0483 283 2144/2244

## HOSUR

C-13, Sidco Industrial Estate,  
Hosur - 635 126, Tamil Nadu  
Phone : 04344 274939/274 929

## HUBLI

Bembalgi Farms, Next to Jain Mandir,  
P. B. Road, Gabbur, Hubli - 580 028  
Phone : 0836 221 8027/28

## KANNUR

C/o. Western India Cottons Godown,  
PPXIII/66, Pappinissery (PO),  
Kannur District, Kerala - 670 591  
Phone : 0497 2786556

## KOCHI (Office only)+

Door No. III/835C,  
Valiyara Chambers,  
K.K. Road, Chembumukku,  
Ernakulam - 682 021  
Phone : 0484 2426312/18

## KOLLAM

K.P. 1/293, 294, 295, 296,  
Najeem Cashew Industry Building,  
T.K.M.C., P.O. Karikode,  
Kollam District - 691 005  
Phone : 0474 2707063/68/770

## KOTTAYAM

Vijayapuram Panchayath,  
Door No. XI/12A, At 47/4,  
Block-23, Vijayapuram Village,  
Manganam Kara,  
Kottayam - 686 010  
Phone : 0481 2576481/2576482

## MANGALORE

D. No.8-92/6, Dambel, Ashoknagar,  
Mangalore - 575 006, Karnataka,  
Phone : 0824 242 8221/2444296  
Fax : 0824 2454292

## MYSORE+

92 "A" Layout,  
Bannimantap Industrial Area,  
Mysore - 570 015  
Phone : 0821 249 6633/77

## THRISSUR++

Building No. XVI, 564E,  
564F, 564G, 564H, Ponganamkad Centre,  
Kurichikkara P.O., Thrissur - 680 028  
Phone : 0487 2695001/5003/7800  
Fax : 0487 2695003

## THRISSUR

Building No. XVI, 564B, 564C, 564D,  
Ponganamkad Centre,  
Kurichikkara P.O., Thrissur - 680 028  
Phone : 0487 269 5003/269 5001  
Fax : 0487 269 5003

## TRIVANDRUM

G. H. Auditorium, Vazhuthoorakonam,  
Malayinkeezhu, Machel P.O., Thiruvananthapuram - 695 571  
Phone : 0471 228 4027  
Fax : 0471 228 0102

## WEST-1

## AURANGABAD

C-18, MIDC Pandepur Waluj,  
Aurangabad - 431 136  
Phone : 0240 255 5177/5178  
Fax : 0240 255 5177/5178

## BHIWANDI

Gala No. 64/65, Indian Corporation,  
Opp. Gajanand Petrol Pump,  
Mankoli Naka, Dapode,  
Bhiwandi, Dist. Thane - 421 302  
Phone : 02522 650211, 650212,  
09223310818

## BHIWANDI++

Gala No. 63/66, Indian Corporation,  
Opp. Gajanand Petrol Pump,  
Mankoli Naka, Dapode,  
Bhiwandi, Dist. Thane - 421 302  
Phone : 09272235567, 09768435260

## GHATKOPAR

Pattanwala Glass Works, Chirag Nagar,  
LBS Marg, Ghatkopar (West),  
Mumbai - 400 086  
Phone : 022 2516 8355/7398/9414  
Fax : 022 2516 6406

## GOA

Inteloc-S1, Rhea-Estate,  
NH-17, Village Nuvem, Taluka Salcete,  
Dist. South Goa, Goa - 403 604  
Phone : 0832 2791758/1959/1883  
Fax : 0832 2791 960

## GOA\*\*

Plot No.57,  
Kundaim Industrial Estate,  
Kundaim, Goa

## KALYAN

Survey No.202,  
Water Supply Road,  
Navi Koliwada, At Post - Kongaon,  
Kalyan - Bhiwandi Road,  
Bhiwandi, Thane - 421 301  
Phone : 02522 280607/281145  
Fax : 02522 280667

## KOLHAPUR

345/16A, Hupari Road,  
Opp. Gudmudshing MSEB  
Power Station, Gudmudshing,  
Tal - Karveer, Dist. Kolhapur - 416 119  
Phone: 0231 261 5755/5855/5955

## MUMBAI (Office only)+

804, Windfall, Sahar Plaza,  
J. B. Nagar, Andheri Kurla Road,  
Andheri (East), Mumbai - 400 059  
Phone : 022 2834 2001/2/3/4/5

## NAGPUR

House No. - 49, Ward No. - 83,  
Mahadeo Nagar, Behind Jabalpur  
Goods Garage, Waddhamana,  
Amravati Road, Nagpur - 440 023  
Phone : 07104 240740/41/42  
Fax : 07104 240743

## NASHIK

Godown Nos.F-9, F-10 &  
F-11, Baphana Warehousing Pvt. Ltd.,  
Gate No.103, Ambe Hill,  
Mumbai - Agra Road,  
Village Jaulke, Tal. Dindori,  
Dist. Nashik - 422 201  
Phone : 0927 223 3531-32  
Fax : 02557 279343

## PUNE+

C/o. Khutwad Warehouse,  
Sr. No. 164, Fursungi Village Road,  
Fursungi Taluka Haveli,  
Dist. Pune - 412 308  
Phone : 020 6478 4010-25  
Fax : 020 2698 0338

## THANE\*\*

C/o. Total Logistics Pvt. Ltd.,  
F-7, Shree Rajlaxmi Logistics Park,  
Bhiwandi - Nasik Highway,  
(Opp. Vadpa Police Chowki)  
Vadpe Village,  
Bhiwandi - 421 302, Dist - Thane

## WEST-2

### AHMEDABAD

Godown Nos.12, 13 & 14,  
V L Estate, Near Jamnagar Transport Com-  
pany, Sarkhej Bawla Road,  
Ahmedabad - 382 210  
Phone : 079 2689 1481/83

### RAJKOT

Plot No.9, 10, 11, Survey No.112/1,  
Ruda Transport Nagar,  
Anandpar, Navagam,  
Rajkot - 360 003  
Phone : 0281 270 2563/2564

### SURAT

Survey No. 94/5,  
Opp. Gas Bottling Plant,  
Behind Manav Daya Hospital,  
Kadodara Road, Saroli,  
Surat - 394 210  
Phone : 0261 264 6440/264 8614

### VADODARA

12 & 13 V P Industrial Estate,  
Survey No. 225,  
Behind F. G. Patel Estate,  
Opp. L & T Niro, N. H. No.8,  
Padamala, Dist. Vadodara - 390 002  
Phone : 0265 224 3070/1/2

## NORTH-1

### BHATINDA

MCB-Z-8/02464, Gill Complex  
Mansa Road, Near ITI Chowk  
Bhatinda -151 001  
Phone : 0164 2240239/1239

### CHANDIGARH

Plot No.823, Industrial Area,  
Phase-2, Chandigarh - 160 002  
Phone : 0172 2637 181/4670 401

### JALLANDHAR

Vakiya Abadi, Near Nakodar Road,  
Village - Khambra,  
Dist. Jalandhar - 144 026  
Phone : 0181 2791466/2791467

### JAMMU

Krystal Ice Factory Kunjwani,  
Bye Pass Crossing,  
Jammu - 180 010  
Phone : 0191 248 3334/895

### JAMMU\*\*

C/o. Savraj Enterprises,  
SIDCO Industrial Complex,  
IGC, Samba, Jammu.

### LUDHIANA

Plot. No. 658, Industrial Area-A,  
Shiv Chowk, G. T. Road,  
Ludhiana - 141 008  
Phone : 0161 4587658/4381231

\*\* Raw Material Godown

++ Regional Distribution Centre

† Also Berger Paints Home Decor Centre

\*\*\* To Start

## • MOHALI

Plot No. 421, Industrial Area,  
Phase - IX, Mohali,  
Punjab - 160 059  
Phone : 0172-509 5105/06

## • PARWANOO

Plot No.9, Sector-1,  
Parwanoo,  
Himachal Pradesh - 173 220  
Phone : 01792 234 164/235164

## • SRINAGAR

Sutho Kathair Bagh,  
Tehsil-Chadoora, District - Budgam,  
Srinagar - 15  
Phone : 0194 2315050/2315051

## • PATHANKOT++

Village Kiri Khurd,  
Sunder Chak Road, Tehsil Pathankot,  
Jammu Road, Pathankot,  
Punjab - 145 025

## NORTH-2

## • AMBALA

Godown No.6,  
Rishi Markanda Complex,  
Kesari Road, Vill. Khanpur,  
Dist. Ambala - 133 001  
Phone : 0171 283 0012/283 0089  
To be shifted to : (Khasra No. 18/18, 24,  
28/4/1, Shahpur, Ambala Cantt)

## • BIKANER

C/o. Mamta Woollen Mills,  
G-1, Karni Industrial Area,  
Bikaner - 334 004, Rajasthan,  
Phone : 0151 2970034/37  
Fax : 0151 211 1913

## • FARIDABAD

Plot No.33, Sector - 6,  
Faridabad - 121 006, Haryana.  
Phone : 0129 4263400/2212491/  
2211839  
Fax : 0129 221 0827

## • GURGAON+

Kataria Complex,  
Khasra No.10947/7283/2918/1 & 2,  
Daultabad Road, Industrial Area,  
Gurgaon - 122 001  
Phone : 0124 225 5471/72/73

## • JAIPUR+

Plot. No. 114A-115A,  
Jhotwara Industrial Area,  
Jhotwara, Jaipur - 302 012  
Phone : 0141 234 4054/4213/4162  
Fax : 0141 234 4054

## • KOTA

A-263(C) Indraprastha  
Industrial Area, Kota,  
Rajasthan

## • JODHPUR

Plot No. G-121, (A, E & F),  
M. I. A. Basni II, Phase,  
Near Poorva Hospital,  
Jodhpur - 342003  
Phone : 0291 2744262/4792/0499

## • UDAIPUR

Plot No.1, NH-8, Near Amberi Flyover,  
Amberi, Udaipur - 313 004  
Phone : 0294 2441790, 0506

## CENTRAL-1 (NEW DELHI)

## • ASAF ALI

12/3, Asaf Ali Road,  
New Delhi - 110 002  
Phone : 011 23253494/3515

## • JANAKPURI

Plot No.B-2 & B-3, A1B Market,  
Block A-1, Pankha Road,  
Janakpuri, New Delhi - 110 058  
Phone : 011 2562 3741/3742  
Fax : 011 2554 8654

## • MANDOLI

Warehouse No.MJ-5,  
J R Complex-2, Hari Chand Mela,  
Ram Complex Farms,  
Village Mandoli, Delhi - 110 093  
Phone : 011 22342255/1422

## Office only

29, 1st Floor,  
DDA Market Yojana Vihar,  
Delhi - 110 092  
Phone : 011 22159010/11/25

## • MUNDKA++

Khasra No.36/22, 36/19/1,  
Behind Mirage Garden,  
Mundka Village, New Rohtak Road,  
Delhi - 110 041  
Phone : 011 2834 5623

## • MUNDKA INDUSTRIAL

Khasra No. - 87/22,  
Opp. Metro Pillar No. 617,  
Vodafone, Gali No. 12,  
Near Hiran Kudna Mode, Mundka,  
New Delhi - 110041  
Phone : 09212407446/09212403585

## • OKHLA+

A-99/3, Okhla Industrial Area,  
Phase-II, New Delhi - 110 020  
Phone : 011 2638 4714/4796/7256  
Fax : 011 2638 5644

## • RITHALA

Khasra No.915-916,  
Guleria Complex, Rithala Village,  
New Delhi - 110 085  
Phone : 011 27056582/584/585

## • PUNJABI BAGH

102 & 103 DDA Transport Centre,  
New Rohtak Road, Punjabi Bagh,  
New Delhi - 110 035  
Phone : 011 28312460/2461/6922/6933  
Fax : 011 2831 3880

## CENTRAL-2

## • AGRA

Near Canara Bank,  
Salasar Cold Store Compound,  
Gulab Nagar, Hathras Road  
Agra - 282 006  
Phone : (0562) 6990640 - 47

## • BAREILLY

Clutter Buck Ganj,  
Opp. GTI 7th Km. Stone,  
Bareilly - 243 502,  
Uttar Pradesh  
Phone : 0581 256 0340/0940

## • DEVLA++

Village - Devla, P.O. Surajpur,  
Noida - Dadri Road  
Greater Noida, Tehsil Dadri,  
District Gautam Budh Nagar,  
Uttar Pradesh - 201 306  
Phone : 0120 2569561/256 1380/  
256 1381

## • GHAZIABAD

Cloud-9 Resort,  
Opp. Uttam Toyota Meerut Road,  
Ghaziabad - 201 003  
Phone : 0120 640 2043/44

## • MORADABAD

Lakri Fazalpur Industrial Area,  
Delhi Mini Bye Pass,  
Gata # 2485/2,  
Lakri Fazalpur, Moradabad  
Phone : 09568003094/95/96

## • NOIDA+

C - 43, Phase - 2, Sector - 81,  
Noida - 201 301  
Phone : 0120 6402311-25

## CENTRAL-3

## • DEHRADUN

Khasra No.891, Vill. Majra,  
Opp. Transport Nagar,  
Near Himalayan Drugs Factory,  
Dehradun - 248 001  
Phone : 0135 654 5014/15/17

## • GORAKHPUR

Behind Essar Petrol Pump,  
Ekdanga, Vill. Harriya,  
P.O. Bahrapur, Dist. Gorakhpur,  
Uttar Pradesh - 273 016  
Phone : 0551 2320027/52/69/71

## • HALDWANI

Motinaar, Bareilly Road  
Haldwani - 263 139  
Phone : 05946 232011 - 14

## • KANPUR

84/1-B, Fazalganj Industrial Area,  
Kanpur - 208 012  
Phone : 0512 224 2259/60/61

## • LUCKNOW+

C-518 & C-519 Transport Nagar,  
Opp. Parking No.9,  
Lucknow - 226 012  
Phone : 0522 232 0431/34/428/419/  
243 1052/9790

## Office only

Ground, 1st & 2nd floor,  
House No.22, Sector-B, Aliganj,  
Lucknow - 226 024  
Phone : 0522 2320 431/434/419

## • VARANASI

Pama Complex, DLW Road,  
Shivadaspur, Lehartara,  
Varanasi - 221 002  
Phone : 0542 237 1041/42

## CENTRAL-4

## • BHOPAL

C/o. Shelly Products,  
45, Ancillary Industrial Estate,  
Habibganj, Bhopal - 462 024  
Phone : 0755 4261 495/2600 856

## • GWALIOR

39/2322-23, Shakiya Vilas  
Jhansi Road, Lashkar,  
Gwalior - 474 001, M.P.  
Phone : 0751 232 7071, 0751 401 3001

## • JABALPUR

C/o. Sumitra Warehousing Complex,  
497, Katangi Road, Karmeta, Jabalpur,  
Madhya Pradesh - 482 002  
Phone : 0761 2682044  
Fax : 0761 268 2043

## • INDORE

Sunidhi Warehouse  
Near New Sunidhi Petrol Pump  
Nemawar Road, Palda, Indore-452020  
Madhya Pradesh  
Phone : 073 1655 210/06/07

\*\* Raw Material Godown

++ Regional Distribution Centre

† Also Berger Paints Home Decor Centre

\*\*\* To Start

## BRITISH PAINTS DIVISION DEPOTS

### CENTRAL DELHI

3976/80, Ajmeri Gate Corner,  
Ajmeri Gate, New Delhi - 110 006  
Phone : 011-23216792/32573212  
Fax : 011-23216792

### WEST DELHI

Plot No. 62/1, Rama Road, Industrial Area,  
New Delhi-110015.  
Phone : 011 25913379/25913380/32573141  
Fax : 011-25913380

### SOUTH DELHI

365-400 Yards, Mehrauli Gurgaon Road,  
Sultanpur, New Delhi-110030.  
Phone : 011-26802293/32573398  
Fax : 011-26802293

### FARIDABAD

SSI, Plot No. - 20, NH-5,  
NIT Faridabad - 121001,  
Phone : 0129-2426440/4037440

### PANIPAT

New Risalu Road, Behind M.J.R.  
Public School,  
Adjoining Annapurna Banquet Hall,  
Plot No. 02  
Panipat-132103  
Phone : 0180-3209805

### GURGAON

2nd Milestone, Killa No. 6/25, Basai Road,  
Krishan Nagar, Gurgaon-122001 (Haryana)  
Phone : 0124-3295330/2300061

### GHAZIABAD

C-213, Site -1, Lal Quan,  
Opposite Silver City Cinema,  
Ghaziabad (UP)  
Phone : 0120-4164110-4295722

### NOIDA

H-102 & 103 Sector-9, Noida-201301.  
Phone : 0120-3104829/2532251

### AGRA

Plot No. 91, Sector-3, Transport Nagar,  
New Kanpur Agra Transport,  
Agra, Uttar Pradesh - 282002  
Phone : 0562-2600364/3216163

### KANPUR (UNIT-I)

117/O/505, Geeta Nagar, Rawatpur,  
G. T. Road, Kanpur-208025  
Phone : 0512-2500974/2500610/3209738  
Fax : 0512-2500974

### KANPUR (UNIT-II)

49-B, Dada Nagar,  
Industrial Area, Kanpur-208022.  
Phone : 0512-2236761/763

### ALLAHABAD

773 Transport Nagar, Near BSNL Office,  
Allahabad-211011.  
Phone: 0532-2230014, 07499495678

### VARANASI

Pama Complex, Near Vishal Auto Agencies,  
Lahartara DLW Road,  
Lahartara, Varanasi-221103.  
Phone : 0542-2372279/3209989  
Fax : 0542-2372278

### GORAKHPUR

Hariya (Nausad), Near Gaurav Petrol Pump,  
Khajini Road, Bahrapur,  
Gorakhpur-273001 (U.P.)  
Phone : 0551-3259854

### CHANDIGARH

S.C.O. 268, Sector-32-D, Chandigarh-160030.  
Phone : 0172-2605149/3209987

### JALANDHAR

Asiatic Compound, Basti Baba Khel,  
KPT Road, Usha Dharam Kanta,  
Jalandhar.  
Phone : 0181-2651096/3209989

### LUDHIANA

270, Industrial Area-A, Back Side R.K. Road,  
Near Cheema Chowk  
Near Lucky Dharam Kanda  
Ludhiana-141003  
Punjab.  
Phone : 0161-2220270/0181-2651096

### AMRITSAR

Khasra No. 1301,  
OPP – Chatwal Petrol Pump  
G.T Road, Sultanwind  
Near Tarawala Pull  
Amritsar  
Phone : 09357592358

### HALDWANI

Building No BA-A-1, Transport Nagar,  
Rampur Road, Haldwani, Nainital, U.K.  
Phone : 05946-326984/234126  
Fax : 05946-254596

### DEHRADUN

238, Mohabbat Wala, Saharan Pur Road,  
Near Sai Baba Mandir, Dehradun,  
Uttarakhand - 248001.  
Phone : 0135-2131755

### PARWANOO

C/o Nirman Ghar,  
Near Fire Station,  
Sector-3, Parwanoo, Distt-Solan,  
Himachal Pradesh-173220  
Phone : 01792-232002/320498  
Fax : 01792-232002

### JAMMU

55/1, M.B.S College Road  
Ajit Nagar, P.O. Gangyal  
Jammu-180010  
Phone : 0191-2263896/2263917

### SRINAGAR

Ground Floor, Khasra No. 1578,  
Khevat No. 44, Shiekh Complex,  
Opp. Shuhul Automobiles  
Pharoo Road, NR- NH-1A,  
Nowgam Bye Pass, Srinagar 190015  
Phone : 09596100100

### PATNA

Gandhi Setu Road, Opp. Samrat Petrol Pump,  
Near Sun Motor, Jakaripur, Choti Pahari,  
Patna (Bihar)-800007.  
Phone : 0612-3261558, 09386140722

### GUWAHATI

C/o. : Skyworld Developers  
OPP : Bharat Petroleum Petrol Pump  
N.H. 37, P.O. : Saukuchi  
Lokhra, Guwahati-781034  
Phone : 0361-2307338/2307336

### RANCHI

Road No. A-1, Hawaii Nagar,  
Near Birs Chowk,  
Khunti Road, Ranchi-834003, Jharkhand.  
Phone : 0651-3209987/3296954

### AHMEDABAD

Godown 7, Jamnagar Estate,  
Behind Alfa Hotel,  
N.H.8, Aslali, Ahmedabad-382427.  
Phone : 02718-32922800, 8347816350

### BARODA

Industrial Casting Block No. 4/26,  
BIDC Industrial Estate, Gorwa Road,  
Vadodara-390016.  
Phone: 0265-2282050, 2282044, 09377985634

### SURAT

Plot No. 17, 18, 19, Ambica Industrial Estate,  
Punakumbhariya Road, Near Landmark Building  
Saroli, Surat, Gujarat-395010  
Phone : 0261-2647734/3110087

### INDORE

Behind Aggarwal Tolkanta,  
Lasudia Mori, Dewas Naka  
Indore-452010  
Phone : 0731 3209486

### BHOPAL

C/o. Adhish Industries, 11-A, J.K. Road,  
Industrial Area, Govindpura,  
Bhopal (M.P.)-462021.  
Phone : 0755-3209452/4083274

## • PUNE

Survey No. 164,  
Nath Warehousing Co.,  
Fursungi Road, Taluka Haveli,  
Distt. Pune-412308.  
Phone : 020-26980158

## • MUMBAI

Plot No. A-88 TTC Industrial Area  
MIDC Khairane Village,  
Navi Mumbai-400705.  
Phone : 022-32168090

## • SOLAPUR

Gut No 301/2B Lonawat Arcade,  
A/P Kondi Solapur Pune Highway,  
Distt. Solapur-413006  
Phone : 0217-2357213

## • GOA

No. 56/C Vivenda Gaurish Nirboga,  
Camurlin-Village,  
Post Loutulim, Salcette, Goa-403718.  
Phone : 0832-3264142/2858815/2858550

## • HYDERABAD

Plot No. 17-18, BHEL Colony,  
Rasoolpura, Secunderabad-500 003. (A.P.).  
Phone : 040-27904495/32999779

## • TIRUPATI

D. No. 8/66, Padmavathipuram,  
Tiruchanoor Road, Tirupati-517503.  
Phone : 0877-3207249/2237249

## • VIJAYAWADA

Plot No. 77, Jawahar Autonagar,  
Vijayawada-520007 A.P.  
Phone : 0866-2544355/3245144

## • BENGALURU

114/16, Patel Puttiah Indl. Estate,  
Mysore Road, Bengaluru-560 026.  
Phone : 080-26752865/32935557  
Fax : 080-26752896

## • HUBLI

A. L. Honda Godowns, Achatgeri Village,  
7th KM, Karwar Road, Hubli-580 029.  
Phone : 0836-2200855/2200866/3198753

## • COCHIN

3/569/ B&C, VKA Tower, Kalamassery P.O.  
South Kalamassery, Cochin-683104.  
Phone : 0484-3269969, 2532464.

## • THRISSUR

3/165/1, Wheels Real Estate,  
Moosepet Road, Chelakkotukara,  
Thrissur, Kerala - 680 005  
Phone No : 0487 -3106577, 0487-2430172

## • CALICUT

1/90, D&E, Dawood Chambers,  
Butt Road, Near Railway Gate,  
Chungam, West Hill,  
Calicut-673005.  
Phone : 0495-3268877/2380492  
Fax : 0495-2380492

## • JAIPUR

A-145, Jagdamba Nagar  
Behind Herapura Power House,  
Near Dasshera Maidan,  
Jaipur-302021  
Phone : 0141-3153943

## • KOTA

H-39, Opp. Multimetel,  
Chambal Industrial Area,  
Kota-324003, Rajasthan  
Phone : 0744-3231489/2480106

## • MOHALI

Plot No. C-50, Industrial Area,  
Phase - III, Mohali - 160055, Punjab  
Phone : 0172-4016394/3261924

## • MEERUT

52A&52B, Mohakampur Enclave,  
Phase-1, Delhi Road, Meerut-250002  
Phone : 09368718556

