

STOCK. EXG/ AG/ 2020-21

2nd September, 2020

The Corporate Relationship
Department
BSE Limited,
1st Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

The Listing Department
National Stock Exchange
of India Limited
Exchange Plaza, 5th 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

Scrip Code : 509480

Scrip Code: BERGEPAIN Scrip Code : 12529

Dear Sir/Madam,

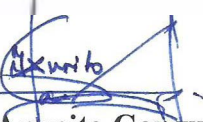
Subject: Submission of Notice of the 96th Annual General Meeting of Berger Paints India Limited along with the Annual Report for the Financial Year ended 31st March, 2020

Pursuant to Regulation 30 read with Part A (Para A) of Schedule III and Regulation 34(1)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), we hereby enclose the Notice of the 96th Annual General Meeting of Berger Paints India Limited to be held on Friday, 25th September, 2020 at 11.A.M (IST) through Video Conferencing or Other Audio Visual Means and the Annual Report of the Company for Financial Year ended March 31, 2020, respectively.

The said Notice which forms part of the Annual Report for the Financial Year ended March 31, 2020 is being sent only through e-mail to the shareholders of the Company at their registered e-mail addresses and the same has also been uploaded on the website of the Company under the web-link <https://www.bergerpaints.com/investors/annual-reports.html>.

This is for your information and record

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


Arunito Ganguly
Vice President & Company Secretary

Encl.: a/a

BERGER PAINTS INDIA LIMITED

Berger House, 129, Park Street, Kolkata - 700 017, Phone : 2229 9724-28, 2229 6005-06, Fax : 91-33-2249 9009/9729, www.bergerpaints.com
CIN - L51434WB1923PLC004793, E-mail : consumerfeedback@bergerindia.com



ANNUAL REPORT
2019-2020



INNOVATE TO GROW

BERGER PAINTS INDIA LIMITED



AB NO GYAAN ONLY VIGYAAN!



MOISTURE
METER

**BERGER
SCIENTIFIC WATERPROOFING
WITH WARRANTY***



*T&C apply

Would you trust a doctor who prescribes medicines without accurately diagnosing the ailment? Then why should dampness be treated any differently!

Before you rely on random advice on how to treat damp walls, turn to the real expert.

Presenting **Berger Home Shield Moisture Meter** – a tool that helps to scientifically measure the moisture content on damp walls accurately in order to diagnose the root cause and then back it up with a range of water proofing solutions to address the specific problem.

So no more random advice. Trust **Berger Home Shield** – the scientific waterproofing solutions with warranty.

SMS “**DAMP**” to **56767** or visit bergerpaints.com

Connect with us



IF YOU WANT SOMETHING NEW, YOU HAVE TO STOP DOING SOMETHING OLD

– Peter F. Drucker

Innovation has long been a critical factor for growth. Increasingly, it has become essential for survival in any business. The fast pace of technological advancement and its relative ease of access has massively expanded the competitive landscape and changed customer behaviour.

While product and service innovation has traditionally been the focus, we are moving to an era where process innovation may start to dominate, driven by a need for reduced cost and increased customer responsiveness.

At Berger, we have always focussed on the future. Foresight, along with meticulous planning, has helped us scale newer heights and we firmly believe that innovation is the pivot on which our growth in the coming years depends. Along with that, science and technology shall play a vital role in helping us come up with unique offerings that change the way we look at the future.

While the onset of the 'new normal' ushers with it a host of challenges, at Berger, we know how to convert them into opportunities. We understand that cutting-edge innovation is key to delivering on our strategy and we are making great progress with our product and process development, especially in terms of providing customers with more sustainable solutions, and building enduring value for our stakeholders.

CHARTERING NEW GROWTHS

Ranked amongst the
**Top 4 paint
companies in Asia**
in Architectural Coatings

Present in **8 countries**
with **exports to
several countries**

Ranked amongst the
**Top 14 paint
companies in the world**
in 2020,
by Coatings World

2nd largest
paint company in India

CAGR % of Consolidated
Operating Profit
in 10 years

18%

CAGR % of Consolidated
Revenues in 10 years

13%

CAGR % of
Market Capitalisation
in 10 years

53%

CAGR % of Consolidated
PAT in 10 years

18%

COVID19

The outbreak of the COVID19 pandemic has posed an unprecedented and major challenge to political, social, economic, religious and financial structures of the whole world. The pandemic has had far-reaching consequences beyond the spread of the disease itself and efforts to quarantine it. The spread of the virus has interrupted supply chains and is feared to cause the largest global recession in history, with more than a third of the global population for the time being placed on lockdown. With the entire world grappling with the effects of COVID19 attack, we have also learnt to be vigilant and be aware of self-care and cleanliness at home, at work places, and at the customers' and painters' end, particularly in the Home Painting and iTrain activities.

HEALTH, HYGIENE & SAFETY TRAINING

Berger Paints is always sensitive to the fact that painters and contractors undertake their jobs under some inherent conditions of risk. In a COVID-stricken world, even routine activities like commuting carry risk. Remote specialised training to a large number of painting contractors are imparted using digital classrooms and supported by pictorial reference material, various video conferencing tools training on personal hygiene, safe work habits and best practices in sanitation and disinfection at home and in the work place.

Income Protection Insurance has been implemented for Painters and painting contractors who are in public spaces to offer their services which places them in harm's way by increasing the risk of infection from COVID in spite of the best precautions they may take.

Shop employees of our paint dealer outlets who are at the forefront of the business risking their health and lives to keep the business running have also been insured.

Major Precautionary measures taken against COVID19 at all units of the Company

- Internal sanitization of vehicle, godown, materials and office areas.
- Full compliance with guidelines on usage of face covers/masks, daily recording of temperature, social distancing, staggered attendance and contactless hand sanitization facility.
- Vehicles are checked and sanitized during entry and self-declaration form is being filled up by the respective driver and attendants along with mask compliance, hand sanitization and washing.
- Display of Posters for COVID19. Awareness at prominent places of all business units.



Berger Paints recognizes that the families of daily-wage earners like painters are the most affected when their primary provider suffers a permanent injury or untimely death and has accordingly provided death and permanent disability insurance which provides peace of mind to the painters and their families.

The Health & Safety kits launched by Berger Paints are targeted at professional painting contractors and other blue-collar workers and comes in different variants at very affordable price points. The range comprises Masks, Gloves, Foot Covers, Caps, T-shirts, Hand Sanitizers, Digital Thermometers, Disinfectant Sprays, Floor and Space Disinfectants. Products are available both in bundled and separate packs.

Consumer and Worker Safety are a priority for Berger Paints and the XP Health & Safety Kits ensure a safe and hygienic work environment in consumer homes.

As part of the initiative, the Company has also conducted a certification training, called XP Safe™, on Health, Hygiene and Safety for nearly 15,000 painters during the lockdown to help prepare them for the challenges of the post-COVID work space.

Express Painting™ is Berger's market leading consumer home painting service that offers a Faster-Cleaner-Safer service to home owners. It offers a contactless, paperless, sanitized service with daily health monitoring of workers and employees all controlled through the Express Painting™ Consumer App.

PAINTING THE CHANGING DYNAMICS OF INDIAN HOUSEHOLDS

Population growth and accompanying rates of urbanization and economic development are key drivers of change in the paints and coatings industry today. Increasingly, consumers are demanding differentiated paint characteristics. In urban cities, this equates to opportunities surrounding paint functionality to combat air and other pollution that residents experience indoors. A paint's potential to actively improve indoor air quality (IAQ) by removing air pollutants, such as formaldehyde, is desirable, as are paints that can improve quality of life through self-cleaning, antimicrobial, and even low emission capabilities, among other things. At Berger, we have always strived to bring the best of products that help in addressing problems of the Indian households by offering the best of solutions.



BreatheEasy RANGE OF HAND SANITIZERS

As the COVID19 pandemic hit, the availability of Sanitizers was becoming a key concern area. The Government wanted established players with reputation of supplying quality products and strong distribution reach to get into the manufacturing and supply of the same. To fulfil the need, BreatheEasy Virus Guard with WHO recommended formulation was launched. The Sanitizers also retain hand moisture levels and leave a pleasing fragrance after use.

BreatheEasy DISINFECTANT FLOOR CLEANER

The new BreatheEasy Disinfectant floor cleaner is first among many upcoming launches in the Home Hygiene Category. It kills 99.9% germs, removes tough stains and leaves behind a refreshing citrus smell after use.

SILK BreatheEasy

The latest addition to our luxury interior emulsion under the Silk brand. It significantly reduces pollution and kills bacteria and viruses*. It has been formulated with 100% acrylic emulsions and vibrant pigments. Berger Silk BreatheEasy has low VOC and comes packed with formaldehyde, Sulphur Oxides and Nitrous Oxides abatement capabilities.

Positioned as the 'Ghar ka Sanitizer', it has been approved by the Indian Medical Association. Keeping in mind the safety of your family members, Berger Silk BreatheEasy paint considerably reduces the risk of infections. The paint is anti-bacterial, anti-pollution and low VOC. The anti-pollution property helps to protect your immunity. The paint is also certified by Singapore Green label for being an environment-friendly paint.



*Detailed list of bacteria and viruses against which Silk BreatheEasy is effective against can be obtained on enquiry.

DECORATIVE OFFERS ON OUR GROWTH PATH

WEATHERCOAT LONGLIFE 10

India's most innovative exterior paint, has been designed using PU and Silicon Technology. Weathercoat Longlife 10 is a highly durable luxury exterior emulsion designed for long lasting protection of house exteriors against heavy rainfall. Its PU provides unmatched sheen and excellent film strength. **The paint also comes with a 10 year performance warranty.**

WEATHERCOAT LONGLIFE 7

WeatherCoat Longlife 7 is a luxury exterior emulsion engineered with Silicon technology for a long lasting **All Round** protection of the house exteriors. **The paint comes with a 7 year performance warranty** and has excellent water repellence property. Its polymer composition also provides superior dust resistance capability to the paint film.

SILK GLAMOR

Silk Glamor is a luxury interior emulsion designed to give your walls a durable, glamorous and rich appearance.

Silk Glamor Luxury Emulsion is formulated using the Crystal Reflective Technology to give an ultra-smooth finish to the walls and retain its freshness for a long time. The product is free of added APEO, formaldehyde and is low in VOC. Silk Glamor is available in metallic and non-metallic shades.

SILK BREATHEASY

The latest addition to our luxury interior emulsion under the Silk brand. It significantly reduces pollution and kills bacteria. It has been formulated with 100% acrylic emulsions and vibrant pigments. The Berger Silk BreatheEasy has low VOC and comes packed with formaldehyde reduction abilities.

WEATHERCOAT ANTI DUST

WeatherCoat Anti Dust, one of the most innovative offerings from the house of Berger Paints is an ideal product for today's India. Its unique Dust Guard technology doesn't allow dust to settle on your exterior walls and keeps your house looking new and shining for years.



WEATHERCOAT CHAMP

Launched to cater to the requirement of a durable, value-for-money paint, it is reinforced with 'RECRON' micro-fibres which gives superior strength to the paint film, thereby providing a soft sheen finish to the walls.

The paint also comes with 5 year performance warranty.

WEATHERCOAT FLOOR PROTECTOR

Now make your floor tiles aesthetically appealing with WeatherCoat Floor Protector. The paint is specially formulated for use on cement or concrete based floor tiles - interlocking tiles on driveways, walkways, pavements, etc. The product maintains excellent adhesion with the substrate and provides high abrasion resistance.

LUXOL 7 IN 1

A quick drying anti-corrosive PU enamel for interior and exterior surfaces - it is formulated with specially modified PU Alkyd based resins to get an excellent durable finish with superior gloss and high gloss retention. It is easy to apply and suitable for metal, wood and masonry surfaces.

LUXOL XTRA

A super gloss enamel that offers a superior mirror like gloss which can be used both for exterior and interior surfaces mainly on mild steel, wooden and suitably prepared masonry surfaces. Formulated with Alkyd and select colourants, it gives a long lasting glossy finish with superior coverage.

IMPERIA GOLD

It is a 2 pack Polyurethane top coat with excellent clarity to obtain an exact match to the desired RAL shades. 650+ Opaque & Metallic colours are offered through Imperia Gold.



IMPORTANT NEWS AND DEVELOPMENTS

Other than bringing about innovation in products and services in both Decorative and Industrial segments, we also strive to bring about positive changes in the way we do business. Many new initiatives are being taken in the company to keep with the growing size and complexity of the company and also to avail of the opportunities arising out of the new normal. Some of the notable initiatives and plans being pursued are :



STRENGTHEN TALENT BASE

Ensuring steady and ready Talent pipeline has always been an aspiration. Innovative planning towards staggered on-boarding of campus hires have made a positive impact for the business. Efforts towards consolidation of the HR processes and systems into one digital platform for providing a better employee experience as well as data availability for informed decision making are being crystallised.

EXPANSION PLANS

Expansion plans at all our plants are underway to cater to the growing needs of customers. These will substantially increase our capacity of production of Decorative and Industrial paints. Work on the Sandila factory near Lucknow is in progress. It is scheduled to be completed in 2022.

INTEGRATION OF TECHNOLOGY

End to end Digitization of Supply Chain function is being carried out along with process level changes, incorporating state-of-the-art solutions to Supply Chain module. This will be further strengthened by use of a new Software which will make our planning of stocks better, thereby boosting sales growth and also reducing slow and non-moving stocks.

HOME HYGIENE SEGMENT



**Postponing Painting?
Not Feeling Safe?**

8 Reasons Why Berger
Express Painting is Super Safe

Berger express painting
Faster. Cheaper. Safer.

SMS XP to 56767



EXPRESS PAINTING

The Coronavirus pandemic has negatively impacted multiple sectors. However, the Home Hygiene segment consisting of wipes, sanitizers and disinfectants for hand/floor/kitchens/etc. has seen a huge surge in demand. Berger Paints has entered the home hygiene segment under the brand 'Breathe Easy' as it aligns perfectly with the positioning of 'GHAR KA SANITIZER' and the need of our consumers in making the painting process safer. Our Express Painting has been revamped to make it 'FASTER, CLEANER & SAFER' with use of safety kits by painters and the use of cleaners, sanitizers and disinfectants post painting. The Company is also into floor cleaners thus providing a complete home sanitization solution.

HOME SHIELD CONSTRUCTION CHEMICALS AND WATERPROOFING PRODUCTS

Several innovative products introduced and accepted well in the market:

CONCRETE MOISTURE METER : Diagnoses the moisture content of the walls and prescribes suitable solutions basis the meter reading. This has distinctly differentiated Berger Home Shield as the scientific waterproofing solution provider compared to normal waterproofing done by contractors based on guess work, without understanding the actual problem.

WALL SHIELD 2K: A white cement based 2 component waterproofing undercoat with high waterproofing ability and crystalline effect for interior and exterior walls. It comprises water insoluble crystalline micro-molecules which seals pores on the wall, thus preventing moisture passing through the gaps.

DAMPSTOP : A single pack high-performance polymer modified cement-based product which forms a strong flexible waterproof coating over the substrate. It is suitable for use in concrete structures, bathroom, kitchen, exterior walls of water tanks, exterior walls and interior walls.

WATERPROOF PUTTY : A white cement based premium quality putty with water resistance properties. This powder putty can be used externally or internally on concrete/mortar substrates to provide smooth aesthetic finish and extended life of top coat paints.

SEAL-O-PRIME : Having triple booster formulation that fights against dampness, efflorescence and alkalinity, and at the same time acts as a superior undercoat for direct top coat application and used as simple undercoat on cement, concrete, plaster or tiles surface, both interior and exterior.

DAMPSHIELD ELASTO : A fibre reinforced liquid applied waterproofing membrane which is infused with synthetic fibre. It takes care of minor cracks, dampness, and acts as a barrier coat for exterior painting system.

ROOFGUARD : A water based product which after curing, forms a brilliant white coloured, durable, seamless membrane-like waterproof coating over the applied surface and thus puts off further water penetration. It can be used for roof waterproofing as well as for exterior walls as barrier under coats.

PU ROOFKOOT : A PU based liquid waterproofing membrane with 350% elongation property, used exclusively for waterproofing of roofs and exterior walls.



INDUSTRIAL APPLICATIONS

Berger has been one of the frontrunners in this segment. With a slew of innovative offerings, we have a sizeable presence across industries, catering to the various industrial requirements.



POWDER COATINGS

A well acclaimed best Environment Friendly coating available as on date. While several areas where this coating system is already in use, with formulation modification coupled with innovation, more and more scopes are becoming possible and emerging so on. A huge list can be prepared from White Goods, Household Electrical Goods, Metal Furniture, Luminaries, Hospital items, Garden Tools, Power solutions (Generators), Invertors, Control Panel, Aluminium Extrusions used in real estate and many others. Berger has successfully designed and positioned its products as a quality supplier of international standards with the help of reputed international players. We have successfully designed, launched and selling Four big brands under the names of **Ultracoat** for the MSME Industries as well as Dealers Market, **Qualicoat** for the OEMs , **Permacoat** as exterior powder coatings for Architectural, Automotive and different other segments where exterior durability is required and **Duraberg** for warranty grade powder, mainly for architectural Customers.

Some of our innovative product ranges are

ANTIMICROBIAL POWDER COATING

Designed perfectly for protection from microbial attack on coated surfaces, meant for use in hospital beds, public transport like Metro, furniture pertaining to public use like airport seats, and equipment such as home consumer durables. The coating provides an extra barrier that destroy and restrict the spread of harmful bacteria, microbes in sensitive environments such as hospital and healthcare facilities, medical equipment, food and drink processing equipment, childcare accessories and many more.



SINGLE COAT, HIGH LUSTRE METALLIC POWDER COATINGS

Designed for high metallic lustre finish, it provides an excellent metallic brilliance with wide variety of colour combinations. Used widely across Auto and Consumer Durable segments.

EPOXY POWDER PRIMER & PU TOP COAT

Known for its excellent inter coat adhesion and anti-corrosion properties, being peel-resistant and providing superior edge protection, it is widely used for in the coating of alloy wheels and components exposed at coastal area.

FLAME RESISTANCE POWDER COATINGS

Having anti-fire properties and an excellent chemical and mechanical durability, it helps minimize the risk of fire hazards. Available in all types of solid and metallic shades, it is widely used in the manufacture of elevators and kitchen chimneys.

HEAT RESISTANCE POWDER COATINGS

Being able to provide heat stability at 250°C for several hours, designed to use in two wheeler engine covers, crank cases etc. Available in solid and metallic shades, it provides excellent outdoor stability, excellent chemical and mechanical durability meeting intended specifications.

LOW BAKE POWDERS

Understanding daily increasing cost of energy like Diesel Fuel, Gas, Electricity required to run Baking Oven, Powder coating R&D team have emerged with uniquely designed powder that can be Cured at 160 degree C for 10 mins. The marked curing schedule is 40 degree C less than regular ones, thus consuming much lesser energy. A clear savings to the users.

WARRANTY GRADE POWDER COATINGS

Having excellent colour retention, gloss retention and anti-corrosion properties and an excellent chemical and mechanical durability, it can provide 3-4 times more durability. Specially designed for aluminium extrusions used in real estate, it complies with AAMA and Qualicoat specifications. It is available in all types of finishes.

FAST CURE POWDERS

Another option has been created in formulations that would cure at much faster times, almost three times faster than regular ones. Such powders bearing Baking schedule of 190-200 degree C for 3 mins. These powders are not only energy efficient but a major advantage of productivity increase has also been well accepted by the customers/applicators.



PROTECTON

Protecton range of products covers all segments of industries and infrastructure - Floor-To-Roof, protecting the assets of Industrial Infrastructure.

Products cover from Floor coatings to innovative products like High Voltage Insulation Floor coatings that has substituted rubber mats at one third the cost by offering better cleanability, longer life and safety in Power Plants. Innovations in Epoxy coatings opened up difficult to paint areas in cooling water structures in Power plants where we are now able to paint on a wet concrete surface which is not possible with normal epoxy coatings. To help the Fabricators do the painting the same day instead of the typical 3-4 days coating schedule, we have innovated and brought in Monocoat systems also called as Direct-To-Metal Coatings that are able to give dual service of corrosion protection as a primer, as well as colour retention as a finish paint.

Passive Fire Protection using paint sprays are normally imported to cater to Indian Markets and Berger is the first company to have introduced this technology with its Puducherry Plant certified as per Under Writers Laboratories and hence we give the international product at affordable Indian rates.

Pipe Coatings, Road Markings, Clean Room Coatings, Can and Drum Coatings, Anti-fouling and many more newer technologies have been innovated and introduced by Protecton Division that adds to the strength and growth leadership of Berger.

Epilux HVI Coating, a unique floor coating enables replacement of use of rubber mats in industries. Again, Fluorothane gives gloss and colour retention for long duration and are maintenance free. These are results of innovations towards the growth path.



HVI COATING

GENERAL INDUSTRIAL, AUTOMOTIVE SEGMENTS AND AUTO RE-FINISH

Berger also has a strong presence both in General Industrial and Automotive segments. From having a presence in the General Industrial segment by way of Construction and Agricultural Equipment, Fan and Electrical Industry, Bus Body Refinishing, Furniture & Office Equipment Industry, Cycle Industry, Barrel and Container Industry and Cylinder Industry to providing our expertise in the Automotive segment like Passenger cars, Commercial vehicles and Two wheelers, Berger has developed products for better productivity, resulting in optimising process cost and inventory control at customers' end.

Berger has also entered into Auto Refinish Paint Business together with Rock Paint Co., Ltd, Japan ("Rock"). Rock has years of expertise and state-of-the-art technology in this field and Berger Rock Paints Private Limited is adopting and implementing the same for the Indian markets to provide a superior experience to the customers.

Some of the notable breakthroughs achieved

1. Monocoat finish for two wheeler industries which leads to reduction of process cost as well as inventory cost.

2. 7th Generation CED coating with better micro bacterial resistance, less sludge generation and excellent finish with less operating cost.

3. Zero bake painting system for Tractor industries to optimise operating costs at customers' end.

4. Introduced new concepts of Shine as well as Matte finish in paint technology for OEM Products.



RESEARCH AND DEVELOPMENT TECHNOLOGY

DRIVING VALUE THROUGH INNOVATION

Research and Development is the engine of growth for Berger Paints. With a constant drive to bring differentiated products keeping consumer benefits and user friendliness in mind, we provide utmost emphasis to analyzing the need gap in a category and understanding the extra value it can add by delivering it in the most cost-competitive manner and in a technically superior way. Our Research and Development team has a Fundamental Research Group and Application Research Group in place that work closely with Market Research teams and rely on interactions with people from the marketplace to understand and anticipate customer needs. Over the years, the team has delved deep into the fundamentals of paint formulation and researching on the applications part of it.

In addition, with a deep knowledge of the raw materials required to formulate a paint, we have been able to unleash value and enhance the performance of our products. With the current COVID19 situation turning the focus on Health and Hygiene, we have launched a couple of new polymers with enhanced performance and cost optimization benefits - Easy Clean Fresh & Silk BreatheEasy, that are environmental friendly and have added product attributes like anti-bacterial, anti-viral properties and can arrest the harmful vapours emitted from objects within the room through odour abatement. Other than that, we are currently focussing on a new range of products in the Health & Hygiene category which are expected to hit the market in the immediate future.

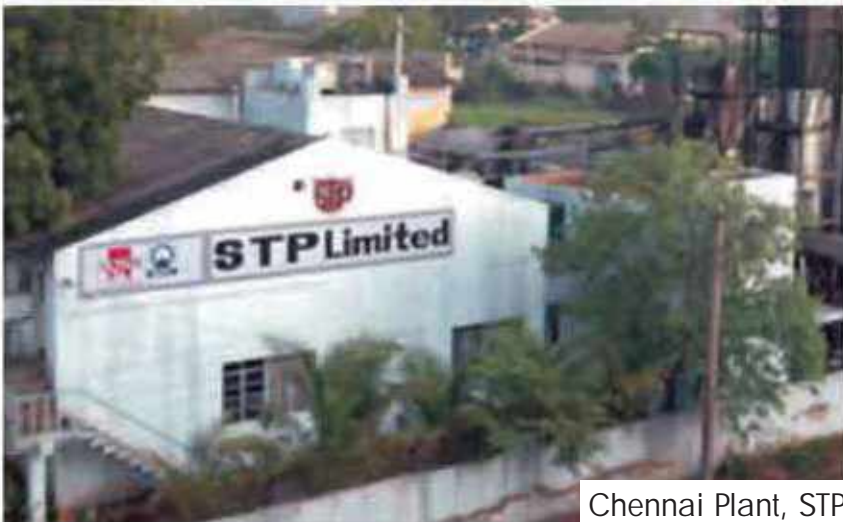


INORGANIC GROWTH

The Company has acquired 95.53% of the equity shares of STP Limited by virtue of a share purchase agreement entered into between the Company and STP Limited. STP Limited is into the business of manufacturing and supplying construction chemicals, flooring compounds, bitumen and coal tar based products, sealants and adhesives, protective and anti-corrosive coatings, etc.

ACQUISITION OF STP

STP has several manufacturing units and warehouses located in India. The business and the expertise of STP can significantly support the Company's existing construction chemicals, water proofing and protective coatings business where the two entities can complement each other in various areas such as manufacturing, selling, distribution, procurement, technology thus resulting in significant benefits to the group.



Chennai Plant, STP



Jamshedpur Plant, STP



Magico Anti Microbial is a product of **SBL Specialty Coatings Pvt Ltd** (earlier Saboo Coatings Pvt Ltd), a 100% subsidiary of the Company acquired earlier. It is a unique and revolutionary Polyurethane based coating, developed and introduced in India that can be used to coat any substrate viz. Plastic, Metals, Glass, Wood, MDF, SS, Plated articles etc. Its clear coat can be applied on any Precoated Surface to make it safe from microbes by killing and inhibiting the growth of microbes any further on the surfaces.





CSR

iTrain

Berger's CSR initiative, iTrain, plays a critical role in the training of unskilled and semi-skilled persons in painting, water-proofing and polishing. Trainees are introduced to various products, processes and techniques and trained on soft skills and customer handling for better efficiency and to make a positive impact on their earnings. Painters with enhanced skills are trained to become entrepreneurs and employ other painters under them, thereby ensuring that painters implement all-round betterment and growth in their profession. Mobile iTrains launched are also actively taking part in imparting such training skills.



MEDIA PRESENCE

THE IMPORTANCE OF EFFECTIVE STORYTELLING

Brands in India rely big time on effective storytelling to capture the audience's attention and build brand salience. Being a country where mobile and internet penetration is yet to overtake that of conventional media, TV draws viewers' full attention with an effective combination of audio and video and is better suited to build emotional connect with consumers. TV ads owing to higher cost as well as stringent standards are self-selective in nature and help build a strong credibility and premium perception. On the contrary, Digital Ads despite superior targeting and personalization are still perceived less reliable and credible. Hence brands rely heavily on TV advertising to build a premium brand perception, not just among consumers but also among trade partners. Despite having a significant presence on Digital media, Berger Paints ensures use of conventional media in order to build effective storytelling.



EASY CLEAN FRESH

Berger Easy Clean Fresh is the upgraded version of India's most popular and washable interior paint - Easy Clean. This paint comes with the unique ability of stain removal without leaving behind a white patch on the wall because of the cross-linking polymer in its formulation. Research showed that the problem of stain removal was most salient in households with young children. Having established itself strongly as the No Daag No Dhabba paint, the brand, in its upgraded avatar, also provides the benefit of odour abatement and freshness and is now ready to widen its appeal and thereby expand the market beyond its core constituency (young parents) to a much larger base – All Indian homes which have to deal with a wide variety of everyday stains.



WEATHERCOAT ANTI DUSTT

Water repellence, a generic product benefit of exterior emulsion category was losing relevance in the relatively drier regions of the country, specifically North and Central India. In these areas the challenge was one of dust. Berger Paints responded to this emerging need by coming out with a variant – WeatherCoat Anti Dustt.

DIGITAL PRESENCE

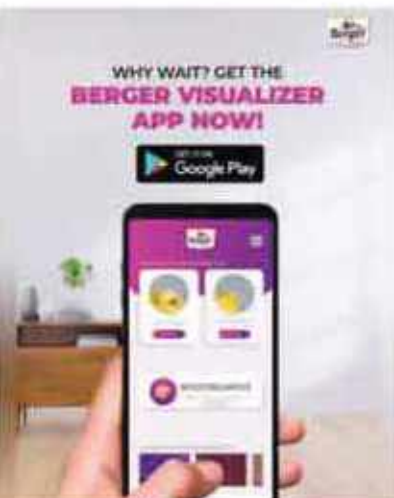
THE DIGITAL DIVERSIFICATION

Digital plays a pivotal role in modern day communication. The reach and ability to target consumers through this medium makes it an ideal platform for brands to advertise. Berger has used this medium not only to effectively communicate the various sub brands which are in the portfolio but also won a lot of recognition.



Berger Paints India won silver at **SAMMIE 2019** organised by Social Samosa for **Best Social Media Brands Awards**. Immaculate planning helped generate over 3000 leads from social media for Home Shield.

Another innovation came in the form of The Express Painting App which enables consumers to book appointments and get their houses painted, keeping every safety norm in mind. The contactless experience is a vital factor during current times of crisis. From allowing customers to book a service to availing colour previews, from ensuring contactless delivery of paint to paperless work, from making every information of the painters available through the Aarogya Setu App to accessing transaction records, tracking current project progress and accessing an always-on helpdesk; each and every detail can be easily accessed through this app.



Digital also brings with it the scope of using innovative technology to address the modern day needs. An example is the launch of the **BERGER VISUALIZER APP** which enables the consumers to experience colours and textures virtually. Witness the walls of the house much before they are painted. The 3D format coupled with the 360 degree rotational ability of this app makes it a joyful experience. What's more is that such generated images can be saved on a smart phone. This app truly makes imagination a reality.



Interaction with consumers have been taken to a different height with various contests on social media platforms. The **Easy Clean Fresh Smell Challenge** generated a lot of traction as social media influencers took the challenge and shared it on various platforms.



Berger Paints was featured across sites like Adgully, Brand Equity, Social Samosa for their moment marketing posts. **The Berger X Behala Arts Festival** was also a very popular event that gave the brand a lot of exposure.



Berger Paints India has also won the **Best Indian Paint Company Award at Times Business Awards**, Kolkata. The award recognizes excellence in business and brings together the finest from various fields of business.

AWARDS AND ACCOLADES



Berger's VVN factory received the prestigious NEE award 2019, jointly organized by CII, BEE (Ministry of Power, Govt. of India) and UNIDO (United Nations Industrial Development Organization). The award was given away at India Habitat Centre, New Delhi.



VVN unit won the prestigious National Energy Conservation Award (Chemical sector category), Ministry of Power, Government of India. Award was received at Vigyan Bhawan, New Delhi.



Receiving the prestigious Manufacturing Supply Chain Excellence Award, 2020 in Mumbai

BT500
2019 Rankings
87

Top Indian
Brandz 2019
Kantar/Millward
Brown
50

VVN plant has won the 7TH Exceed Environment Gold Award, 2020 from The Ministry of Environment and Forests (MOEF)

The Howrah unit has received "Special Appreciation Award" 2019 from ICC for long term sustenance and continual improvement on Environment Standard in a nearing century old plant. Howrah unit has received 4 Star Energy conservation award in large scale category from CII, Eastern Region in 2019.

The Rishra unit has received a 4 Star Energy Conservation Award in large scale category from CII Eastern Region in 2019.

The Jammu unit has received Silver Award in ICC National Occupational Health & Safety Awards 2019, Greentech Environment Award, 2019 (Winner category), Greentech Safety Award, 2019 (Winner category), ICC Environment Excellence Award, 2019.

Berger's VVN plant was awarded with the prestigious CII Environmental Best Practices Award 2020.

ENVIRONMENT, HEALTH AND SAFETY



EHS has been in a priority consideration for the Company in the matters of safety and risk mitigation.

Periodic fire-fighting trainings, safety audits, up-gradation of safety related equipment, risk analysis are carried out round the year.

Site administrations are trained to gear up with market prime technologies to ensure full proof protection for warehouses and manufacturing units.

VOC emission, electrical safety, fire loads are considered, assessed and necessary actions are implemented regularly to safeguard from these hazards.

Monthly meetings for factories and warehouses to review and decide action plans on pending risks related to safety, health and environment are carried out on regular basis.

National Safety Day is celebrated at the Corporate Office, manufacturing units and warehouses every year and associates are made aware of safety issues and discipline involved. Safety training are also conducted at the manufacturing units and warehouses throughout the year. Also, national safety week is celebrated at manufacturing units every year.

World environment day is also celebrated at all manufacturing units by planting saplings and organizing competitions amongst employees and their family members for making them aware of the importance of having a suitable environment around.





Mr Kuldip Singh Dhingra is the Chairman of the Board of Directors. He was born on 2nd September, 1947. He has been a Director of the Company since 1991. Mr Dhingra is a Science Graduate from Delhi University and a distinguished alumnus awardee of his alma mater, Hindu College, Delhi. He is the Promoter of the Company and an Industrialist with long standing experience in paints and related industries. He is the fourth generation of the family which has been continuously in the Paint Business since 1898 and has over 50 years' experience in Paint and related industries. Mr Dhingra is recipient of the 'Life Time Achievement Award' from Indian Paint Association.

Mr Gurbachan Singh Dhingra is the Vice-Chairman of the Board of Directors. He was born on April 9, 1950. He is a graduate from The Punjab University. He is an industrialist and has 51 years of experience in the paint industry, especially in manufacturing and technical aspects. He has years of practical experience in building and commissioning of many paint factories.



Mr Abhijit Roy was born on 12th July, 1965. He is a graduate in Mechanical Engineering from Jadavpur University with MBA from IIM, Bangalore in 1991. He started his career with Asian Paints, joined Berger Paints in the year 1996 and took over as its MD and CEO from 1st July, 2012. He was selected as one of the best 6 CEOs under Private Sector category of Forbes India Leadership Award 2015 and 2016 and one of 100 Top CEOs as per Business Today, 2016 and 2017. He is the current Chairman of CII - Eastern Region. He has 29 years of experience in Sales, Marketing and General Management in FMCG and Paint industries.

Ms Rishma Kaur was born on 1st September, 1972. She assumed the position of Director, National Business Development Manager - Retail of the Company from 1st December, 2014. Ms Kaur is a B.Sc.(Hons) in Business Studies from University of Buckingham, U.K. She has been involved in development of business including those relating to large projects in decorative paints, development of marketing initiatives and corporate affairs. She has also acted as the Chairperson of Paints & Allied Products Panel of Chemicals & Allied Products Export Promotion Council (CAPEXIL) and is associated with Group Companies of Berger in different capacities.



Mr Kanwardip Singh Dhingra was born on 28th October, 1982. He assumed the position of Director, National Business Development Manager - Industrial from 1st December, 2014. Mr Dhingra holds a Bachelor's Degree in Chemical Engineering from University of Akron, Akron, Ohio, USA with a specialization in Polymer Engineering and Minor in Chemistry. Mr Dhingra gathered work experience in the field of Paints and Specialty Coatings in The Rohm & Haas Company, Texas, USA. Prior to The Rohm & Haas Company, he had also worked with The Sherwin Williams Company, Ohio, USA, in the field of Sales and Marketing. Presently, Mr Dhingra is also a Director of Berger Paints Bangladesh Limited and a member of the Entrepreneur's Organization.



Mr Pulak Chandan Prasad was born on 27th May, 1968. He has been a Director of the Company since 2009. He holds a Bachelor's Degree in Technology from IIT, New Delhi and holds a post graduate Diploma in Management from IIM, Ahmedabad. He is the Managing Director of Nalanda Capital. Nalanda Capital takes long-term stakes in small to mid-cap listed companies in India primarily on behalf of US and European institutional investors. Prior to Nalanda, he was with the global private equity firm Warburg Pincus for more than eight years where he was Managing Director and co-head of India. Before Warburg Pincus, he spent 6 years at McKinsey in India, South Africa and the US.

Mr Naresh Gujral was born on 19th May, 1948. He has been appointed as a Director of the Company effective 20th August, 2014. He is an eminent Industrialist and social activist and founder of Span India Group. He is a fellow member of the Institute of Chartered Accountants of India. He is an expert in the field of Management and decision making including policy related matters.



Mr Anoop Hoon was born on 15th October, 1955. He has been appointed as a Director of the Company effective 1st February, 2019. He is B.A. in Economics and Post Graduate in IR & PM from XLRI, Jamshedpur. He has experience in marketing, sales, organizational development, HR, supply chain and branch commercial functions and had served as Business Head of several companies in which he had worked.

Mrs Sonu Halan Bhasin was born on 28th September, 1963. She has been appointed as a Director of the Company effective 1st February, 2019. She is a B.Sc. (Hons) in Mathematics from St Stephen's College, Delhi University and MBA - Faculty of Management Studies (FMS), Delhi University. She was the Founder and Managing Partner of FAB-Families and Business and Editor-in-Chief of Families and Business Magazine. She had authored The Inheritors – Stories of Entrepreneurship and Success. Her career spans over 30 years and apart from being a distinguished Banker, she has set up and managed large businesses, diverse teams across financial and non-financial sectors, in India and overseas.



Dr Anoop Kumar Mittal was born on 5th January, 1960. He has been appointed as a Director of the Company effective 19th March, 2020. He is B.E. in Civil Engineering, from Thapar Institute of Engineering & Technology, Punjab University, Patiala. He was conferred "Doctor of Philosophy" (Honoris Causa) - Chancellor, Singhania University. Dr Mittal has an experience of 35 years in the field of Civil Engineering, Consultancy for Real Estate Development, Merger & Acquisition and Project Management. Dr Mittal served as President in Indian Business Congress (IBC), Chairman in BRICS Chamber of Commerce and Industry and a member of Board of Thapar University.

CORPORATE INFORMATION

BOARD COMMITTEES

AUDIT

Mrs Sonu Halan Bhasin - Chairperson
Mr Gurbachan Singh Dhingra
Mr Pulak Chandan Prasad
Mr Naresh Gujral
Dr Anoop Kumar Mittal

COMPENSATION & NOMINATION & REMUNERATION

Mr Anoop Hoon - Chairman
Mr Kuldip Singh Dhingra
Mr Pulak Chandan Prasad
Dr Anoop Kumar Mittal

BUSINESS PROCESS & RISK MANAGEMENT

Mr Gurbachan Singh Dhingra - Chairman
Mr Abhijit Roy
Mr Anoop Hoon
Ms Rishma Kaur
Mr Kanwardip Singh Dhingra
Mr Anil Bhalla
Mr Srijit Dasgupta

SHARE TRANSFER

Mr Abhijit Roy - Chairman
Mr Anoop Hoon
Mr Srijit Dasgupta
Mr Arunito Ganguly

STAKEHOLDERS' RELATIONSHIP & INVESTOR GRIEVANCE

Mr Gurbachan Singh Dhingra - Chairman
Mr Abhijit Roy
Mr Anoop Hoon

CORPORATE SOCIAL RESPONSIBILITY

Mr Kuldip Singh Dhingra - Chairman
Mr Abhijit Roy
Ms Rishma Kaur
Mr Kanwardip Singh Dhingra
Mr Srijit Dasgupta
Mr Anil Bhalla
Dr Anoop Kumar Mittal
Mr Arunito Ganguly

STATUTORY AUDITOR

S R Batliboi & Co. LLP
22, Camac Street,
Block B, 3rd floor,
Kolkata - 700016

SECRETARIAL AUDITOR

Anjan Kumar Roy & Co.
Company Secretaries,
GR 1, Gouri Bhaban,
28A, Gurupada Halder Road,
Kolkata - 700026

COST AUDITORS

N. Radhakrishnan & Co.,
11A Dover Lane, Flat B 1/34,
Kolkata -700029
Shome & Banerjee
5A, Nurulla Doctor Lane (West
Range), 2nd floor,
Kolkata – 700017

CONSORTIUM BANKS

Standard Chartered Bank
HSBC Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
State Bank of India
Kotak Mahindra Bank Ltd.
Axis Bank Ltd.
DBS Bank Ltd.
Yes Bank Ltd.
JP Morgan Chase Bank, N.A.
MUFGBank, Ltd.
BNP Paribas
IDFC Bank Ltd.
IndusInd Bank Ltd.
Federal Bank Ltd.

KEY MANAGERIAL PERSONNEL

Mr Abhijit Roy
Managing Director &
Chief Executive Officer

Mr Srijit Dasgupta
Director- Finance &
Chief Financial Officer

Mr Arunito Ganguly
Vice President &
Company Secretary

INVESTOR SERVICE CENTRE

Registrar & Share Transfer Agent
C B Management Services (P) Ltd
P-22 Bondel Road, Kolkata 700019
Phone : 033 4011 6700/6725
Fax : 033 4011 6739
Email : rta@cbmsl.com
Secretarial Department
Berger Paints India Limited
129 Park Street, Kolkata 700017
Telephone: 033 2229 9724-28
Fax: 033 2227 7288
Email: consumerfeedback@bergerindia.com

REGISTERED OFFICE

Berger House, 129 Park Street,
Kolkata 700017
Phone: 033 2229 9724-28
Fax: 033 2227 7288

CORPORATE WEBSITE

www.bergerpaints.com

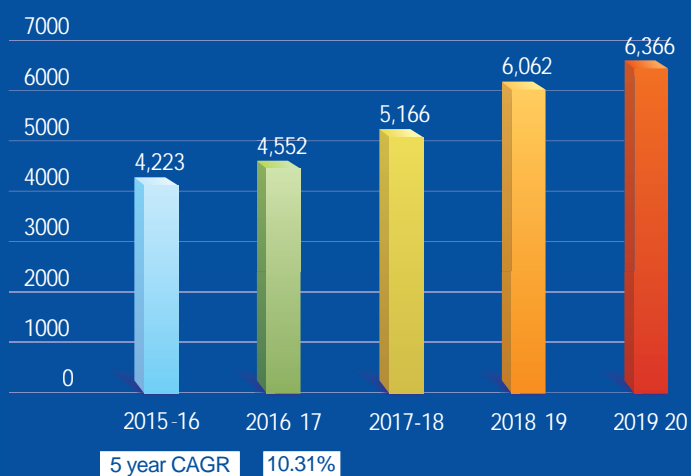
FEEDBACK

consumerfeedback@bergerindia.com

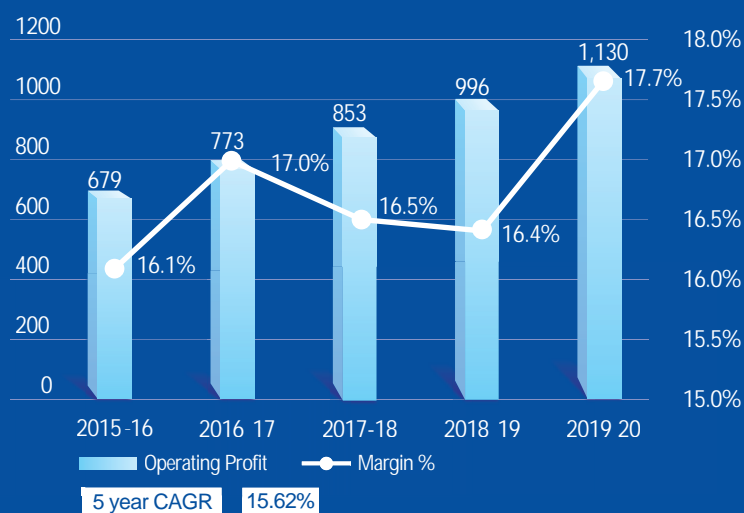
CIN

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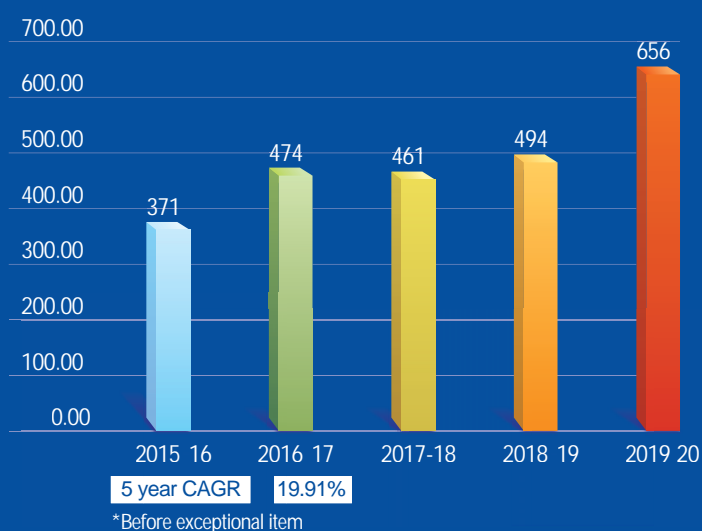
Revenue from Operations - Consolidated (₹ in crore)



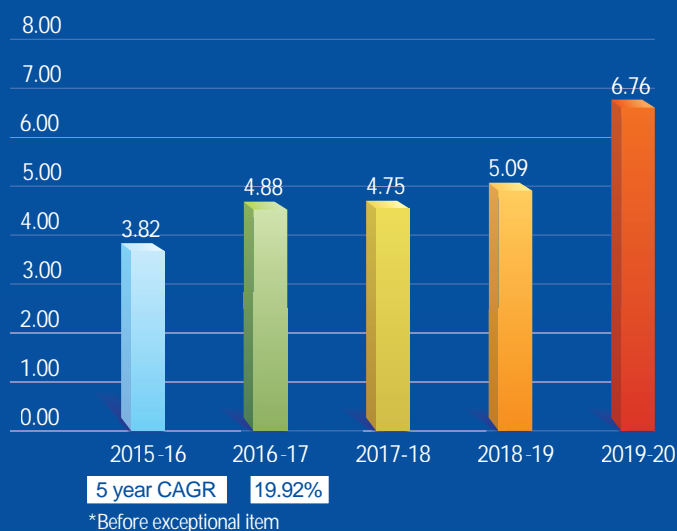
Operating Profit - EBITDA - Consolidated (₹ in crore)



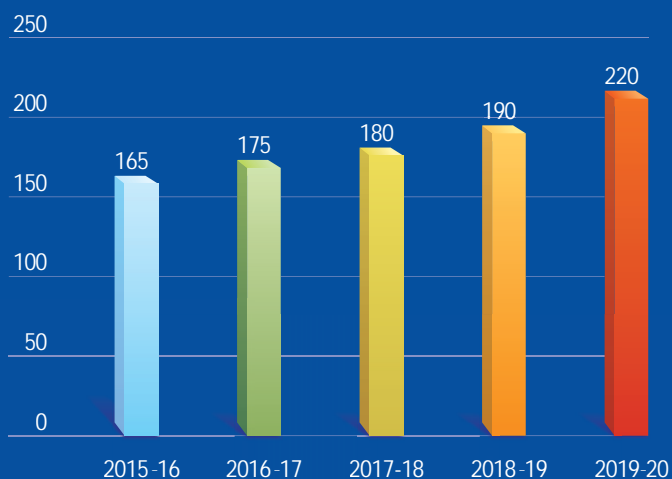
Profit after Tax - Consolidated (₹ in crore)*



Earning Per Share (₹)* - Consolidated



Dividend per share (%)



Market Capitalization

(₹ in crore) as on March 31st of every year



STATEMENTS

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BERGER PAINTS INDIA LIMITED

(CIN: L51434WB1923PLC004793)

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

Phone Nos: 91 33 2229 9724 -28 / 7605019724-27; Fax No: 91 33 2227 7288

Website: www.bergerpaints.com

E-mail: consumerfeedback@bergerindia.com

NOTICE

Notice is hereby given that the Ninety-sixth Annual General Meeting of Berger Paints India Limited will be held on Friday, **25th September, 2020 at 11.00 a.m. (IST)** through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) to transact the following businesses:-

ORDINARY BUSINESS:

To consider and, if thought fit, to pass, the following resolutions as **Ordinary Resolutions**:

1. “**RESOLVED THAT** the audited financial statements (including the audited consolidated financial statements) for the financial year ended 31st March, 2020, the Report of the Board of Directors along with relevant Annexures and the Statutory Auditors be and are hereby received, considered and adopted.”
2. “**RESOLVED THAT** in addition to an interim dividend of ₹1.90 (190%) per equity share on the paid up equity shares of ₹1/- each paid to the Members in accordance with the resolution adopted by the Board of Directors at its meeting held on 18th February, 2020, a final dividend of ₹0.30 (30%) per equity share on the paid up equity shares of ₹1/- each of the Company for the financial year ended 31st March, 2020, be and is hereby declared to be paid to the Members of the Company, so that the total dividend declared for the financial year ended 31st March, 2020 be ₹2.20 (220%) per equity share 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** Mr Gurbachan Singh Dhingra (DIN: 00048465), 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.”
5. “**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and their corresponding Rules (as amended) M/s S. R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005), who have offered themselves for re-appointment and have confirmed their eligibility under the relevant provisions of Chapter X of the Act read with the Companies (Audit and Auditors) Rules, 2014 (as amended), be and are hereby re-appointed as Statutory Auditors of the Company for a second term of 5 (five) years, from the conclusion of 96th Annual General Meeting till the conclusion of the 101st Annual General Meeting at a remuneration to be mutually decided and approved by the Board of Directors of the Company upon recommendation of the Audit Committee.”

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** Dr Anoop Kumar Mittal (DIN:05177010), who was appointed as an Additional Director (Category – Independent Director) on the Board of Directors of the Company, pursuant to Section 161 of the Companies Act, 2013 (the Act) with effect from 19th March, 2020, and for whom the Company has received a valid nomination from a Member proposing him as Director of the Company in terms of the provisions of Section 160 of the Act, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act, the Rules framed thereunder read with Schedule IV to the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment, for the time being in force), Dr Anoop Kumar Mittal (DIN:05177010) be and is hereby appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing his date of appointment from 19th March, 2020 up to 18th March, 2025.”

7. To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), the remuneration of ₹2,95,000 plus out of pocket expenses and taxes as applicable payable to M/s N. Radhakrishnan & Co., (Firm Registration No. 000056) and the remuneration of ₹1,65,000 plus out of pocket expenses and taxes as applicable payable to M/s Shome and Banerjee (Firm Registration No. 000001), who have been appointed by the Board of Directors as Cost Auditors for audit of cost records of the Company in the manner illustrated in the explanatory statement for the financial year ending 31st March, 2021, be and is hereby ratified.”

Place: Kolkata

Dated: 23rd June, 2020

By Order of the Board

Arunito Ganguly (FCS-9285)

Vice President & Company Secretary

NOTES:

1. In view of the prevailing COVID 19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 (collectively referred to as “MCA Circulars”) respectively, read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, has allowed companies to conduct their Annual General Meeting (“AGM”) through VC or OAVM, thereby dispensing with the requirement of physical attendance of the Members at their AGM. In compliance with the provisions of the Companies Act, 2013 (the Act) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Circulars issued by the MCA, the 96th AGM of the Company will be held through VC or OAVM. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning Quorum under Section 103 of the Act.
2. The Company will hold its 96th AGM on Friday, 25th September, 2020 at 11.00 a.m. (IST) through VC or OAVM which is within the extended time period granted by the Securities and Exchange Board of India to top 100 listed companies as per market capitalization as on 31st March, 2020 vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated 26th March, 2020 in relation to Regulation 44(5) of the Listing Regulations.
3. **IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 DATED MAY 12, 2020, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS**

HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE CONVENING THE 96TH AGM OF THE COMPANY.

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the corporate Members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the participation and e-Voting during the AGM, through VC or OAVM. Institutional Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Power of Attorney/appropriate Authorization Letter together with attested specimen signature(s) of the authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at aklabhcs@gmail.com/aklabh@aklabh.com with a copy marked to evoting@nsdl.co.in.

4. Since the AGM will be held through VC or OAVM pursuant to the MCA circulars, no Route Map is being provided with the Notice.
5. The Members can join the AGM through the VC or OAVM mode 15 minutes before the scheduled time of commencement of the Meeting by following the procedure mentioned later in the Notice. The facility of participation at the AGM through VC or OAVM will be made available for 1000 Members on first come first serve basis. This will not include large Shareholders i.e., (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairperson of the Audit Committee, Chairman of Compensation and Nomination and Remuneration Committee and Chairman of the Stakeholders' Relationship and Investor Grievance Committee, Auditors, Scrutinizer and others who are allowed to attend the AGM without restriction on account of first come first serve basis.
6. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-2020 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-2020 will also be available on the Company's website - www.bergerindia.com, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the e-Voting website of NSDL at www.evoting.nsdl.com.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 19th September, 2020 to Friday, 25th September, 2020, both days inclusive.
8. SEBI, vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all security holders. Members holding shares in physical mode and who have not registered their details are therefore requested to submit their PAN and Bank Account details to the Registrar and Share Transfer Agent (the "RTA") of the Company, i.e M/s C. B. Management Services (P) Limited (P-22, Bondel Road, Kolkata 700019) by sending a duly signed letter along with self-attested copy of PAN card and an original cancelled cheque. The original cancelled cheque should bear the name of the Member(s). Alternatively, Members are requested to submit a copy of bank passbook/statement attested by the bank (not more than three months old) along with a cancelled cheque if the name of account holder does not appear on the cheque. Members holding shares in demat mode are requested to submit the aforesaid information to their respective Depository Participant. Further, as an added initiative, the Company has made a newspaper advertisement on 18th June, 2020 in Business Standard (having nationwide circulation) and in Aajkal (vernacular) to inform the Members to register their e-mail ids, PAN, mobile number(s) and update their bank account details in case they are yet to register their e-mail ids, mobile numbers, PAN or bank account details. Further, the Company has also availed the services of National Securities Depository Limited and Central Depository Services (India) Limited for sending SMS's to those shareholders whose mobile numbers were available with the depositories but the e-mail ids were not available with the Depositories, Company or its RTA with a request to register their e-mail ids to enable the Company to send the Annual Report for the financial year 2019-2020 through e-mail.
9. Explanatory Statement pursuant to Section 102 of the Act, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto. The recommendations of the Board of Directors of the Company in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement.

- 10 The details required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM forms part of the Notice.
11. All documents referred to in the Notice and the Explanatory Statement shall be made available for on-line inspection by the Members of the Company, without payment of fees up to and including the date of AGM. Members desirous of inspecting the same may send their requests at rajibde@bergerindia.com with a copy marked to sumandey@bergerindia.com from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers.

During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and the Certificate from Statutory Auditors of the Company certifying that the ESOP Scheme of the Company has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be made available for on-line inspection upon login at NSDL e-Voting system at www.evoting.nsdl.com.

12. Members are requested to notify any change in their address immediately to the RTA of the Company for shares held in physical mode. Members who hold their shares in dematerialised form may lodge their requests for change of address, if any, with their respective Depository Participants.
13. Members holding shares of the Company in physical mode through multiple folios are requested to consolidate their shareholding into a single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the RTA.
14. Members holding shares under a single name in physical mode are advised to make nomination in respect of their shareholding in the Company. The Nomination Form can be downloaded from the Company's website, i.e., www.bergerpaints.com - "Investors" - "Investor Services". Members holding shares in demat mode should file their nomination with their respective Depository Participant(s).
15. In all correspondence with the Company/the RTA, Members are requested to quote their Folio Number and in case their shares are held in the dematerialised form, they must quote their DP ID and Client ID numbers.
16. 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 Act, 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.
17. The Ministry of Corporate Affairs (MCA) had vide notification No. S.O.2866 (E) dated 5th September, 2017 enforced Sections 124(6) and 125 of the Act read with the Investor Education and Protection Fund [IEPF] (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), which requires companies to transfer the underlying shares to the IEPF, in respect of which the dividends have remained unclaimed for a consecutive period of seven years. Accordingly, shareholders are requested to apply for unclaimed dividends immediately to the Company/the RTA. Members are informed that once the unclaimed or unpaid dividend is transferred to the designated account of IEPF and shares are transferred to the Demat Account of the IEPF Authority, no claim shall lie against the Company in respect of such dividend/shares. During the Financial Year 2019-2020, the Company had transferred 3,40,856 equity shares to IEPF on 25th October, 2019. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

The eligible Members are entitled to claim such unclaimed or unpaid dividend and shares including benefits, if any, accruing on such shares from the IEPF Authority by making an online application in Web Form IEPF-5 and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents at the Registered Office of the Company for verification of their claims. Relevant details and the specified procedure to claim refund of dividend

amount/shares along with an access link to the refund web page of IEPF Authority's website for claiming such dividend amount/shares has been provided on the Company's website, i.e., www.bergerindia.com under the "Investor Services" category. The due dates for transfer of the unclaimed or unpaid dividend relating to subsequent years to IEPF are as follows:

Period	Type	Date of Transfer to IEPF
2012-13	FINAL	07.09.2020
2013-14	FINAL	06.09.2021
2014-15	INTERIM	07.03.2022
2014-15	FINAL	06.09.2022
2015-16	INTERIM	11.03.2023
2015-16	FINAL	06.09.2023
2016-17	FINAL	09.09.2024
2017-18	FINAL	08.09.2025
2018-19	FINAL	10.09.2026

18. The shareholders holding shares in physical mode and whose names appear in the Register of Members on 25th September, 2020, whereas the shareholders holding shares in electronic mode and whose names appear in the list of beneficial holders furnished by respective Depositories as at the end of business hours on 18th September, 2020 shall be eligible for receipt of final dividend as recommended by the Board subject to approval of the proposed resolution in this connection by the shareholders of the Company. Accordingly, as per current SEBI Regulations, dividend is required to be credited to Members' respective bank accounts through National Automated Clearing House (NACH), wherever the facility is available and the requisite/valid 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 dematerialised form) or to the RTA (in case of shares held in physical form) at the earliest. In line with the MCA General Circular No. 20/2020 dated 5th May, 2020, if the Company is unable to pay the dividend directly through electronic mode to any Member(s), due to non-availability of their latest bank account details, the dividend warrant/banker's cheque/demand draft shall be dispatched to such Member(s), at the earliest, upon normalization of postal services.
19. Pursuant to amendment of Regulation 40 of Listing Regulations vide Gazette notification dated 8th June, 2018, w.e.f. 1st April, 2019 except in case of transmission or transposition of securities, transfer of securities would be carried out in dematerialised form only. Hence, Members are requested to initiate action to get their shares dematerialised since trading of shares is done compulsorily in the dematerialised mode. Dematerialisation not only provides easy liquidity, but also safeguards from any possible physical loss.
20. As the AGM is being conducted through VC or OAVM, the Members are requested to express their views/send their queries well in advance for smooth conduct of the AGM but not later than 5:00 P.M. (IST) Monday, 21st September, 2020, mentioning their names, folio numbers/demat account numbers, e-mail addresses and mobile numbers at sumandey@bergerindia.com with a cc to rajibde@bergerindia.com and only such questions/queries received by the Company till the said date and time shall be considered and responded during the AGM.

Members willing to express their views or raise queries during the AGM are required to register themselves as speakers by sending their requests on or before Monday, 21st September, 2020 (5:00 P.M. IST) at sumandey@bergerindia.com with a cc to rajibde@bergerindia.com from their registered e-mail addresses mentioning their names, folio numbers/demat account numbers, PAN details and mobile numbers. The Members who have registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Chairman of the Meeting/the Company reserves the right to restrict the time allotted to each speaker and the number of speakers to ensure smooth conduct of the AGM.

21. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for

various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments thereof. The Shareholders are once again requested to update their PAN with the Company at consumerfeedback@bergerindia.com/the RTA at rta@cbmsl.com (in case of shares held in physical mode) and their respective Depository Participants (in case of shares held in dematerialised mode). The following may be noted:

- (i) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to rta@cbmsl.com on or before 15th September, 2020. Shareholders are requested to note that in case their PAN is not registered or an invalid PAN is furnished, the tax will be deducted at a rate of 20%.
 - (ii) Resident shareholders who are eligible for deduction of tax at a concessional or Nil rate as per Section 197 of the Income-tax Act, 1961, can submit the certificate/letter issued by the Assessing Officer, to avail the benefit of lower rate of deduction or non-deduction of tax at source by sending an e-mail to rta@cbmsl.com on or before 15th September, 2020.
 - (iii) Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to rta@cbmsl.com. The aforesaid declarations and documents need to be submitted by the Shareholders on or before 15th September, 2020.
22. As on 31st March, 2020, 6,81,477 equity shares of ₹1/- each fully paid up have remained unclaimed for 235 number of shareholders. During the year, the Company had received 7 requests from the Members for transfer of their unclaimed shares in aggregate 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. Further, 2,53,587 equity shares of ₹1/- each were transferred from unclaimed suspense account to IEPF Account between the period 1st April, 2019 to 31st March, 2020. The details are given in **Annexure A** of the Corporate Governance Report.
23. In compliance with the provisions of Section 108 of the Act, read with the provisions of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations (as amended), and the MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and SEBI Circular dated 12th May, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. 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. Only those Members who are present in the Meeting through VC or OAVM facility and have not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM.

The remote e-Voting period will commence on 22nd September, 2020 (Tuesday at 9:00 a.m.) and will end on 24th September, 2020 (Thursday at 5:00 p.m.). During this period, Members of the Company, holding shares either in physical mode or in dematerialised mode, may cast their vote electronically. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

The procedure for remote e-Voting is as under:

Instructions

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' Section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the email sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow the steps mentioned below:

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : How to cast your vote electronically on NSDL e-Voting system?

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- iii. Select "EVEN" of company which is 113742.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

- vi. Upon confirmation, the message “Vote cast successfully” will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional shareholders (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. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to **aklabhcs@gmail.com/aklabh@aklabh.com** with a copy marked to **evoting@nsdl.co.in**.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the 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 User Details/Password?” or “Physical User Reset Password?” option available on **www.evoting.nsdl.com** to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download Section of **www.evoting.nsdl.com** or call on toll free no.: 1800 222 990 or send a request at **evoting@nsdl.co.in**.

In case of any grievances connected with facility for e-Voting, please contact - Mr Amit Vishal, Senior Manager/ Ms Pallavi Mhatre, Manager, NSDL, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Lower Parel, Mumbai 400 013. Email: **evoting@nsdl.co.in/amitv@nsdl.co.in/pallavid@nsdl.co.in**, Tel: 91 22 2499 4545/1800 222 990.

The helpline number regarding any query/assistance for participation in the AGM through VC or OAVM is 1800 222 990.

4. For those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:
 - A) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **sumandey@bergerindia.com** or to the RTA at **rta@cbmsl.com**.

In case shares are held in demat mode, please provide DP ID-CL ID (16 digit DP ID + CL ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **sumandey@bergerindia.com** or to the RTA at **rta@cbmsl.com**.
 - B) Alternatively, Members may send an e-mail request to **evoting@nsdl.co.in** for obtaining User ID and Password by providing the details mentioned in Point A as the case may be.
5. Instructions for Members for e-Voting on the day of the AGM are as under:
 - I. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
 - II. Only those Members/ shareholders, who will be present in the AGM through VC or OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
 - III. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 - IV. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.
6. Instructions for Members for attending the AGM through VC or OAVM are as under:
 - A. Members will be provided with a facility to attend the AGM through VC or OAVM through the NSDL e-Voting

system. Members may access the same at **www.evoting.nsdl.com** under shareholders/Members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/Members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further Members can also use the OTP based login for logging into the e-Voting system of NSDL.

- B. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - C. Please note that Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches. Infrastructure, connectivity and speed available at the speaker's location are essential to ensure smooth interaction.
 - D. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and may send their request mentioning their name, demat account number/folio number, email id, mobile number at **sumandey@bergerindia.com** with a cc to **rajibde@bergerindia.com** Please refer point no. 20 above for details.
 - E. Those Members who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting.
 - F. Members who need any assistance before or during the AGM, may contact on the helpline number or other contact details provided above.
24. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital (in case of electronic shareholding) of the Company as on the cut-off date of 18th September, 2020.
 25. Any person, who acquires shares of the Company and becomes Member of the Company after dissemination of the Notice of AGM and holding shares as on the cut-off date, i.e., 18th September, 2020 may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **rta@cbmsl.com** or **sumandey@bergerindia.com** mentioning his or her folio number/DP ID and Client ID. However, if he is already registered with NSDL for remote e-Voting, then he can use his existing user ID and password for casting his vote. If he forgets his password, he can reset his password by using "Forgot User Details/Password" option available on **www.evoting.nsdl.com**.
 26. Members holding shares in physical mode or whose e-mail addresses are not registered, may cast their votes through e-Voting system, after registering their e-mail addresses by sending the following documents to the Company at **sumandey@bergerindia.com** or to the RTA at **rta@cbmsl.com**: (i) Scanned copy of a signed request letter, mentioning the name, folio number/demat account details and number of shares held and complete postal address; (ii) Self-attested scanned copy of PAN Card; and (iii) Self-attested scanned copy of any document (such as AADHAR card/latest Electricity Bill/latest Telephone Bill/ Driving License/Passport/Voter ID Card/Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding. Members, who hold shares in physical mode and already having valid e-mail addresses registered with the Company/the RTA, need not take any further action in this regard.
 27. 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.
 28. Pursuant to the provisions of Section 108 of the Act, Mr A. K. Labh (FCS-4848/CP-3238) of M/s A. K. Labh & Co., Company Secretaries has been appointed as the Scrutiniser to scrutinise the remote e-Voting process as well as voting by Members (who have not cast their vote through remote e-Voting) participating at the AGM through VC or OAVM as on the date of AGM in a fair and transparent manner.
 29. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

30. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.bergerindia.com, the e-Voting website of NSDL - www.evoting.nsdl.com and on the notice board of the Company's registered office immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited, where the shares of the Company are listed.
31. Subject to receipt of requisite number of votes, the resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting itself, i.e., 25th September, 2020.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 6

Dr Anoop Kumar Mittal ('Dr Mittal') (DIN : 05177010) was appointed as an Additional Director of the Company by the Board of Directors in the capacity of Non-executive, Independent Director with effect from 19th March, 2020 pursuant to Section 161 of the Companies Act, 2013 ('the Act'). Dr Mittal has filed declaration of independence and he is deemed to be independent within the meaning of Section 149 of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In terms of Section 161 of the Act, Dr Mittal holds office as an Additional Director up to the conclusion of the ensuing Annual General Meeting and the Company has received a notice in writing from a Member in terms of Section 160 of the Act proposing the candidature of Dr Mittal for appointment as an Independent Director as per the provisions of Sections 149 and 152 of the Act.

Based on the recommendation of the Compensation and Nomination and Remuneration Committee and subject to the approval of the Members of the Company, the Board of Directors of the Company has approved the appointment of Dr Mittal. Such appointment is proposed to be made for a term of five consecutive years from 19th March, 2020 to 18th March, 2025. As per Section 150 of the Act, appointment of a Director as an Independent Director requires approval of the Members. Accordingly, approval of the Members is sought for appointment of Dr Mittal for a term of five consecutive years from the date of his appointment i.e, from 19th March, 2020 to 18th March, 2025. In pursuance of Section 149(13) of the Act, Dr Mittal will not be liable to retire by rotation.

Dr Mittal is a B.E. in Civil Engineering, from Thapar Institute of Engineering & Technology, Punjab University, Patiala. He was conferred "Doctor of Philosophy" (Honoris Causa) - Chancellor, Singhania University. Dr Mittal was associated with NBCC (India) Ltd. since 1985 and was Chairman cum Managing Director (CMD) of NBCC during the period March 2013 to March 2019. He was earlier associated with M/s Shaporji Pallonji & Company Limited. Dr Mittal has an experience of more than 35 years in fields of Civil Engineering, Consultancy for Real Estate Development, Merger & Acquisition and Project Management. Dr Mittal served as President in Indian Business Congress (IBC), Chairman in BRICS Chamber of Commerce and Industry and a Member of Board of Thapar University.

In terms of the provisions of the Act, Dr Mittal has filed requisite consent(s)/disclosures before the Board. The Company has also received an intimation from Dr Mittal in Form DIR-8 to the effect that he is not disqualified and further confirmed that he is also not debarred by the Securities and Exchange Board of India, MCA or any other such statutory authority to be appointed as a Director in any Company. As required under Regulation 25(8) of the Listing Regulations, Dr Mittal has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Dr Mittal meets the criteria of independence as stipulated under Section 149(6) of the Act and Rules framed thereunder read with Regulation 16 of the Listing Regulations and that he is independent of the management. Dr Mittal is entitled to commission on net profits of the Company not exceeding 1% in aggregate (together with all Non-Executive Directors) as computed in the manner referred to in Section 198 of the Act and Rules framed thereunder subject to a maximum of ₹1 crore per annum. In compliance with Section 150 of the Act and Rules framed thereunder, Dr Mittal has registered himself with the Indian

Institute of Corporate Affairs (IICA) and his name is included in the data bank maintained by the IICA. Necessary information in compliance with Regulation 36(3) of the Listing Regulations and SS-2 issued by the ICSI relating to Dr Mittal has been provided separately in a table.

A copy of the draft letter of appointment of Dr Mittal setting out the terms and conditions will be available for inspection by the Members through electronic mode. Members may write to the Company in this regard by mentioning "Request for Inspection" in the subject of the E-mail.

In terms of General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs, the matter regarding appointment of Dr Mittal is considered unavoidable by the Board of Directors.

Except Dr Mittal and his relatives, no other Director or Key Managerial Personnel of the Company, or their relatives, are concerned or interested financially or otherwise, in Resolution No. 6 as contained in the Notice. Considering the knowledge, experience and expertise of Dr Mittal, the Board is of opinion that appointment of Dr Mittal as an Independent Director of the Company shall be of immense benefit to the Company.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and the Listing Regulations, the appointment of Dr Mittal as an Independent Director is now being proposed before the Members for their approval by way of an Ordinary Resolution.

The Board recommends Resolution No. 6 as an Ordinary Resolution for approval by the Members of the Company.

ITEM NO. 7

The Board of Directors at its meeting held on 23rd June, 2020, based on the recommendation of the Audit Committee, appointed M/s. N. Radhakrishnan & Co., Cost Accountants (Firm Registration No.000056), as Cost Auditors of the Company at a remuneration of ₹2,95,000/- (Rupees two lakh ninety five thousand only) plus applicable tax and other out-of-pocket expenses and M/s Shome and Banerjee, Cost Accountants (Firm Registration No. 000001), as Cost Auditors at a remuneration of ₹1,65,000/- (Rupees one lakh sixty five thousand only) plus applicable tax and other out-of-pocket expenses to audit the cost records of the products manufactured by the Company for the year ending on 31st March, 2021. M/s. N. Radhakrishnan & Co., Cost Accountants will carry out cost audit of the Company's factories situated at a) Howrah b) Rishra c) Goa d) Puducherry e) Jejuri f) Naltali and the factories of the Company's British Paints Division situated at a) Nalbari and b) Hindupur. M/s Shome and Banerjee, Cost Accountants, will undertake cost audit of the Company's factory situated at Jammu and the factories of British Paints Division situated at a) Jammu b) Surajpur and c) Sikandrabad.

Pursuant to Section 148 of the Act read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration payable to the Cost Auditors shall be approved by the Board of Directors and subsequently ratified by the Members of the Company. Accordingly, the remuneration payable to M/s. N. Radhakrishnan & Co., Cost Accountants and M/s Shome and Banerjee, Cost Accountants for the financial year ending on 31st March, 2021 as approved by the Board of Directors is being placed before the Members for ratification.

In terms of General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs, the matter regarding ratification of remuneration payable to M/s. N. Radhakrishnan & Co. and M/s Shome and Banerjee are considered unavoidable by the Board of Directors.

The Directors recommend adoption of the Resolution at Item no.7 for ratification by the Members.

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

Place: Kolkata

Dated: 23rd June, 2020

By Order of the Board
Arunito Ganguly (F-9285)
 Vice President & Company Secretary

Details required under Section 102 of the Companies Act, 2013 in respect of Mr Kuldeep Singh Dhingra, Mr Gurbachan Singh Dhingra and Dr Anoop Kumar Mittal, Directors of the Company, who are seeking re-appointment/appointment through this Notice, have already been provided under the heading Explanatory Statement annexed to this Notice. Other information in compliance with Regulation 36(3) of the Listing Regulations and SS -2 issued by the Institute of Company Secretaries of India (ICSI) have been provided in the table below:

Particulars	Item No. 3	Item No. 4	Item No. 6
Name of Director	Mr Kuldeep Singh Dhingra	Mr Gurbachan Singh Dhingra	Dr Anoop Kumar Mittal
Category of Director	Non-Executive, non-Independent Director	Non-Executive, non-Independent Director	Non-Executive, Independent Director
Date of Birth/Age	2nd September, 1947 (73 years)	9th April, 1950 (70 years)	5th January, 1960 (60 years)
Nationality	Indian	Indian	Indian
Date of First Appointment on the Board	17th July, 1991	14th May, 1993	19th March, 2020
Qualification	Science Graduate, Hindu College, Delhi University	Graduate, Punjab University	B.E. in Civil Engineering, from Thapar Institute of Engineering & Technology, Punjab University, Patiala and was conferred "Doctor of Philosophy" (Honoris Causa) – Chancellor, Singhania University
Expertise in specific functional areas	Mr Kuldeep Singh Dhingra is an industrialist and has over 50 years of experience in paint and related industries and his contribution to the paint industry is well known and internationally acclaimed	Mr Gurbachan Singh Dhingra is an industrialist and has 51 years experience in paint industry, especially in its technical aspects. He has practical experience in building and commissioning of many paint factories	Dr. Mittal has an experience of 35 years in fields of Civil Engineering, Consultancy of Real Estate Development, Merger & Acquisition and Project Management
Terms and Conditions of appointment/re-appointment	Non-Executive Director, liable to retire by rotation	Non-Executive Director, liable to retire by rotation	Independent Director, not liable to retire by rotation. Appointment for a term of 5 (five) consecutive years commencing from 19th March, 2020 up to 18th March, 2025
Directorship held in other listed entities as on 31st March, 2020 (excluding this Company)	Nil	Nil	Unitech Limited
Chairman/Member of Committees of the Board of the listed entities on which he is a Director as on 31st March, 2020	Nil	Nil	Member of Audit Committee – Unitech Limited Chairman of Nomination and Remuneration Committee – Unitech Limited Member of Stakeholders' Relationship Committee – Unitech Limited
Number of Board Meetings attended during the current financial year 2019-20	6	6	Nil
Shareholding in the Company	54,88,071 shares of ₹1/- each #	44,21,888 shares of ₹1/- each #	Nil
Remuneration details (including Sitting Fees & Commission)	Other than the Executive Directors, all Directors were entitled to a sitting fee of ₹50,000/- for attending each Board Meeting. No sitting fee is payable for attending Committee Meetings. At the Board Meeting held on 5th August, 2019, the Board discussed the matter of payment of sitting fee to the Non-Wholetime Directors and all the Non-Wholetime Directors present at the Meeting waived payment of sitting fee with effect from the next Meeting of the Board. The Directors of the Company, including Independent Directors, who are neither Managing Director nor Whole-time Directors, are entitled to receive Commission on Net Profits not exceeding 1% in aggregate of the Net Profits determined in accordance with the provisions of Section 198 of the Companies Act, 2013 subject to a limit of ₹1 crore per annum and approved by the shareholders at the Annual General Meeting held on 4th August, 2017		
Intere relationship between Directors	Brother of Mr G.S. Dhingra, Vice Chairman, father of Ms Rishma Kaur, Executive Director and brother of the father of Mr Kanwardip Singh Dhingra, Executive Director	Brother of Mr K.S. Dhingra, Chairman, father of Mr Kanwardip Singh Dhingra, Executive Director and brother of the father of Ms Rishma Kaur, Executive Director	Not Applicable
# Does not include shares held by Mr Kuldeep Singh Dhingra and Mr Gurbachan Singh Dhingra as Settlor Trustees of KSD Family Trust and GBS Dhingra Family Trust respectively			

Place: Kolkata

Dated: 23rd June, 2020

By Order of the Board
Arunito Ganguly (F-9285)
 Vice President & Company Secretary

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, 2020.

FINANCIAL RESULTS

(₹ in Crore)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
Profit before Exceptional Items, Depreciation, Finance Cost and Tax	1108.62	916.27	1129.51	995.57
Add: Exceptional Item	-	(28.60)	-	-
Add: Share of Profit/Loss from Joint Ventures	-	-	(8.30)	(0.90)
Less:				
Depreciation and Amortisation Expense	170.52	165.45	191.01	182.27
Finance Cost	32.68	34.87	47.04	47.24
Profit Before Tax	905.42	687.35	883.16	765.16
Less:				
Provision for Taxation	206.37	251.50	227.06	271.27
Profit After Taxation	699.05	435.85	656.10	493.89
Add:				
Other comprehensive income (loss for the year net of tax)	(6.52)	(2.05)	(19.00)	(10.73)
Total comprehensive income	692.53	433.80	637.10	483.16

Notes: Figures have been restated on account of implementation of IND AS 116

FINANCIAL PERFORMANCE

Highlights of the Standalone Results:

- Revenue from Operations for the year ended 31st March, 2020 was ₹5691.69 crore as against ₹5,515.55 crore in the corresponding period of the previous year, representing an increase of 3.19%.
- EBIDTA (excluding other income) for the year ended 31st March, 2020 was ₹957.80 crore as against ₹862.64 crore in the corresponding period of the previous year, representing an increase of 11.03%.
- Net profit for the year ended 31st March, 2020 was ₹699.05 crore as against ₹435.85 crore in the corresponding period of the previous year, representing an increase of 60.39%. The net profit for the year ended 31st March, 2020 includes ₹100.09 crore as other income from dividend.

Highlights of the Consolidated Results:

- Revenue from operations for the year ended 31st March, 2020 was ₹6365.82 crore as against ₹6,061.86 crore in the corresponding period of the previous year, representing an increase of 5.01%.
- EBIDTA (excluding other income) for the year ended 31st March, 2020 was ₹1060.98 crore as against ₹935.54 crore in the corresponding period of the previous year, representing an increase of 13.41%.
- Net profit for the year ended 31st March, 2020 was ₹656.10 crore as against ₹493.89 crore in the corresponding period of the previous year, representing an increase of 32.84%.
- It is to be noted that the Company acquired 95.53% of the paid up equity share capital of STP Ltd. during the year. Accordingly, the consolidated financial results incorporate the financial results of STP Ltd. for the relevant period.

The Board of Directors have recommended a final dividend of ₹0.30 (30%) per equity share of ₹1/- each for the financial year ended 31st March, 2020. Together with the interim dividend of ₹1.90 (190%) per equity share paid on 16th March, 2020, the total dividend for the financial year ended 31st March, 2020 aggregates to ₹2.20 (220%) per equity share of ₹1/- each. Final dividend is subject to approval of the shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

PAINT INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian paint industry can be broadly divided into two segments – 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 and thinners. These account for almost 70% of the paint market in India. Decorative paints can be either water based or solvent based, the latter being commonly known as enamels. The category share of water based paints (or emulsions) is on the rise in India owing to superior aesthetics, durability, washability and environmental reasons. Solvent based paints or enamels continue to attract attention in certain traditional market segments though the percentage share of overall paint consumption in both volume and value terms seem to be on the decline.

Industrial paints essentially comprise general industrial, automotive, protective, powder, glass, can and pipe coatings. The Company is present in all these areas. In addition, there are niche segments such as coil coatings, automotive refinish coatings and marine coatings and the Company deals with many of these through its subsidiaries, joint ventures and strategic alliances.

During the year, India's economic growth slowed down somewhat to about 4.2%. In the final quarter, the growth rate of domestic product fell to 3.1%, reflecting an impact of the first week of COVID 19 lockdown which began on 25th March, 2020. The markets were already affected before the lockdown due to the doubts surrounding the situation. In spite of a lower overall growth and sharp lockdown related decline at the end of the year, the Company and the paint industry performed reasonably well. The good news is that the agricultural sector picked up steam in the last quarter, growing at 5.9% and once the unprecedented crisis is over and the world settles down, with Government expenditure, particularly in the infrastructure sector, supporting the economy, the industry will look forward to a steady recovery and release of pent up demand.

Going forward, especially with the lockdown due to the COVID 19 pandemic, the growth will be dependent on a number of factors like disposable income in the hands of the public, urbanization, economic development, satisfactory monsoons, the volatility affecting raw material prices including crude oil, growth in infrastructure and possible recovery in the real estate and automobile sectors. With the Government's initiative on affordable housing and spending on infrastructure, it is expected that the paint industry will try and keep up with the projections made earlier and further innovate new ranges of products so that it can keep pace with the growth achieved during the past few years. Additionally, being a strong competitive market, the players are utilizing different strategies to tap demand in the market for a larger share. The reduction in GST rates on paints in 2018 had a positive impact on demand. The benefits extended by the Government of India offering corporates the option to avail of reduced tax rates are expected to yield further results. The paint and coating business is expected to grow and new technologies are also expected to evolve which should contribute to better per capita consumption of paints in India.

The Industrial paints businesses serve various industrial customers including automobiles, utility vehicles such as tractors, general industrial goods, machinery and household equipment such as fans, washing machines, refrigerators and consumer durables, structures and pipelines, power plants and large factories and installations, steel, glass and every other items of daily use. These largely depend on the growth of the manufacturing and infrastructure sectors. While there were signs of fatigue in the automotive sector, other industrial consumers performed well and the Company believes that once the current uncertainties are overcome, there will be a rebound in growth. India became the world's fifth largest economy last year, according to data from various reports. When ranked by nominal GDP, the country leapfrogged both France and the UK. This will look particularly dramatic if we remember that as recently as 2010, India was in 9th place, trailing countries such as Brazil and Italy and since 1995, the country's nominal GDP has jumped more than 700 per cent. This has been fueled by a number of factors, including urbanization and technologies that have improved efficiency and productivity. Paints are an inseparable part of the overall growth and given a relentless drive towards a better future, the demand should continue to favour the industry in the long term.

COMPANY'S OPERATIONS

The CAGR of EBIDTA was 16.8% over the last five years (FY 2015-2016 to FY 2019-2020). The Decorative business contributed the most to this achievement. Protective Coatings business also did well and Powder Coatings business recorded a positive growth in the year under review. The Company's General Industrial and Automotive earnings came under pressure, particularly in the second half of the year, impacted by the overall lack of demand in the automotive sector. The Company continued its pursuit for introducing new and innovative products through research and development, recasting its marketing strategies designed to suit specific sectors and areas, launch new product lines and serve opportunities with specific programmes to identify and address market needs through tailor-made solutions.

In the Decorative business, new products were well received in the market and contributed to the overall growth of the business line. This business can be broadly classified into the following categories - interior wall coatings, exterior wall coatings, metal finishes, wood finishes, undercoats and construction chemicals. Some of the premium exterior emulsions introduced earlier continued their strong run in the market. These include WeatherCoat Anti Dustt, WeatherCoat Long Life, WeatherCoat All Guard and WeatherCoat Smooth. The benefits of WeatherCoat Anti Dustt and WeatherCoat Long Life with 10 year guarantee were acknowledged by the market. Superior resistance to dust on account of advanced dust guard technology, long lasting protection against exterior wall issues, absence of stains and black strike marks and a rich soft sheen finish and its suitability for dusty and dry areas have made WeatherCoat Anti Dustt a popular product. WeatherCoat Long Life, with a high sheen, has been proven to be suitable for heavy rainfall areas. The interior emulsion offerings include Silk Glamor, Silk Luxury Emulsion, Easy Clean and Easy Clean Fresh. Easy Clean Fresh has a rich, luxurious finish backed up by cross-linking polymers. Other Decorative coatings products, including the Luxol line of solvent based paints and wood coatings, performed well. The year under review witnessed introduction of a newly formulated product - Silk BreatheEasy under the popular Silk brand of luxury interior wall coatings. Silk BreatheEasy comes in the anti-pollution paint category and is loaded with certified features like being anti-bacterial (99% efficacy against over 29 strains) and abatement of harmful formaldehyde, sulphur oxides and nitrogen oxides. It has the certification by the Singapore Green Label as a low VOC, "Green" paint. The Company is currently testing for anti-viral efficacy of Silk BreatheEasy. Another product introduced was the WeatherCoat Champ to cater to the requirement of a durable, value for money product. It is reinforced to enhance the tensile strength and weatherability of the paint film. Other new products developed were Luxol Xtra which economizes tinting cost and Luxol 7in1, a quick drying, high gloss, corrosion resistant, durable PU enhanced enamel aimed at consumers in high rainfall and coastal markets for protecting metal grills, gates, shutters, etc.

The Company's construction chemicals business continued to grow at a rapid pace with introduction of new products in the last two years. The Company's waterproof putty, with unique hydrophobic properties, continued to be appreciated by the customers. The Company launched new products like Wall Shield 2k, a white cement based product with high waterproofing ability and crystalline effect and Damp Shield Elasto, a high-build barrier coat for extended durability of paint with 200% elongation, anti-carbonation property and 7 years exterior waterproofing warranty. Water proofing business has considerable growth potential and the Company, along with its subsidiary STP Ltd., is taking all measures to become a leading player in this segment.

The Company's pioneering home painting solutions business under the style Berger Express Painting™ endeavours to make home painting a hassle free, end to end solution for the customers and is drawing good response across the country. The Company has adopted various new tools and methods to make the process beneficial and cost-effective for the end customer. From a platform of "FASTER, CLEANER & BETTER" it has transcended to "FASTER, CLEANER & SAFER" with the use of consumer app, safety kits, protective equipment, cleaners, sanitizers and disinfectants by the painters for protection against spread of infection. The Company's Prolinks Business, aimed towards painting of large housing projects, continued to grow satisfactorily.

The Company has just forayed into the Sanitizer and Home Hygiene space with the introduction of 'BreatheEasy Sanitizer' and 'BreatheEasy Floor Cleaner'. The common characteristic of all products under the "BreatheEasy" umbrella is to protect the consumers from germs, bacteria, viruses, etc., so that they can breathe easy.

The Company retained its position as the leader in Protective Coatings business in the country. The Business registered strong growth in sales and reached new levels in spite of surge in raw material prices and depressed industrial conditions during the year. The Business continues to supply paints to the OEM's, contractors, dealers and fabricators, in Government and railway infrastructural

projects and is widely accepted due to its quality and after sales services. As reported in the previous year, the Company's businesses of supply of fire proof coatings by itself as well as in collaboration with Promat International Limited NV of Belgium, with which it has a Memorandum of Understanding and supply of marine coatings in terms of its Memorandum of Understanding with Chugoku Marine Paints, Ltd of Japan were satisfactorily enhanced.

The General Industrial & Automotive paint business managed to identify potential customers with whom business has started. The General Industrial business line performed comparatively better and the Company continued to address this segment with developed products and new applications. As reported last time, the Company commenced manufacturing epoxy CED resin and paste at one of its factories at Hindupur, Andhra Pradesh in collaboration with Nippon Paint Automotive Coatings Co., Ltd of Japan ("NPAU") which is known for its quality.

The Powder coatings business registered decent growth and is expected to do better this year by concentrating on improvements in productivity, higher value added sales, developing new and innovative products, tested and certified by accrediting agencies, moving into new segments, focusing on special areas having potential and exploring new avenues of exports and reduction of costs.

The Manufacturing services supported the growing needs by catering to the demands of the businesses with adequate and timely supply from all the factories with improved productivity. Dedicated workforce with upgradation of equipment, process improvement and continuous refinement of technology, installation of energy management systems, designing methods to reduce costs especially energy costs, training and re-training, implementation of best practices and refurbishment of storage facilities allowing higher and more organized capacities were few of the enablers. As a continuous practice, housekeeping, safety and environment were emphasized and monitored round the clock during the year. The Vallabh Vidyanagar plant ("VVN") belonging to Beepee Coatings Private Limited, a wholly owned subsidiary of the Company, received Environment Award organized by Greentech Foundation, New Delhi, National Energy Efficiency Circle Award organized by CII, New Delhi, Occupational Health and Safety Award organized by Indian Chamber of Commerce, Kolkata, National Award for Excellence in Water Management organized by CII-Triveni Water Institute, New Delhi, National Energy Conservation Award organized by Ministry of Power and Bureau of Energy Efficiency. The Human Resources team at the VVN plant received HR Convention Award "Creating a Quality Centric Role of HR" organized by Quality Council Forum of India, Vadodara Chapter. The Jammu plant received Appreciation Certificate in large business category from ICC Environment Excellence Award 2019 - Greentech Environment Award, 2019 and Greentech Safety Award, 2019 from Greentech Foundation.

The positive effects of softening of crude oil prices were partially offset by a depreciating Rupee and increase in prices of some of the raw materials, especially during the second half of the year. The Company's efforts of vendor development and raw material substitution were supplemented by enhancement of systems and processes, continuous coordination and collaboration with suppliers and strengthening of processing capabilities of emulsions and resins.

Striving for innovation to achieve differentiated and value-added products is the core of the Research and Development (R & D) function. Since last few years, R & D had been working on many unique technology platforms to bring in new products for various applications. Pollution scavenging and anti-bacterial performance of interior coatings, high dirt pick up resistant exterior coatings, air drying anti-yellowing resin, mono coat systems for industrial surfaces, polyurethane finish to extend service life of construction equipment being some of them. These concepts and technologies got their final shape in the year 2019-2020. Various new products were launched during the year which were the result of these new ideas. Many new industrial products were also developed. There were significant breakthroughs/ opportunities achieved in the form of pollution abatement technology for architectural paints, anti-bacterial acrylic paint for interior wall application, development of direct to metal finish for industrial coatings and automotive application and a few others. The process of invention and development is an ongoing exercise in R & D and the Company expects many more interesting outcomes from the Function in the future.

FOCUS AND OUTLOOK FOR 2020-2021

As mentioned earlier in this report, there was some slowing down in the economic growth during the year – but the Company's overall growth in revenue continued unabated and would have recorded further improvements but for the year-end market disruptions arising out of the COVID 19 pandemic. It is necessary to keep in view that the global growth in the year 2019 is estimated at 2.9 per cent and in spite of strong external headwinds, the country continued on its growth path and the paint industry, as a whole, continued to push the boundaries of innovation and use.

At the time of this writing, the entire world is in the throes of a pandemic which is unprecedented in its nature at least in the last 100 years but the fact that the Central and the State Governments, their agencies, the industry and the people of India have together strived to keep the wheels of economy turning speaks volumes about the country's ability to unitedly overcome major crises. The Government has implemented a number of stimulus measures. Besides, steps taken by the Reserve Bank of India like reducing the repo rate by a further 40 basis points to 4%, extending the moratorium period and facilitating working capital financing will also help stimulate the momentum. Any fiscal stimulus will give a leg up to the industry and will help both GDP and household income. It is hoped that the efficacy and duration of all these measures will be sufficient to ensure a steady supply and importantly, a recovery in demand. To a large extent, it will also be up to the industry, both in the private and public sector, to rise to the challenges and create opportunities for increase in demand. As regards the agriculture sector, it has performed better than the other sectors, has been relatively lesser affected by the pandemic so far and is likely to once again contribute to the country's recovery – with the necessary support – for which a number of actions have been taken by the Government. Forecasts of a normal monsoon adds to the optimism. If the Rabi crop harvest pans out as estimated, it will boost the rural wage growth and demand.

The Company's strength lies in the quality of its products, the vast repository of experience and knowledge among its employees and stakeholders who participate in the business, the confidence in the entire supply chain and the trust that it has generated over the years among the customers and the painting community. The Company's operations cover the entire panoply of the coatings industry and it will continue to focus on its existing business. Based on the reaction so far, the Company believes as and when the infection rate of COVID 19 wanes, India will bounce back to daily normal life and will set out to complete the pending tasks – which will include painting of houses, infrastructure, industrial equipment and white goods, among others. The Company will thus continue to attend to its reach in terms of customers and geography and product diversity.

At the same time, the COVID 19 attack has taught us to be vigilant about self-care and cleanliness at home and at workplace. Regular painting of houses has been a part of tradition also – probably to ward off microbes, insects and vermin. In the recent past, there has been additionally a marked interest towards aesthetics. The Company will cater to these needs as warranted by economic position, demography, geographical location and other preference patterns.

While the demand for protective, general industrial and powder coatings is expected to revive on the back of pent up demand and infrastructural investments, automotive sector, which was lagging behind in the year 2019-2020, may take some time to come round. However, the Company will be vigilant in all these areas and is prepared to cater to the needs of the industry, as and when the same is required.

With the increase in demand of hand sanitizers in the post COVID 19 scenario, the Government had reached out to various established players with a reputation of supplying quality products and having a strong distribution network to manufacture hand sanitizers in the time of shortfall. There was also a demand among the Company's customers and the painting fraternity of such products. As mentioned earlier, the Company has risen to the challenge and within the shortest possible time had started supplying BreatheEasy+ Hand Sanitizers in the market. The Company is entering into the Home Hygiene segment too as an extension of the BreatheEasy brand. Since painting involves activities inside and outside houses over a long period of time, these are considered to be an extension and an integral part of the Company's existing business.

PROJECTS

The capacity of the epoxy CED resin and paste project set up at Hindupur with technical support from NPAU was enhanced by 600 MT per annum in February, 2020.

The Powder coating manufacturing capacity at Jejuri was expanded from 2,400 MT per annum to 4,200 MT per annum in August, 2019. Facilities are put up for manufacture of sag control resin, an important intermediary at the same place. The expansion projects in regard to automotive, industrial and protective coatings and resin manufacturing capacity at Jejuri will be completed shortly, subject to obtaining all required statutory clearance from the Government authorities.

The colorant manufacturing facility with a capacity of 2,640 KL/MT per annum was commissioned at Rishra, West Bengal in February, 2020.

The water based paint manufacturing capacity at Rishra, West Bengal was increased from 36,000 MT per annum to 48,000 MT per annum in March, 2020.

The installation of water and solvent based decorative, industrial and protective coatings, resin, putty, emulsion and construction chemical manufacturing facility at Sandila Industrial Area in Uttar Pradesh is in progress. Subject to the Company obtaining all required consents and approvals in time, the Project is likely to be commissioned in the year 2022.

Apart from these, a number of projects for reducing cost of energy and fuel (like installing of solar power projects, use of bio briquette), spares and consumables and enhancing efficiency of equipment, installation of Automatic Storage and Retrieval Systems were either commissioned or are being implemented during the year.

OPPORTUNITIES AND THREATS

Though India is one of the world's largest economy, it has some way to go to catch up with the top three viz., China, the European Union and the United States of America. This is essentially an opportunity which affords tremendous potential of growth in view of its strengths, which include low cost of living, presence of well-educated technology workers, whose number is increasing, an increasing middle class who seek higher education and better quality of life, rising level of urbanization and understanding of English and international laws and customs.

These factors, coupled with many others, leads the Company to believe that once the short term difficulties are over, there will be an upsurge in India's consumer spending and economic growth. Such progresses have always been accompanied with growth in sectors like infrastructure, real estate, white goods, appliances, agricultural equipment, furniture and fixtures, automobiles, etc. All these need coatings and the Company is well poised to take benefit of the favourable demand swing, which it expects to take place in the medium term.

Moreover, arising out of turn of events in the international arena, there may be increasing interests in establishing global manufacturing and service centres in the country, which will of course need swift and flexible responses from the Government agencies and given a conducive environment, there is likely to be an additional demand pull from these industries also.

The Indian coatings industry will always attract attention of new investors. The only way to counter this is to always update the Company's competence in terms of technology, human resources, products, services and market presence – which are continuously addressed.

RISKS AND CONCERNS

The Company has a Risk Management and Materiality Policy approved by the Business Process and Risk Management Committee, Audit Committee and the Board of Directors. The Policy provides a framework for identification of risks inherent in the business operations of the Company, and devise mitigation methods in a dynamic manner and on a continuous basis which are periodically reviewed and modified considering the size and complexity of the business and the regulatory as well as business requirements. The Risk Management Policy has been renamed as Risk Management and Materiality Policy which can be viewed at the following web link: <https://www.bergerpaints.com/about-us/risk-management-policy.html>.

One of the biggest concerns of the country, the industry and the Company and indeed, the entire firmament, is the challenge posed by the COVID 19 pandemic. These have been addressed in a separate section on COVID 19 and has been disclosed to the Stock Exchanges under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

With the entire world grappling with the effects of COVID 19 attack, there will be some uncertainties in the areas of demand, supply of raw materials and foreign exchange rates. These will need flexibilities of operation, quick decision making. The Company continues to provide special attention to these areas.

IMPACT OF COVID 19

As required, the Company has made the necessary announcement under Regulation 30 of the Listing Regulations to the Stock Exchanges, dealing with the specific impact of COVID 19 on the Company and the Directors consider it necessary to record the latest position in this regard in their Report as under:

Indian operations:

- **Business:** The business operations were severely impacted from the middle of March 2020 till 4th May 2020 when the Company was able to resume business partially, particularly in the upcountry markets and smaller towns. Currently all the factories and most of the warehouses are functioning. However, these are subject to local regulations and orders.
- **Steps taken to ensure smooth and safe functioning of operations:** All facilities are regularly sanitized as per the recommendations of the respective Governments to ensure that work conditions are safe. All recommended procedures relating to monitoring of employees' body temperature, wearing of masks, enforcing social distancing, use of good hygiene practices have been implemented and are being adhered to.
- **Employees:** The safety of our employees are paramount and several measures have been undertaken to ensure their well-being and good health. All employees have been instructed to download the Aarogya Setu App launched by the Government of India. Where possible, staggered shifts have been implemented to ensure minimum interaction and proper social distancing.
- **Other Stakeholders:**

Payments to painters and painting contractors have been upfronted to the tune of ₹9.5 crore. The Company has also prioritized payments to its MSME vendors. The Company has initiated safety measures in its Express Painting service keeping customers' health and well-being in view. The Company has also undertaken appropriate CSR activities to help the cause.

- **Impact on capital and financial resources, cost reduction, assets, liquidity position, future operations:**

The Company continues to enjoy the highest rating for both short and long term borrowings by its rating agency.

The Company has initiated cost reduction and cash conservation measures to adjust to the new norms for business and is expected to come out of the pandemic and lockdown related challenges with improved efficiency and effectiveness in all aspects of the Company's operations.

The Company has made an initial assessment of the Company's liquidity and recoverability of its assets as at the balance sheet date of 31st March, 2020 and the likely impact of the lockdown on overall economic environment and paint industry, in particular, based on the current situation. Arising out of such assessment, the Company does not expect a material impact of COVID 19 on the Company's liquidity and future performance, as of the date of the Directors' Report.

- **Existing Contracts/agreements**

The Company is well positioned to fulfil its obligations and existing contracts and arrangements.

- **Non-fulfilment of obligations by any party**

The Company does not foresee any eventuality which will have significant impact on the business in case of non-fulfilment of any obligations by any party.

International Operations:

- The Company's largest international operations in Poland have been relatively less affected by the lockdown measures compared to other European countries since the products are largely consumed on construction sites, which, by and large, have continued to operate. The Company's subsidiary in Nepal has just resumed operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's Internal Control Systems are commensurate with the nature, size and complexity of its business. The Board of Directors have laid down internal financial control measures to be followed by the Company and such policies and procedures have been adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. Good governance, well defined systems and processes, risk assessment, a vigilant control function, communication and monitoring and an independent internal audit function are the foundation of the internal control systems. Internal Audit department provides assurance on functioning and quality of internal controls along with adequacy and effectiveness through periodic reporting. Internal Risk and Control function also evaluates organisational risk along with controls required for mitigating those risks. The control activities continue to incorporate, among others, continuous monitoring, routine reporting, digital business environment with minimum possible interference, 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. Your Company has a Code of Conduct for all employees and a clearly articulated and internalized delegation of financial authority. Your Company also takes prompt action on any violations of the Code of Conduct by its employees.

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

Key Financial Ratios

Ratios	Standalone		Consolidated	
	FY 2019-2020	FY 2018-2019	FY 2019-2020	FY 2018-2019
Debtors Turnover	10.05	9.41	9.19	8.89
Inventory Turnover (on material cost of goods sold)	2.91	3.27	2.97	3.30
Interest Coverage Ratio \$	28.71	21..53	19.77	17.20
Current Ratio	1.49	1.60	1.52	1..64
Debt Equity Ratio	0.08	0.09	0.20	0.20
Operating Profit Margin %	19.48	16.61	17.61	16.41
Net Profit Margin #	12.28	7.90	10.31	8.15
Return on Net Worth (RONW) @	28.08	19.44	25.71	21.40

\$ There was a 33.32% change in the Company's standalone interest coverage ratio. Increase in interest coverage ratio was due to increase in Profit before Interest and Tax (PBIT) on account of increase in other income from dividend.

There was a 55.42% change in the Company's standalone net profit margin as well as 26.50% change in Company's consolidated net profit margin. Increase in net profit margin was due to increase in other income from dividend.

@ The change in return on net worth was on account of increase in other income from dividend.

ACQUISITION OF EQUITY SHARES IN STP LTD.

During the year, the Company had acquired 1,88,63,180 equity shares of STP Ltd. representing 95.53% of the paid up equity share capital of a face value of ₹10/- each, at a consideration of ₹125.20 crore by virtue of a share purchase agreement entered into between the Company and STP Ltd. Most of these shares were acquired after the close of business hours on 31st October, 2019. The entire process of share purchase was completed in the month of November, 2019. The balance 4.47% of share capital remains with existing shareholders. STP Ltd. is thus a subsidiary of the Company. STP Ltd. is into the business of manufacturing and supplying construction chemicals, flooring compounds, bitumen and coal tar based products, sealants and adhesives, protective and anti-corrosive coatings, etc. These are specially formulated and have a strong brand image. STP Ltd. has six manufacturing units located in Chennai

(Tamil Nadu), Goa, Jamshedpur (Jharkhand), Kosi in Mathura (Uttar Pradesh), Hooghly (West Bengal) and Panoli (Gujarat). It has two R&D centers and offices and warehouses located all over India. The business and the expertise of STP Ltd. can significantly support the Company's existing construction chemicals, water proofing and protective coatings business where the two entities can complement each other in various areas such as manufacturing, selling, distribution, procurement, technology, etc., thus resulting in significant benefits to the group. The Company's intimation in this regard pursuant to Regulation 30 of the Listing Regulations to the Stock Exchanges can be viewed at the following web link : <https://www.bergerpaints.com/media/media>.

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 Audit Committee from time to time.

EMPLOYEE STOCK OPTION SCHEME

Your Company had earlier re-introduced the ESOP Scheme, aligned with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in the year 2016 in accordance with the approval of the members granted at the Annual General Meeting held on 3rd August, 2016, to reward eligible employees.

In accordance with the aforesaid scheme of 2016 and the earlier scheme of 2010, the Compensation and Nomination and Remuneration Committee has granted 94,224 options on 09/11/2019 to 171 eligible employees (including 2,035 to Mr Abhijit Roy and 1,565 to Mr Srijit Dasgupta, being Key Managerial Personnel) and also allotted 90,069 equity shares of ₹1 each (face value) to eligible employees (including Key Managerial Personnel as per details below) upon exercise of their options earlier granted to them. The allotment of the aforesaid shares were made on 24th December, 2019.

In accordance with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, the Company had allotted shares to Key Managerial Personnel (KMPs) on 24th December, 2019, on their exercising the options earlier granted to them and the details of the allotments made are given herein-

NAME OF KMPs	DESIGNATION	NO. OF EQUITY SHARES ALLOTTED
MR ABHIJIT ROY	MANAGING DIRECTOR & CEO	2,448 shares
MR SRIJIT DASGUPTA	DIRECTOR-FINANCE & CFO	1,883 shares
MR ANIRUDDHA SEN *	SR. VICE PRESIDENT & COMPANY SECRETARY	1,256 shares

* Mr Aniruddha Sen, Senior Vice President and Company Secretary retired from the services of the Company w.e.f. the close of business hours of 31st March, 2020.

For further details, please refer to **Annexure II** to this report where detailed information required to be disclosed in terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 are enclosed.

Please also visit the weblink: <https://www.bergerpaints.com/investors/esop-disclosure.html> for disclosures under Regulation 14 of the aforesaid Regulations.

HUMAN RESOURCES

Berger Paints India Limited has been an organization which has always attracted and retained good talent. The Company continued on the same path providing a uniform platform to all its employees for contributing creatively towards the growth of its business. The culture that has been nurtured in the organization over years is unique as it has helped the Company to grow and create more value for its customers, stakeholders and employees. The Company has four strong pillars known as "Berger Values" i.e. Performance, Customer First, Ethical Practices and Valuing People - which are the foundation of its unique culture.

This year, the Company has embarked upon an approach to focus on talent acquisition to ensure that the Company is ready and fully resourced with talent as per its requirements at the entry level. This has been done across the country with a focus on frontline sales talent, to ensure availability of ready talent throughout the year. Going forward, the Company will, through focused training initiatives, strengthen its leadership pipeline for mid and senior level roles, both existing and anticipated as the business grows. The Human Resources team plans to leverage technology to digitize HR workstreams, thereby creating seamless employee experience and enhanced process efficiencies.

The number of people employed as on 31st March, 2020 was 3,600 (31st March, 2019:3,450). The Industrial Relations were generally satisfactory during the year.

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

TRANSFER OF SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND

The Ministry of Corporate Affairs (MCA) vide notification no. S.O.2866 (E) dated 5th September, 2017 enforced Sections 124(6) and 125 of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund [IEPF] (Accounting, Audit, Transfer and Refund) Rules, 2016, which require companies to transfer the underlying shares to the IEPF, in respect of which the dividends have remained unclaimed for a consecutive period of seven years. Accordingly, during the year under review, on 25th October, 2019, the Company had transferred 3,40,856 equity shares (0.04% of paid up capital) to the IEPF.

PREVENTION OF SEXUAL HARASSMENT

Your Company had framed a policy on Prevention of Sexual Harassment of Women at workplace pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 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: www.bergerpaints.com/about-us/sexual-harassment-policy.html.

Pursuant to 134(3)(q) read with the Companies (Accounts) Rules, 2014, the Company has complied with the provisions relating to constitution of Internal Complaint Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. 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. From the date of inception, there has been no such complaint received.

Till 19th September 2019, the ICC comprised the following members who had been reappointed by the Board for another period of 3 years with effect from 1st February, 2018 as per the Regulations:

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

The ICC was reconstituted on 19th September, 2019 due to the inability of Ms Suparna Mitra to continue as a member of the Committee and accordingly, Ms Kakoli Dey, Assistant Director of Child In Need Institute CINI, an NGO representative, was appointed in place of Ms Mitra. Currently, the ICC comprises the following members:-

1. Ms Rishma Kaur (Presiding Officer)
2. Mr Srijit Dasgupta
3. Mr Aniruddha Sen
4. Ms Kakoli Dey (NGO representative)

SUBSIDIARY AND JOINT VENTURES

Your Company has the following 5 wholly-owned subsidiaries as on the date of this report: - (i) Beepee Coatings Private Limited (“Beepee Coatings”) in Gujarat; (ii) Berger Paints (Cyprus) Limited (“Berger Cyprus”) in Cyprus; (iii) Lusako Trading Limited (“Lusako Trading”) in Cyprus; (iv) Berger Jenson & Nicholson (Nepal) Private Limited, Nepal (“BJN”) and (v) SBL Specialty Coatings Private Limited (“SCPL”) in Chandigarh.

The following companies are wholly-owned subsidiaries of the Company’s above named subsidiaries: - (i) Bolix S.A., Poland – wholly-owned subsidiary of Lusako Trading; (ii) Berger Paints Overseas Limited (“BPOL”), Russia - wholly-owned subsidiary of Berger Cyprus. Bolix S.A., Poland has 4 subsidiaries, viz.: Bolix UKRAINA sp.z.o.o., Ukraine (“Bolix Ukraine”), BUILD-TRADE sp.z.o.o., Poland (“Build Trade Poland”), Soltherm External Insulations Limited, U.K. (“Soltherm U.K.”), Soltherm Insulations Thermique Exterieur SAS, France (“Soltherm France”).

Surefire Management Services Ltd., UK (“SMS”), (classified as a subsidiary in the year 2018-2019), is determined to be a joint venture of Bolix S.A., Poland with Agility Eco Systems Limited, UK, based on the criteria of joint control. Details in respect of SMS are provided in Part B of AOC-1 forming a part of the Financial Statements.

The Company has three other subsidiaries viz., Berger Rock Paints Private Limited (the other shareholder being Nippon Paint Automotive Coatings Co., Ltd, Japan), Berger Hesse Wood Coatings Private Limited (the other shareholder being Hesse Shares GmbH, Germany) and STP Ltd. The statement relating to the above companies as specified in Sub-Section (3) of Section 129 of the Act is attached to the Report and Accounts of the Company.

The performance of Beepee Coatings Private Limited was satisfactory, with a revenue from operations of ₹24.14 crore.

Berger Paints Cyprus Limited (“BPCL”) is a special purpose vehicle for the purpose of making investments in your Company’s interests abroad. So is Lusako Trading Limited.

Bolix S.A.(including its subsidiaries) also posted encouraging results with a revenue from operations of ₹274.40 crore.

During the year under review, BJN-Nepal showed good performance with a revenue from operations of ₹214.51 crore.

SBL Specialty Coatings Private Limited (earlier known as Saboo Coatings Private Limited) continued to perform well with a revenue from operations of ₹105.35 crore during the year 2019-2020.

The revenue from operations of Berger Paints Overseas Limited (“BPOL”) was ₹13.59 crore.

Berger Rock Paints Private Limited (“Berger Rock”), which had recently started operations, recorded revenue from operations of ₹8.29 crore during the year ended 31st March, 2020.

Berger Hesse Wood Coatings Private Limited (“BHWCP”) (earlier known as Saboo Hesse Wood Coatings Private Limited) recorded revenue from operations of ₹9.71 crore during the year ended 31st March, 2020.

STP Ltd. recorded revenue from operation of ₹173.57 crore during the year ended 31st March, 2020. Out of this, ₹77.75 crore, being the revenue generated after acquisition of its shares by the Company, has been considered for the purpose of consolidation of the Company’s financial statements.

Berger Becker Coatings Private Limited, the Company’s joint venture with Becker Industrifarg, Sweden, showed good performance with revenue from operations of ₹262.35 crore.

Berger Nippon Paint Automotive Coatings Private Limited (“BNPA”), the Company’s joint venture with NPAU, Japan posted revenue from operations of ₹155.04 crore. Its performance will improve once the overall automotive business picks up.

The salient features of the financial statements of subsidiaries, associate companies and joint ventures are given in the Statement in Form AOC-1 forming a part of the financial statement attached to this Directors’ Report and pursuant to first proviso to Sub-section (3) of Section 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014.

Pursuant to Regulation 16(1)(c) of the Listing Regulations, a material subsidiary in a year shall be a subsidiary whose income or net worth exceeds 10% 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 Indian Accounting Standard 110, provisions of Regulation 36 of the Listing Regulations and Section 136 of the Act have been prepared after considering the audited financial statements of your Company's subsidiaries and appear in the Annual Report of the Company for the year 2019-2020.

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 relevant provisions of the Listing Regulations.

Pursuant to the Listing Regulations, as amended, a certificate obtained from a Practising Company Secretary certifying that the Directors of the Company are not debarred or disqualified from being appointed or to continue as directors of the companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs, forms part of the report as **Annexure B** to the Corporate Governance Report.

In terms of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), your Board at its meeting held on 30th May, 2018 appointed Messrs Anjan Kumar Roy & Co., Company Secretaries (FCS-5684 CP No.4557) as the Secretarial Auditor to conduct audit of the secretarial records for the financial year ended 31st March, 2020 and to submit the Secretarial Audit Report.

The Secretarial Audit Report as received from Messrs Anjan Kumar Roy & Co., Company Secretaries in the prescribed Form No. MR-3 is annexed to this Board's Report and marked as **Annexure VI**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board of Directors re-appointed Messrs Anjan Kumar Roy & Co., Company Secretaries as the Secretarial Auditor to conduct audit of the secretarial records for the financial year 2020-2021 at its meeting held on 23rd June, 2020. An Annual Secretarial Compliance report as per Securities and Exchange Board of India circular dated 8th February, 2019 is also attached as **Annexure VII** as an additional disclosure.

COMPLIANCE WITH THE SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

TECHNOLOGY AGREEMENTS

Your Company has a Technical License Agreement with Nippon Paint Automotive Coatings Co, Ltd. of Japan.

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 Act, all unclaimed deposits have been transferred to Investor Education and Protection Fund (IEPF).

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return of the Company as on 31st March, 2020 in Form MGT 9 in accordance with Section 92(3) of the Act, read with Companies (Management and Administration) Rules, 2014 (as amended), is available on the website of the Company at <https://www.bergerpaints.com/investors/annual-reports.html> and is set out in **Annexure III** to this Report.

BUSINESS RESPONSIBILITY REPORT

SEBI had made it mandatory to publish a Business Responsibility Report (BRR) by the top 1000 listed companies based on market capitalization in their Annual Report in terms of Regulation 34(2)(f) of the Listing Regulations with the stock exchanges. The Company accordingly complied with the requirement and had framed a Business Responsibility Policy in line with the suggested framework as provided by SEBI based on the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses published by the Ministry of Corporate Affairs. The said Policy was adopted at the Board Meeting held on 30th May, 2017 and can be viewed at <https://www.bergerpaints.com/about-us/business-responsibility-policy.html>. Mr Abhijit Roy, Managing Director and CEO had been nominated as the Director responsible for implementing the Business Responsibility Policy and Mr Aniruddha Sen, Senior Vice President and Company Secretary had been nominated as the Business Responsibility Head. Mr Aniruddha Sen retired from the services of the Company w.e.f. the close of business hours on 31st March, 2020 and accordingly, automatically ceased to be the Business Responsibility Head from that date. Mr Arunito Ganguly has been appointed as the Vice President & Company Secretary w.e.f. 1st April, 2020 and has also been nominated as the Business Responsibility Head from that date. As required, the BRR for 2019-2020 is attached to this report as **Annexure IX**.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors wish to inform that the Audited Accounts containing Financial Statements for the financial year ended 31st March, 2020 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.

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 Act and Rules thereof. The policy is based on the guiding principle aimed towards retaining and rewarding performers. There has been no change in the said policy during the financial year ended 31st March, 2020.

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

QUALIFICATION OR RESERVATIONS IN THE STATUTORY/SECRETARIAL AUDIT REPORTS

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

SHARE CAPITAL

The Authorised Share Capital of your Company as on March 31, 2020 stood at ₹120,00,00,000 divided into 120,00,00,000 equity shares of ₹1/- each. The Issued Share Capital of your Company is ₹97,13,11,260 divided into 97,13,11,260 equity shares of ₹1/- each and the subscribed and paid-up capital is ₹97,12,19,780 divided into 97,12,19,780 equity shares of ₹1/- each fully paid-up.

CREDIT RATING

During the year under review, CRISIL Limited has reaffirmed the credit rating of AAA for Bank Loan Rating (pronounced as Triple A) and A1+ credit rating as reaffirmed by CARE Ratings Limited for short term credit facilities in the form of Commercial Paper.

LOANS, COMMITMENTS AND CONTINGENCIES, 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 5a, 5b, 9a and 34 of the standalone financial statement).

RELATED PARTY TRANSACTIONS

The Company has always been committed to good corporate governance practices, including in matters relating to Related Party Transactions (RPTs). Endeavour is consistently made to have only arm's length transactions with all parties including Related Parties. The Board of Directors of the Company had 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 the Listing Regulations and Section 188 of the Act. The policy is available at the following weblink: <https://www.bergerpaints.com/about-us/rpt-policy.html>

Pursuant to the amended Listing Regulations, a policy on materiality of related party transactions and on dealing with related party transactions has to include clear threshold limit duly approved by the Board and such policy has to be reviewed by the Board once in every three years and updated accordingly. Accordingly, the Board had amended and adopted a new policy and the said policy had been uploaded on the website of the Company at <https://www.bergerpaints.com/about-us/rpt-policy.html>

All related party transactions have been carried out at arms' length basis in the ordinary course of business. There is no material related party transaction i.e. transaction exceeding 10% of the annual consolidated turnover as per the last audited financial statements of the Company or a transaction involving payments made to a related party with respect to brand usage or royalty, which exceed 5% of the annual consolidated turnover of the Company as per last audited financial statements of the Company, entered during the year by your Company and accordingly, the disclosure of Related Party Transaction as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

POLICY TO DETERMINE MATERIAL EVENTS

As per the Listing Regulations, the Company has framed a policy for determination of materiality, based on criteria specified in the regulations. The Policy is available at the following web link: <https://www.bergerpaints.com/about-us/policy-determine-material-events.html>

POLICY FOR PRESERVATION OF DOCUMENTS

As per Regulation 9 of Listing Regulations, 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 web link: <https://www.bergerpaints.com/about-us/policy-preservation-documents.html>

SIGNIFICANT CHANGES

During the financial year 2019-2020, no significant change has taken place which could have an impact over the financial position of the Company. However, during the year, as reported earlier in this Report, there was purchase of 95.53% of the equity shares of STP Ltd.

DIVIDEND

The total comprehensive income of the Company is ₹692.53 crore for the year 2019-2020.

Your Directors have recommended a final dividend of ₹0.30 (30%) per equity share of ₹1/- each for the financial year ended 31st March, 2020. Together with the interim dividend of ₹1.90 (190%) per equity share paid on 16th March, 2020, the total dividend for the financial year ended 31st March, 2020 aggregates to ₹2.20 (220%) per equity share of ₹1/- each. Final dividend is subject to approval of the shareholders at the ensuing Annual General Meeting. The total dividend, if the final dividend is approved, will absorb an amount of ₹251.20 crore (compared to ₹222.44 crore in the previous year), based on the current paid-up capital of the Company. The final dividend will be paid to those members holding shares in the physical mode whose names appear in the Register of Members as on 25th September, 2020 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 18th September, 2020.

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy. The Dividend Distribution Policy is annexed to this Report (marked as **Annexure I**). The Policy is available at the following weblink: <https://www.bergerpaints.com/about-us/dividend-distribution-policy.html>

In terms of the provisions of Section 124 of the Act, your Company has transferred an amount of ₹48,28,397 (Final) to the Investor Education and Protection Fund, in respect of dividend amounts lying unclaimed or unpaid for more than seven years from the date they became due, i.e., for the year ended 31st March, 2012.

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has filed the necessary form and uploaded the details of unclaimed amounts lying with the Company, as on 31st March, 2012.

Pursuant to the changes introduced by the Finance Act, 2020 in the Income-tax, Act 1961, the dividend paid or distributed by a Company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, your Company shall make the payment after necessary deduction of tax at source.

Conservation of Energy & Technology Absorption

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

Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings and Outgo of the Company are ₹6.00 crore and ₹714.37 crore respectively. Primarily, earnings were from exports and consultancy services and outgo was towards import payments.

Particulars of Employees

In terms of the provisions of Section 197(12) read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 particulars of certain category of employees have been set out in **Annexure V** of this report.

STATEMENT OF EVALUATION OF BOARD OF DIRECTORS AND COMMITTEES THEREOF

Your Company understands the requirements of an effective Board Evaluation process and accordingly conducts the Performance Evaluation every year in respect of the following:

- i. Board of Directors as a whole.
- ii. Committees of the Board of Directors.
- iii. Individual Directors including the Chairman of the Board of Directors.

In compliance with the requirements of the provisions of Section 178 of the Act, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January 2017, your Company has carried out a Performance Evaluation process internally for the

Board/Committees of the Board/Individual Directors including the Chairman of the Board of Directors for the financial year ended 31st March, 2020. During the year under review, the Company has complied with all the criteria of Evaluation as envisaged in the SEBI Circular on 'Guidance Note on Board Evaluation'.

The key objectives of conducting the Board Evaluation process were to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company. Similarly the key objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to ascertain if the Directors actively participate in the Board/Committee Meetings and contribute to achieve the common business goals of the Company.

The Directors carry out the aforesaid Performance Evaluation in a confidential manner and provide their feedback on a rating scale of 1 - 5. Duly completed formats were sent to the Chairman of the Board and the Chairman/Chairperson of the respective Committees of the Board for their consideration. The Performance Evaluation feedback of the Chairman was sent to the Chairman of the Compensation and Nomination and Remuneration Committee.

This year also, the outcome of such Performance Evaluation exercise was discussed at a separate meeting of the Independent Directors held on 5th February, 2020 and was later tabled at the Compensation and Nomination and Remuneration Committee meeting held on the same day. The Compensation and Nomination and Remuneration Committee forwarded their recommendation based on such Performance Evaluation Process to the Board of Directors and the same was tabled at the Board Meeting held on 5th February, 2020.

After completion of internal evaluation process, the Board of Directors at its Meeting held on 5th February, 2020, also discussed the Performance Evaluation of the Board, its Committees and individual directors. The performance evaluation of Independent Directors of the Company were done by the entire Board of Directors, excluding the Independent Directors being evaluated and after being satisfied with the outcome, it was noted that the Committees were working effectively.

Pursuant to Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the Remuneration Committee is entrusted with responsibility of formulating criteria for determining qualifications, positive attributes and independence of an Independent Director. This can be viewed at <https://www.bergerpaints.com/about-us/criteria-policy.html>

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 Act 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 2019-2020.

BOARD OF DIRECTORS, BOARD MEETINGS AND KEY MANAGERIAL PERSONNEL

Your Company's Board is duly constituted and in compliance with the requirements of the Act, the Listing Regulations and provisions of the Articles of Association of the Company. Your Board has been constituted with requisite diversity, wisdom, expertise and experience commensurate to the scale of operations of your Company.

COMPOSITION OF BOARD

The Board comprises 10 Directors of which, 3 are Executive Directors (2 of whom are part of the promoter group), 2 are Non-Executive (both are part of the promoter group) and 5 are Non-Executive, Independent Directors. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act.

MEETINGS

During the year under review, a total of seven Meetings of the Board of Directors of the Company were held, i.e., on 16th April, 2019, 30th May, 2019, 5th August, 2019, 15th October, 2019, 5th November, 2019, 5th February, 2020 and 18th February, 2020. Also, the Board of Directors have passed 9 (nine) Resolutions by Circulation. Details of Board composition and Board Meetings held during the financial year 2019-2020 have been provided in the Corporate Governance Report – **Annexure X** which forms part of this Annual Report.

CHANGES IN BOARD COMPOSITION

Details of Directors' appointment/reappointment and change in board composition during the financial year under review are as follows:

Sr No.	Name of Director	Designation & Category	Reason and date of appointment/reappointment/retirement/resignation
1.	Mr Kuldip Singh Dhingra	Non-Executive, Chairman/ Promoter (Non-Independent)	Mr Kuldip Singh Dhingra (DIN:00048406), Non-Executive Chairman, Non-Independent Director of the Company retired by rotation and was re-appointed pursuant to Section 152(6) of the Act at the 95th Annual General Meeting held on 5th August, 2019.
2.	Mr Gurbachan Singh Dhingra	Non-Executive, Vice Chairman/ Promoter (Non-Independent)	Mr Gurbachan Singh Dhingra (DIN: 00048465) Non-Executive Vice Chairman, Non-Independent Director of the Company retired by rotation and was re-appointed pursuant to Section 152(6) of the Act at the 95th Annual General Meeting held on 5th August, 2019.
3.	Mr Naresh Gujral	Non-Executive (Independent Director)	Mr Naresh Gujral (DIN: 02878434) Non Executive - Independent Director of the Company was re-appointed for a second term as an Independent Director of the Company for 5 consecutive years with effect from 19th August, 2019 at the 95th Annual General Meeting held on 5th August, 2019 pursuant to Section 149(10), 150 and 152 read with Schedule IV of the Act and Regulation 16 of the Listing Regulations.
4.	Mrs Sonu Halan Bhasin	Non-Executive (Independent Director)	Mrs Sonu Halan Bhasin (DIN 02872234) was appointed as a Non-Executive - Independent Director for a period of five consecutive years with effect from 1st February, 2019 in accordance with Sections 149 and 160 of the Act and Regulation 17(1)(a) of Listing Regulations, pursuant to shareholders' resolution passed at the 95th Annual General Meeting held on 5th August, 2019.
5.	Mr Anoop Hoon	Non-Executive (Independent Director)	Mr Anoop Hoon (DIN: 00686289) was appointed as a Non-Executive - Independent Director for a period of five consecutive years with effect from 1st February, 2019 as per Sections 149 and 160 of the Act with effect from 1st February, 2019, pursuant to shareholders' resolution passed at the 95th Annual General Meeting held on 5th August, 2019.
6.	Ms Rishma Kaur	Executive Director	Ms Rishma Kaur (DIN: 00043154) was re-appointed as an Executive Director for a period of five consecutive years with effect from 3rd August, 2019 pursuant to Section 152(6) and 160 of the Act at the 95th Annual General Meeting held on 5th August, 2019.
7.	Mr Kanwardip Singh Dhingra	Executive Director	Ms Kanwardip Singh Dhingra (DIN: 02696670) was re-appointed as an Executive Director for a period of five consecutive years with effect from 3rd August, 2019 pursuant to Section 152(6) and 160 of the Act at the 95th Annual General Meeting held on 5th August, 2019.
8.	Mr Dharendra Swarup	Non-Executive (Independent Director)	Mr Dharendra Swarup (DIN: 02878434) had tendered his resignation as a Non-Executive, Independent Director of the Company with effect from 13th June, 2019 expressing his inability to devote time towards the Company. The Board recorded its sincere appreciation and gratitude for the services rendered and guidance provided by him during his tenure as a member of the Board and as the Chairman of the Audit Committee.

Sr No.	Name of Director	Designation & Category	Reason and date of appointment/reappointment/retirement/resignation
9.	Mr Kamal Ranjan Das	Non-Executive (Independent Director)	Mr Kamal Ranjan Das (DIN: – 00048491) ceased to be Non – Executive, Independent Director of the Company with effect from the close of business hours on 31st March, 2020 after completion of his second term as an Independent Director of the Company. The Board recorded its sincere appreciation and gratitude for the services rendered by Mr Das in several capacities for more than three decades and the guidance provided by him as a long standing member of the Board of Directors and member/ Chairman of the various Committee positions he held.
10.	Mr Gopal Krishna Pillai	Non-Executive (Independent Director)	Mr Gopal Krishna Pillai (DIN: 02340756) ceased to be Non – Executive, Independent Director of the Company with effect from 12th September, 2019 after completion of his tenure as an Independent Director of the Company. The Board recorded its sincere appreciation and gratitude for the services rendered and guidance provided by him during his tenure as a member of the Board and a member of the Audit Committee.
11.	Dr Anoop Kumar Mittal	Non-Executive (Independent Director)	Dr Anoop Kumar Mittal's appointment details are given below.

Details of Directors seeking appointment/reappointment at the ensuing AGM are as follows:

Sr No.	Name of Director	Designation & Category	Reason and date of appointment/reappointment/retirement/resignation
1.	Mr Kuldip Singh Dhingra	Non-Executive, Chairman/Promoter (Non-Independent)	Mr Kuldip Singh Dhingra (DIN: 00048406), Chairman – Non Executive, Non-Independent Director of the Company is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment pursuant to Section 152(6) of the Act .
2.	Mr Gurbachan Singh Dhingra	Non-Executive, Chairman/Promoter (Non-Independent)	Mr Gurbachan Singh Dhingra (DIN: 00048465), Vice Chairman – Non Executive, Non-Independent Director of the Company is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment pursuant to Section 152(6) of the Act .
3.	Dr Anoop Kumar Mittal	Non-Executive (Independent Director)	<p>Based on the recommendation of the Compensation and Nomination and Remuneration Committee, the Board of Directors of the Company through a Resolution by Circulation dated 19th March, 2020 approved the appointment of Dr Anoop Kumar Mittal (DIN: 05177010) as an Additional Director of the Company with effect from 19th March, 2020 to hold office as a Non-Executive, Independent Director of the Company for a term of 5 (five) consecutive years, subject to approval of the Members of the Company at the ensuing AGM.</p> <p>The Company has received a Notice under Section 160 of the Act from a Member of the Company signifying the candidature of Dr Mittal for his appointment as a Director of the Company at the ensuing AGM. Your Board recommends appointment of Dr Mittal as a Non-Executive, Independent Director of the Company for a term of 5 (five) consecutive years commencing from 19th March, 2020.</p>

KEY MANAGERIAL PERSONNEL

Mr Aniruddha Sen, Senior Vice President and Company Secretary retired from the services of the Company with effect from close of business hours on 31st March, 2020 and Mr. Arunito Ganguly was appointed as the Vice President and Company Secretary of the Company with effect from 1st April, 2020 in compliance with the provisions of Sections 203 and 2(51) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) with effect from 1st April, 2020.

Mr Arunito Ganguly has also been appointed as the Nodal Officer under the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and designated as the Compliance Officer of the Company pursuant to the provisions of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and all other applicable laws, rules and regulations pertaining to Securities and Exchange Board of India with effect from 1st April, 2020.

Mr Abhijit Roy (DIN: 03439064), Managing Director & CEO and Mr Srijit Dasgupta, Director – Finance and Chief Financial Officer (DIN: 03439076) and Mr Arunito Ganguly (FCS 9285) are the Key Managerial Personnel (KMP) of the Company.

Mr Aniruddha Sen continues as the Senior Vice President, Legal & Corporate Affairs.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

The following are the Independent Directors of your Company as on 31st March, 2020:-

- 1) Mrs Sonu Halan Bhasin
- 2) Mr Anoop Hoon
- 3) Mr Naresh Gujral
- 4) Dr Anoop Kumar Mittal*
- 5) Mr Pulak Chandan Prasad.

* Appointed with effect from 19th March, 2020

The Company has received declarations from Independent Directors that they meet the criteria of independence as prescribed u/s 149(6) of the Act and as required under the Listing Regulations. In the opinion of the Board, they fulfil the condition for appointment/re-appointment as Independent Directors on the Board.

The Board of Directors confirms that the Independent Directors have affirmed compliance with the Code for Independent Directors as prescribed in Schedule IV to the Act and also with the Company's Code of Conduct applicable to all the Board Members and Senior Management Personnel of the Company for the financial year ended on 31st March, 2020.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

In the opinion of the Board, the Independent Directors possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5)(iia) of the Companies (Accounts) Rules, 2014 (as amended).

Pursuant to Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, all the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA) as was notified and required under Section 150(1) of the Act.

COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The Board of Directors of your Company has duly constituted an Audit Committee in compliance with the provisions of Section 177 of the Act, the Rules framed thereunder read with Regulation 18 of the Listing Regulations. The terms of reference of the Audit Committee has been duly approved by the Board of Directors.

The Company has reconstituted the Audit Committee due to the cessation of Mr Kamal Ranjan Das as a member of Board of Directors w.e.f. the close of business hours on 31st March, 2020. The details of the changes are given in the Report on Corporate Governance – **Annexure X**. The Board has accepted and implemented all recommendations of the Audit Committee.

WHISTLE BLOWER POLICY

In terms of the provisions of Section 177 of the Act and the Rules framed therein read with Regulation 22 of the Listing Regulations, your Company has a vigil mechanism in place for directors and employees of the Company through which genuine concern regarding various issues relating to inappropriate functioning of the organisation can be raised. The Whistle Blower Policy has been uploaded in the website of the Company at www.bergerpaints.com.

B. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has reconstituted its Corporate Social Responsibility Committee due to the cessation of Mr Kamal Ranjan Das as a member of Board of Directors w.e.f the close of business hours on 31st March, 2020. The details of the changes are given in the Report on Corporate Governance – **Annexure X**. Your Company has spent an amount of ₹16.79 crore during the financial year 2019-2020 as against its 2% obligation amounting to ₹13.48 crore, thereby exceeding its entire CSR obligation. The required details as specified in Companies CSR Policy Rules, 2014 are given in **Annexure IV**.

C. COMPENSATION AND NOMINATION AND REMUNERATION COMMITTEE

The Company has reconstituted the Compensation & Nomination & Remuneration Committee due to the cessation of Mr Kamal Ranjan Das as a member of Board of Directors w.e.f the close of business hours on 31st March, 2020. The details of the changes are given in the Report on Corporate Governance – **Annexure X**.

D. SHAREHOLDERS' COMMITTEES

The Company has reconstituted its Shareholders' Committees due to the cessation of Mr Kamal Ranjan Das as a member of Board of Directors w.e.f close of business hours on 31st March, 2020. The details of the changes are given in the Report on Corporate Governance – **Annexure X**.

E. BUSINESS PROCESS AND RISK MANAGEMENT COMMITTEE

The Company has reconstituted its Business Process and Risk Management Committee due to the cessation of Mr Kamal Ranjan Das as a member of Board of Directors w.e.f close of business hours on 31st March, 2020. The details of the changes are given in the Report on Corporate Governance – **Annexure X**.

Structure of the Board of Directors

Name of Directors	Non-executive	Executive	Independent	Lady
Mr Kuldip Singh Dhingra	Y	N	N	N
Mr Gurbachan Singh Dhingra	Y	N	N	N
Mr Abhijit Roy	N	Y	N	N
Ms Rishma Kaur	N	Y	N	Y
Mr Kanwardip Singh Dhingra	N	Y	N	N
Mr Kamal Ranjan Das**	Y	N	Y	N
Mr Gopal Krishna Pillai #	Y	N	Y	N
Mr Dharendra Swarup @	Y	N	Y	N
Mr Naresh Gujral	Y	N	Y	N
Mr Pulak Chandan Prasad	Y	N	Y	N
Mr Anoop Hoon	Y	N	Y	N
Mrs Sonu Halan Bhasin	Y	N	Y	Y
Dr Anoop Kumar Mittal*	Y	N	Y	N

** Mr Kamal Ranjan Das ceased to be a director of the Company w.e.f. close of business hours on 31st March, 2020.

Mr Gopal Krishna Pillai ceased to be a director of the Company w.e.f. 12th September, 2019.

@ Mr Dharendra Swarup resigned as a director of the Company w.e.f. 13th June, 2019.

* Dr Anoop Kumar Mittal was appointed w.e.f. 19th March, 2020.

FAMILIARIZATION 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, business units are also undertaken from time to time. Details of Familiarization Programmes imparted during the year under review has been uploaded on the Company's website and is available 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 Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), the following disclosures are made:

1) Ratio of remuneration of Directors/KMP to the median remuneration of the employees:

Name of Directors/KMPs	Remuneration Received (₹)	Ratio as to that of the Median Employee	Percentage increase in Remuneration
Mr Kuldip Singh Dhingra	18,00,000	3.18:1	80.00
Mr Gurbachan Singh Dhingra	10,00,000	1.77:1	0.00
Mr Abhijit Roy	3,91,45,702 *	69.30:1	30.03
Mr Kanwardip Singh Dhingra	50,48,016	8.94:1	11.38
Ms Rishma Kaur	50,15,977	8.88:1	10.59
Mr Kamal Ranjan Das ^	3,00,000	0.53:1	0.00

Name of Directors/KMPs	Remuneration Received (₹)	Ratio as to that of the Median Employee	Percentage increase in Remuneration
Mr Pulak Chandan Prasad	-	-	-
Mr Naresh Gujral	7,20,000	1.27:1	0.00
Mr Dharendra Swarup @	-	-	-
Mr Gopal Krishna Pillai \$	-	-	-
Mr Anoop Hoon	7,20,000	1.27:1	0.00
Mrs Sonu Halan Bhasin	7,20,000	1.27:1	0.00
Dr Anoop Kumar Mittal #	-	-	-
Mr Srijit Dasgupta	1,65,07,478 *	29.22:1	11.13
Mr Aniruddha Sen +	1,21,23,552 *	21.46:1	12.54

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

^ Ceased to be a Director of the Company w.e.f. the close of business hours of 31st March, 2020.

@ Resigned as a Director of the Company w.e.f. 13th June, 2019.

\$ Ceased to be a Director of the Company w.e.f. 12th September, 2019.

Appointed as a Director w.e.f. 19th March, 2020.

+ Retired as Sr Vice President and Company Secretary (and KMP) w.e.f. close of business hours of 31st March 2020.

Note – The median employee remuneration for 2019-2020 is: ₹5,64,875.00 p.a.

- Percentage (%) increase in remuneration during the financial year 2019-2020: Please see (1) above.
- Percentage (%) increase in the median remuneration of employees during the financial year 2019-2020: 3.37%
- Number of permanent employees on the rolls of the Company as on 31st March, 2020: 3,600
- 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 in salaries of employees was 10.32% as compared to an average percentile increase of 25.62% of managerial remuneration. The increase of managerial remuneration is based on growth criteria.
- Pursuant to the requirement of Section 197(14) of the Act, the following disclosure is made in respect to remuneration received by the Whole time Directors:

Particulars of Directors	Nature of Transaction	Amount (₹)
Ms Rishma Kaur, Executive Director and also a Director in 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	69 Lakhs
Mr Kanwardip Singh Dhingra, Executive Director and also a Director in 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	31 Lakhs

Affirmation

It is hereby affirmed by the Chairman of the Company that the remuneration paid to all the employees, Directors and Key Managerial Personnel of the Company during the Financial Year 2019-2020 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 National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited and has paid the listing fees to each of the Exchanges. Your Company's short term debt instruments (Commercial Papers) were listed with National Stock Exchange of India Limited as was required vide - SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22nd October, 2019 w.e.f 24th December, 2019. The addresses of these Stock Exchanges and other information for shareholders are given in this Annual Report.

COST AUDITORS

The Board of Directors at its Meeting held on 23rd June, 2020 re-appointed M/s N. Radhakrishnan & Co. (Firm Registration No. 000056), 11A, Dover Lane, Flat B1/34, Kolkata - 700029, for conducting audit of the cost records maintained under Section 148(1) of the Act for the Company's factories situated at Howrah, Rishra, Goa, Puducherry, Jejuri and Naltali and the factories of British Paints division located at Hindupur and Nalbari for the financial year 2020-2021. M/s Shome & Banerjee (Firm Registration No. 000001), 2nd Floor, 5A Narulla Doctor Lane, West Range, Kolkata - 700017, have been entrusted with the responsibility of conducting cost audit of the cost records maintained under Section 148(1) of the Act for the Company's factory situated at Jammu and the factories of British Paints division located at Jammu, Sikandrabad and Surajpur for the financial year 2020-2021.

The cost audit reports for the financial year 2018-2019 were filed on 19th December, 2019 on receipt of advice from the Ministry of Company Affairs as to the formats and enabling gateways.

STATUTORY AUDITORS

The Statutory Auditors, Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 301003E/E300005) was appointed pursuant to the provisions of Sections 139, 142 of the Act and the Rules made thereunder from the conclusion of the 91st Annual General Meeting upto the conclusion of the 96th Annual General Meeting of the Company scheduled to be held in this financial year (2020-2021). The Auditors, Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, will retire at the conclusion of the ensuing Annual General Meeting and, being eligible under Section 139(2) of the Act, offer themselves for re-appointment. The Board, based on the recommendation of the Audit Committee and subject to the approval of the shareholders, recommended the re-appointment of Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, based on their furnishing eligibility certificates confirming their eligibility to continue as auditors of the Company in terms of the Section 141 of the Act and the rules framed thereunder, from the conclusion of the 96th Annual General Meeting till the conclusion of 101st Annual General Meeting and accordingly, the same forms a part of the business as contained in the Notice convening the ensuing Annual General Meeting.

CAUTIONARY STATEMENT

There are certain statements which have been made in the Management Discussion and Analysis Report describing the estimates, expectations or predictions which may be read as "forward-looking statement" within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed or implied. The important factors that would make difference to the Company's operations include demand/supply conditions, raw material prices, changes in government policies, government laws, tax regimes, global economic developments and other factors such as litigations and labour negotiations.

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.

On behalf of the Board of Directors

Kuldip Singh Dhingra

Chairman

(DIN: 00048406)

Place: Kolkata

Dated: 23rd June, 2020

DIVIDEND DISTRIBUTION POLICY

Background and applicability

The Listing Regulations require the top 500 listed companies to disclose the Dividend Distribution Policy.

This document, adopted by the Board of Directors of Berger Paints India Limited, lays down the Dividend Distribution Policy ("the Policy") of the Company.

The Policy is subject to review as and when considered appropriate by the Board.

Dividend Distribution Philosophy

The Company believes in long term value creation for its shareholders while maintaining the desired liquidity and leverage ratios and protecting the interest of all the stakeholders including customers, debtors, suppliers, employees and the Government. Accordingly, the focus will continue to be on sustainable returns in terms of dividend, in consonance with the dynamics of business environment.

Dividend

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

Circumstances under which shareholders can expect Dividend

The Board will assess the Company's financial requirements, including its growth opportunities and other pertinent factors for the purpose of considering dividend. The dividend for any financial year shall ordinarily be paid out of the Company profits for that year in terms of the provisions of the Companies Act, 2013 ("the Act").

If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable

Interim and Final Dividend

The Board may declare one or more Interim Dividends and recommend Final Dividend for the approval of the shareholders at the Annual General Meeting.

Financial parameters and other internal and external factors to be considered for declaration of dividend

- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Pay-out ratios of comparable companies
- Prevailing taxation policy and legal requirements with respect to Dividend distribution
- Capital expenditure requirements

- Stipulations/ Covenants of loan agreements, if any
- Macro-economic and business conditions in general
- Any other relevant factor that the Board may deem fit to consider

Utilization of retained earnings

Subject to applicable Regulations, the Company's retained earnings may be applied for:

- Organic growth needs including working capital, capital expenditure, repayment of debt, etc.
- Inorganic growth needs such as acquisition of businesses, establishment of joint ventures, etc.
- Buyback of shares subject to applicable limits
- Payment of Dividend in future years
- Issue of Bonus shares
- Any other permissible purpose

Circumstances under which the shareholders may not expect dividend

In line with the Dividend Distribution Philosophy, there may be certain circumstances under which the shareholders may not expect dividend, including:

- The Company has sufficient avenues to generate significantly higher returns on surplus than what a common shareholder can generate himself
- In case of utilization of retained earnings as mentioned in this Policy
- The Company has incurred losses or there is inadequacy of profits.

Modification of the Policy

The Board may modify this policy from time to time at its discretion or in line with any amendment made in the Act or applicable Regulations.

Disclaimer

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

Annexure II

DISCLOSURES WITH RESPECT TO EMPLOYEES STOCK OPTION PLAN/SCHEME PURSUANT TO REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON 31ST MARCH , 2020:

There was no material change in the ESOP Scheme. The ESOP Scheme is in compliance with the Regulations.

A) Relevant disclosures in terms of Indian Accounting Standard (Ind AS -102) under Section 133 of The Companies Act, 2013 read with The Companies (Indian Accounting Standards) Rules, 2015.

Members may refer to Note no. 31 contained in the Notes to Financial Statements forming part of Annual Financial Statements for the Financial Year ended on 31st March, 2020.

B) Diluted EPS on issue of shares pursuant to all the schemes covered under the Regulations shall be disclosed in accordance with 'Ind AS-33' – Earnings per Share under Section 133 of the Companies Act, 2013 read with The Companies (Indian Accounting Standards) Rules, 2015.

Diluted EPS before and after exceptional/extraordinary items for the year ended 31st March, 2020 is ₹7.20 and ₹7.20 respectively.

C) Details related to Employee Stock Option Plan/Scheme (ESOP/ESOS) of the Company:

i) Description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including:

Particulars	Employee Stock Option Plan, 2016
a) Date of shareholders' approval	3rd August, 2016
b) Total number of options approved under ESOP	3,46,78,470
c) Vesting Requirements	Options shall vest over a period of 3 years from the date of grant of options as under: a) 33% on first anniversary of Grant Date b) 33% on second anniversary of Grant Date and c) 34% on third anniversary of Grant Date rounded up to whole numbers.
d) Exercise price/Pricing formula	₹ 1/-
e) Maximum term of options granted	10 years
f) Source of shares (primary, secondary or combination)	Primary
g) Variation in terms of options	None during the year

ii) Method used to account for ESOP (Intrinsic or Fair value) - Fair value

iii) Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.

Since the Company opts for expensing of the options using fair value, so the Company is not required to disclose impact of any difference arising due to intrinsic value and the fair value on profits and on EPS of the Company.

iv) Option Movement during the year (For each ESOP/ESOS):

Particulars	Employee Stock Option Plan, 2016		
	Grant I	Grant II	Grant III
No. of options outstanding at the beginning of the period	42,163	98,496	-
No. of options granted during the year	-	-	94,224

Particulars	Employee Stock Option Plan, 2016		
	Grant I	Grant II	Grant III
No. of options forfeited/lapsed during the year	462	2,160	2,086
No. of options vested during the year	41,701	48,368	-
No. of options exercised during the year	41,701	48,368	-
No. of shares arising as a result of exercise of options	41,701	48,368	-
Money realised by exercise of options (INR), if scheme is implemented directly by the Company	41,701	48,368	-
Loan repaid by the Trust during the year from exercise price received	N.A	N.A	-
No. of options outstanding at the end of the year	-	47,968	92,138
No. of options exercisable at the end of the year	-	-	-
v) a) Weighted average exercise prices	₹ 1	₹ 1	₹ 1
b) Weighted average fair values	₹495.97	₹494.36	₹491.16

vi) Employee wise details of options granted to :-

- a) Senior Managerial Personnel: During the financial year 2019-2020, Mr Abhijit Roy, Managing Director and CEO and Mr Srijit Dasgupta, Director - Finance and CFO were granted 2,035 and 1,565 options respectively (exercise price per option - ₹1).
- b) 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
- c) 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

vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

- a) Weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, risk-free interest rate and any other inputs to the model;

Serial no.	Particulars	2019-2020
i.	Weighted average risk-free interest rate	6.14%
ii.	Weighted average expected life of options	2.44 years
iii.	Weighted average expected volatility	22.00%
iv.	Weighted average expected dividends over the life of the option	₹4.64 per option
v.	Weighted average share price	₹497.95
vi.	Weighted average exercise price	₹1 per share

- b) Method used & assumptions made to incorporate effects of expected early exercise: Black-Scholes Options Pricing Model.
- c) How expected volatility was determined, including explanation of the extent to which expected volatility was based on historical volatility; and expected volatility is based on the historical volatility of the Company's share price applicable to the total expected life of each option.
- d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as market condition: None.

FORM NO. MGT- 9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31st March, 2020

[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 of the Company	Public Limited Company registered in India
v)	Address of the Registered Office	“BERGER HOUSE”, 129 Park Street, Kolkata -700017
vi)	Contact Details	a) Phone Nos. – 033-2229 9724/28 b) Fax Nos. – 033-2227 7288 c) E-mail – consumerfeedback@bergerindia.com d) Website – www.bergerpaints.com
vii)	Whether listed Company	Yes
viii)	Details of the Stock Exchanges where shares are listed	National Stock Exchange of India Limited (NSE); BSE Limited and The Calcutta Stock Exchange Limited (CSE)
ix)	Name, Address and contact details of Registrar & Transfer Agent (RTA)	M/s C B Management Services (P) Ltd. P-22, Bondel Road, Kolkata – 700 019 Contact No. – 033-40116700, 40116725 Fax – 033-40116739 E-mail – rta@cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% of total Turnover of the Company
1	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	% of Shares held	Applicable Section
1	U. K. Paints (India) Private Limited 19 DDA Commercial Complex Kailash Colony Extension New Delhi – 110 048	U24222DL1979 PTC009659	Holding*	50.11*	2(46)
2	Berger Becker Coatings Private Limited 19 DDA Commercial Complex Kailash Colony Extension New Delhi – 110 048	U74899DL1996 PTC082343	Associate	48.98	2(6)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (Contd.)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
3	Berger Nippon Paint Automotive Coatings Private Limited A-99/3, Okhla Industrial Estate, Phase-II New Delhi – 110 020	U24100DL2007 FTC165043	Associate	49.00	2(6)
4	Beepee Coatings Private Limited Plot No. 443, GIDC Estate Vithal Udyognagar, Kheda Gujarat – 388 121	U24110GJ1982PTC 005049	Subsidiary	100	2(87)(ii)
5.	SBL Specialty Coatings Private Limited (Formerly known as Saboo Coatings Private Limited) SCF 321, Cabin No.5, First Floor Motor Market and Commercial Complex, Mani Majra, Chandigarh – 160101	U24231CH1994PTC 015100	Subsidiary	100	2(87)(ii)
6	Berger Hesse Wood Coatings Private Limited (Formerly known as Saboo Hesse Wood Coatings Private Limited) 18, Graphite Road, NCPR Industrial Layout, Mahadevapura, Bangalore - 560048	U24220KA2009PTC 048821	Subsidiary	51	2(87)(ii)
7	Berger Rock Paints Private Limited “Berger House” 129 Park Street, Kolkata -700017	U24200WB2018PTC 228092	Subsidiary	51	2(87)(ii)
8	STP Ltd. “Berger House”, 129 Park Street, Kolkata -700017	U23109WB1935PLC 008423	Subsidiary	95.53	2(87)(ii)
9	Berger Jenson & Nicholson (Nepal) Private Limited “Berger House”, 492 Tinkune, Koteshwor, Kathmandu – 35, Nepal	N.A.	Subsidiary	100	2(87)(ii)
10	Berger Paints (Cyprus) Limited Thasou 3, Dadlaw House, P.C. 1520, Nicosia, Cyprus	N.A.	Subsidiary	100	2(87)(ii)
11	Lusako Trading Limited 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 70.85% (i.e. more than one half) of the total share capital of Berger Paints India Limited along with its subsidiary companies namely :-

	<u>% holding</u>
a) U.K. Paints (India) Private Ltd.	50.11
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.]	14.48
c) Wang Investment & Finance Pvt. Ltd.	3.08
d) Citland Commercial Credits Ltd.	<u>3.18</u>
	<u>70.85</u>

Notes:

- 1) Bolix S.A., Poland is a wholly owned subsidiary of Lusako Trading Limited. Bolix UKRAINA sp.z.oo, Ukraine, BUILD –TRADE sp.z.o.o, Poland, Soltherm External Insulations Limited, United Kingdom, Soltherm Insulations Thermique Exterieur SAS, France ("Soltherm France") are four subsidiaries of Bolix S.A., Poland and Surefire Management Services Limited, UK ("SMS") is a Joint Venture of Bolix S.A.
- 2) Berger Paints Overseas Limited, Russia is a wholly owned subsidiary of Berger Paints (Cyprus) Limited.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Shareholding

Category of Shareholders	No. of Shares (face value of ₹1/-) held at the beginning of the year (01.04.2019)				No. of Shares (face value of ₹1/-) held at the end of the year (31.03.2020)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	32263861	0	32263861	3.32	32263861	0	32263861	3.32	0.00
(b) Central Govt (s)	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	555224058	0	555224058	57.18	555224058	0	555399058	57.19	0.01
(e) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(f) Others	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	587487919	0	587487919	60.50	587487919	0	587662919	60.51	0.01
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	140656782	0	140656782	14.48	140656782	0	140656782	14.48	0.00
(d) Banks/Financial Institution	-	-	-	-	-	-	-	-	-
(e) Any others	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	140656782	0	140656782	14.48	140656782	0	140656782	14.48	0.00
Total Shareholding of Promoter & Promoter Group (A)=(A)(1)+(A) (2)	728144701	0	728144701	74.98	728144701	0	728319701	74.99	0.01
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	24096866	4410	24101276	2.48	9432689	4410	9437099	0.97	(-) 1.51
(b) Banks/Financial Institutions	728848	15388	744236	0.08	751531	15388	766919	0.08	0.00
(c) Central Govt(s)	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	14963809	0	14963809	1.54	15764178	0	15764178	1.62	0.08
(g) Foreign Institutional Investors (FII)	40121422	0	40121422	4.13	39290786	0	39290786	4.04	(-) 0.09

(i) Category-wise Shareholding (Contd.):

Category of Shareholders	No. of Shares (face value of ₹1/-) held at the beginning of the year (01.04.2019)				No. of Shares (face value of ₹ 1/-) held at the end of the year (31.03.2020)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Foreign Portfolio Investors	52789967	0	52789967	5.44	75327512	0	75327512	7.76	2.32
(j) Alternative Investment Fund	1374671	0	1374671	0.14	1338831	0	1338831	0.14	0.00
Sub-total (B)(1)	134075583	19798	134095381	13.81	141905527	19798	141925325	14.61	0.80
B. (2) Non- Institutions									
(a) Bodies Corporate									
(i) Indian	24005939	111882	24117821	2.48	18559773	97995	18657768	1.92	(-) 0.56
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹1 lakh	60873974	8642212	69516186	7.16	62649223	7337340	69986563	7.21	0.05
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	3713983	0	3713983	0.38	967007	0	967007	0.10	(-) 0.28
(c) Others (specify)									
1. NRI	2376553	314204	2690757	0.28	2797062	314204	3111266	0.32	0.04
2. Clearing Member	570430	0	570430	0.06	606155	0	606155	0.06	0.00
3. OCB	-	-	-	-	-	-	-	-	-
4. Trust	1403586	0	1403586	0.14	789220	0	789220	0.08	(-) 0.06
5. Foreign National	-	-	-	-	-	-	-	-	-
6. IEPF A/C	5922831	0	5922831	0.61	6175298	0	6175298	0.64	0.03
7. Unclaimed Suspense A/C	954035	0	954035	0.10	681477	0	681477	0.07	(-) 0.03
Sub-total (B)(2)	99821331	9068298	108889629	11.21	93225215	7749539	100974754	10.40	(-) 0.81
B. Total Public Shareholding (B)=(B)(1)+(B)(2)	233896914	9088096	242985010	25.02	235130742	7769337	242900079	25.01	(-) 0.01
TOTAL(A) +(B)	962041615	9088096	971129711	100.00	963275443	7769337	971219780	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A) + (B) + (C)	962041615	9088096	971129711	100.00	963275443	7769337	971219780	100.00	0.00

(ii) Shareholding of Promoters

Sl No	Shareholding at the beginning of the year				Shareholding at the end of the year			
	Shareholder's Name	No of Shares (F.V. ₹ 1/-)	% of total shares of the Company	% of shares pledged/ encumbered to total shares	Shareholder's Name	No of Shares (F.V. ₹ 1/-)	% of total shares of the Company	% of shares pledged/ encumbered to total shares
1.	U.K. Paints (India) Private Limited	486545399	50.11	0	U.K. Paints (India) Private Limited	486545399	50.11	0
2.	Jenson & Nicholson (Asia) Limited, U.K.*	140656782	14.48	0	Jenson Nicholson (Asia) Limited, U.K.*	140656782	14.48	0
3.	Citland Commercial Credits Limited	30915659	3.18	0	Citland Commercial Credits Limited	30915659	3.18	0
4.	Wang Investment & Finance Private Limited	29810580	3.07	0	Wang Investment & Finance Private Limited	29985580	3.08	0.01
5.	Bigg Investment & Finance Private Limited	7952420	0.82	0	Bigg Investment & Finance Private Limited	7952420	0.82	0
6.	Meeta Dhingra	999999	0.10	0	Meeta Dhingra	999999	0.10	0
7.	Vinu Dhingra	5998368	0.62	0	Vinu Dhingra	3898368	0.40	0
8.	Gurbachan Singh Dhingra	2421888	0.25	0	Gurbachan Singh Dhingra	4421888	0.46	0
9.	Kuldip Singh Dhingra	5488071	0.57	0	Kuldip Singh Dhingra	5488071	0.57	0
10.	Yuvrani Rishma Kaur	600000	0.06	0	Yuvrani Rishma Kaur	600000	0.06	0
11.	Jessima Kumar	600000	0.06	0	Jessima Kumar	600000	0.06	0
12.	Dipti Dhingra	131712	0.01	0	Dipti Dhingra	131712	0.01	0
13.	Sunaina Kohli	600000	0.06	0	Sunaina Kohli	600000	0.06	0
14.	Anshna Sawhney	600000	0.06	0	Anshna Sawhney	600000	0.06	0
15.	Kanwardip Singh Dhingra	600000	0.06	0	Kanwardip Singh Dhingra	700000	0.07	0
16.	KSD Family Trust	8312140	0.86	0	KSD Family Trust	8312140	0.86	0
17.	GBS Dhingra Family Trust	5911683	0.61	0	GBS Dhingra Family Trust	5911683	0.61	0
	TOTAL	728144701	74.98	0		728319701	74.99	0.01

* 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) Private Limited.

(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 Limited	486545399	50.11	486545399	50.11
2.	Jenson & Nicholson (Asia) Limited, U.K.*	140656782	14.48	140656782	14.48
3.	Citland Commercial Credits Limited	30915659	3.18	30915659	3.18
4.	Wang Investment & Finance Private Limited #	29810580	3.07	29985580	3.08
5.	Bigg Investment & Finance Private Limited	7952420	0.82	7952420	0.82
6.	Meeta Dhingra	999999	0.10	999999	0.10
7.	Vinu Dhingra #	5998368	0.62	3898368	0.40
8.	Gurbachan Singh Dhingra #	2421888	0.25	4421888	0.46
9.	Kuldip Singh Dhingra	5488071	0.57	5488071	0.57
10.	Yuvrani Rishma Kaur	600000	0.06	600000	0.06
11.	Jessima Kumar	600000	0.06	600000	0.06
12.	Dipti Dhingra	131712	0.01	131712	0.01
13.	Sunaina Kohli	600000	0.06	600000	0.06
14.	Anshna Sawhney	600000	0.06	600000	0.06
15.	Kanwardip Singh Dhingra #	600000	0.06	700000	0.07
16.	KSD Family Trust	8312140	0.86	8312140	0.86
17.	GBS Dhingra Family Trust	5911683	0.61	5911683	0.61

* Wholly owned subsidiary of, and nominee share holder of, BJV Holdings (I) Limited ("BJV"). BJV is a wholly owned subsidiary of U.K. Paints Overseas Limited, which, in turn, is a wholly owned subsidiary of U. K. Paints (India) Private Limited

There has been the following changes in shareholding:

Shareholder's Name	% change
Wang Investment & Finance Private Limited	0.01
Vinu Dhingra	(0.22)
Gurbachan Singh Dhingra	0.21
Kanwardip Singh Dhingra	0.01

(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			39074295	4.02	39074295	4.02
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					39074295	4.02
2.	BIGG INVESTMENTS & FINANCE PRIVATE LIMITED						
	a) At the beginning of the year			7952420	0.82	7952420	0.82
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					7952420	0.82
3.	THE NEW INDIA ASSURANCE COMPANY LIMITED						
	a) At the beginning of the year	01/04/2019		6863670	0.71	6863670	0.71
	b) Changes during the year	Date	Reason				
		03/05/2019	Sale	2820	0.00	6860850	0.71
		02/08/2019	Sale	400000	0.04	6460850	0.67
		30/08/2019	Sale	200000	0.02	6260850	0.64
		06/09/2019	Sale	40000	0.00	6220850	0.64
		13/09/2019	Sale	160000	0.02	6060850	0.62
		25/10/2019	Sale	145000	0.01	5915850	0.61
		01/11/2019	Sale	155000	0.02	5760850	0.59
		08/11/2019	Sale	221604	0.02	5539246	0.57
		10/01/2020	Sale	150000	0.02	5389246	0.55
		17/01/2020	Sale	150000	0.02	5239246	0.54
		07/02/2020	Sale	384608	0.04	4854638	0.50
		31/03/2020	Buy	100000	0.01	4954638	0.51
	c) At the end of the year	31/03/2020				4954638	0.51
4.	SPAN INDIA PRIVATE LIMITED						
	a) At the beginning of the year			6951946	0.72	6951946	0.72
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					6951946	0.72

(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
5.	LIFE INSURANCE CORPORATION OF INDIA						
	a) At the beginning of the year	01/04/2019		4773262	0.49	4773262	0.49
	b) Changes during the year	Date	Reason				
		13/09/2019	Buy	516097	0.05	5289359	0.54
		20/09/2019	Buy	570807	0.06	5860166	0.60
		27/09/2019	Buy	96265	0.01	5956431	0.61
		06/12/2019	Buy	773907	0.08	6730338	0.69
		13/12/2019	Buy	362445	0.04	7092783	0.73
		20/12/2019	Buy	505124	0.05	7597907	0.78
		27/12/2019	Buy	50000	0.01	7647907	0.79
		17/01/2020	Buy	86740	0.01	7734647	0.80
		17/01/2020	Buy	340802	0.04	8075449	0.83
		31/03/2020	Buy	463669	0.05	8539118	0.88
	c) At the end of the year	31/03/2020				8539118	0.88
6.	UTI-EQUITY FUND						
	a) At the beginning of the year	01/04/2019		4069169	0.42	4069169	0.42
	b) Changes during the year	Date	Reason				
		17/05/2019	Buy	50000	0.01	4119169	0.42
		12/07/2019	Buy	260000	0.03	4379169	0.45
		26/07/2019	Buy	65000	0.01	4444169	0.46
		18/10/2019	Sale	30000	0.00	4414169	0.45
		25/10/2019	Sale	448000	0.05	3966169	0.41
		01/11/2019	Sale	60000	0.01	3906169	0.40
		08/11/2019	Sale	210000	0.02	3696169	0.38
		15/11/2019	Sale	200000	0.02	3496169	0.36
		29/11/2019	Sale	145000	0.01	3351169	0.35
		13/12/2019	Sale	25000	0.00	3326169	0.34
		17/01/2020	Sale	140000	0.01	3186169	0.33
		24/01/2020	Sale	115000	0.01	3071169	0.32
		14/02/2020	Sale	275000	0.03	2796169	0.29
		21/02/2020	Sale	110000	0.01	2686169	0.28
		06/03/2020	Sale	80000	0.01	2606169	0.27
		13/03/2020	Sale	99108	0.01	2507061	0.26
		31/03/2020	Buy	60000	0.01	2567061	0.26
	c) At the end of the year	31/03/2020				2567061	0.26

(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
7.	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS						
	a) At the beginning of the year	01/04/2019		3927350	0.40	3927350	0.40
	b) Changes during the year	Date	Reason				
		12/04/2019	Buy	8993	0.00	3936343	0.41
		10/05/2019	Buy	9384	0.00	3945727	0.41
		21/06/2019	Sale	21114	0.00	3924613	0.40
		28/06/2019	Sale	66780	0.01	3857833	0.40
		27/09/2019	Sale	148136	0.02	3709697	0.38
		27/12/2019	Sale	188863	0.02	3520834	0.36
		31/03/2020	Sale	9507	0.00	3511327	0.36
	c) At the end of the year	31/03/2020				3511327	0.36
8.	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND						
	a) At the beginning of the year	01/04/2019		3513898	0.36	3513898	0.36
	b) Changes during the year	Date	Reason				
		26/04/2019	Sale	93380	0.01	3420518	0.35
		14/06/2019	Buy	110252	0.01	3530770	0.36
		28/06/2019	Buy	84431	0.01	3615201	0.37
		05/07/2019	Buy	114265	0.01	3729466	0.38
		16/08/2019	Buy	109220	0.01	3838686	0.40
		14/02/2020	Buy	50129	0.01	3888815	0.40
		03/03/2020	Buy	46436	0.00	3935251	0.41
		13/03/2020	Buy	58455	0.01	3993706	0.41
		31/03/2020	Buy	183823	0.02	4177529	0.43
	c) At the end of the year	31/03/2020				4177529	0.43
9.	SPAN HOLDINGS PRIVATE LIMITED						
	a) At the beginning of the year			3464836	0.36	3464836	0.36
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					3464836	0.36

(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
10.	FRANKLIN INDIA SMALLER COMPANIES FUND						
	a) At the beginning of the year	01/04/2019		3428963	0.35	3428963	0.35
	b) Changes during the year	Date	Reason				
		17/05/2019	Sale	38414	0.00	3390549	0.35
		24/05/2019	Sale	54100	0.01	3336449	0.34
		11/10/2019	Sale	299891	0.03	3036558	0.31
		18/10/2019	Sale	807400	0.08	2229158	0.23
		25/10/2019	Sale	208800	0.02	2020358	0.21
		01/11/2019	Sale	900000	0.09	1120358	0.12
		08/11/2019	Sale	200000	0.02	920358	0.09
		22/11/2019	Sale	140585	0.01	779773	0.08
		22/11/2019	Sale	779773	0.08	0	0
	c) At the end of the year	31/03/2020			Nil	Nil	Nil
11.	WASATCH INTERNATIONAL GROWTH FUND						
	a) At the beginning of the year	01/04/2019		3267867	0.34	3267867	0.34
	b) Changes during the year	Date	Reason				
		26/07/2019	Sale	108313	0.01	3159554	0.33
		02/08/2019	Sale	151278	0.02	3008276	0.31
		30/08/2019	Sale	63010	0.01	2945266	0.30
		08/11/2019	Sale	343839	0.04	2601427	0.27
		15/11/2019	Sale	198176	0.02	2403251	0.25
		22/11/2019	Sale	455615	0.05	1947636	0.20
		29/11/2019	Sale	605021	0.06	1342615	0.14
		31/03/2020	Sale	92139	0.01	1250476	0.13
	c) At the end of the year	31/03/2020				1250476	0.13

(v) Shareholding of Directors and Key Managerial Personnel as on 31st March, 2020:

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
1.	Mr Kuldip Singh Dhingra*						
	a) At the beginning of the year			5488071	0.57	5488071	0.57
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					5488071	0.57
2.	Mr Gurbachan Singh Dhingra*						
	a) At the beginning of the year	01/04/2019		2421888	0.25	2421888	0.25
	b) Changes during the year	Date	Reason				
		06/09/2019	Transfer by way of gift	2000000	0.21	4421888	0.46
	c) At the end of the year	31/03/2020				4421888	0.46
3.	Mr Abhijit Roy						
	a) At the beginning of the year	01/04/2019		70756	0.01	70756	0.01
	b) Changes during the year	Date	Reason				
		24/12/2019	ESOP	2448	0.00	73204	0.01
	c) At the end of the year	31/03/2020				73204	0.01
4.	Mr Srijit Dasgupta						
	a) At the Beginning of the year	01/04/2019		88133	0.01	88133	0.01
	b) Changes during the year	Date	Reason				
		24/12/2019	ESOP	1883	0.00	90016	0.01
	c) At the end of the year	31/03/2020				90016	0.01
5.	Mr Kamal Ranjan Das #						
	a) At the beginning of the year			84272	0.01	84272	0.01
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					84272	0.01
6.	Mr Pulak Chandan Prasad						
	a) At the beginning of the year			Nil	Nil	Nil	Nil
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year			Nil	Nil	Nil	Nil
7.	Mr Naresh Gujral						
	a) At the beginning of the year			7000	0.00	7000	0.00
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					7000	0.00

(v) Shareholding of Directors and Key Managerial Personnel as on 31st March, 2020): (Contd.)

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
8.	Mr Dharendra Swarup \$						
	a) At the beginning of the year			Nil	Nil	Nil	Nil
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year			Nil	Nil	Nil	Nil
9.	Mr Gopal Krishna Pillai ^						
	a) At the beginning of the year			Nil	Nil	Nil	Nil
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year			Nil	Nil	Nil	Nil
10.	Ms Rishma Kaur						
	a) At the beginning of the year			600000	0.06	600000	0.06
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year					600000	0.06
11.	Mr Kanwardip Singh Dhingra						
	a) At the beginning of the year	01/04/2019		600000	0.06	600000	0.06
	b) Changes during the year	Date	Reason				
		03/09/2019	Transfer by way of gift	100000	0.01	700000	0.07
	c) At the end of the year	31/03/2020				700000	0.07
12.	Mr Aniruddha Sen **						
	a) At the beginning of the year	01/04/2019		38779	0.00	38779	0.00
	b) Changes during the year	Date	Reason				
		24/12/2019	ESOP	1256	0.00	40035	0.00
	c) At the end of the year	31/03/2020				40035	0.00
13.	Mr Anoop Hoon						
	a) At the beginning of the year			Nil	Nil	Nil	Nil
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year			Nil	Nil	Nil	Nil
14.	Mrs Sonu Halan Bhasin						
	a) At the beginning of the year			Nil	Nil	Nil	Nil
	b) Changes during the year			Nil	Nil	Nil	Nil
	c) At the end of the year			Nil	Nil	Nil	Nil

(v) Shareholding of Directors and Key Managerial Personnel as on 31st March, 2020): (Contd.)

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
15.	Dr Anoop Kumar Mittal @				
	a) At the beginning of the year	Nil	Nil	Nil	Nil
	b) Changes during the year	Nil	Nil	Nil	Nil
	c) At the end of the year	Nil	Nil	Nil	Nil

Notes:

- * Does not include shares held by Messrs Kuldip Singh Dhingra and Gurbachan Singh Dhingra as Settlor Trustee of KSD Family Trust and GBS Dhingra Family Trust respectively.
- # Mr Kamal Ranjan Das has ceased to be a non-executive, Independent Director on the Board of Directors of the Company with effect from the close of business hours on 31st March, 2020.
- \$ Mr Dharendra Swarup has resigned as a non-executive, Independent Director of the Board on 13th June, 2019.
- ^ Mr Gopal Krishna Pillai has ceased as a non-executive, Independent Director on the Board w.e.f. 12th September, 2019.
- @ Dr Anoop Kumar Mittal was appointed as an Additional and Independent Director of the Company w.e.f. 19th March, 2020.
- ** Mr Aniruddha Sen, Senior Vice President and Company Secretary retired from the services of the Company w.e.f. the close of business hours on 31st March, 2020

V INDEBTEDNESS

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

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year i.e. on 01.04.2019				
i) Principal Amount	130.34	85.00	–	215.34
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	0.04	–	–	0.04
Total (i+ii+iii)	130.38	85.00	–	215.38
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change	92.75	(85.00)	–	7.75
Indebtedness at the end of the Financial Year i.e. on 31.03.2020				
i) Principal Amount	222.46	–	–	222.46
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	0.67	–	–	0.67
Total (i+ii+iii)	223.13	–	–	223.13

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr Abhijit Roy (MD, CEO & KMP)	Ms Rishma Kaur (Executive Director)	Mr Kanwardip Singh Dhingra (Executive Director)	
1.	Gross salary	(₹)	(₹)	(₹)	(₹)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,21,80,211	11,89,201	11,89,201	1,45,58,613
	(b) Value of perquisites u/s17(2) of the Income-tax Act, 1961	75,08,991	77,454	77,454	76,63,899
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	1,52,90,335	32,86,556	32,86,556	2,18,63,447
2.	Stock Option	11,81,527	–	–	11,81,527
3.	Sweat Equity	–	–	–	–
4.	Commission - as % of profit - others, specify	50,40,450	–	–	50,40,450
5.	Others, please specify	–	–	–	–
	Total (A)	4,12,01,514*#	45,53,211*	45,53,211*	5,03,07,936
	Ceiling as per the Act	10% of Net Profits of the Company calculated under Section 198 of the Company Act, 2013			91,41,00,000

* 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.

Includes ESOPs and taxable value of lease rent accommodation and motor car perquisites.

Note: For remuneration of Key Managerial Personnel, please see item C.

B. REMUNERATION TO OTHER DIRECTORS:
(in ₹)

Particulars of Remuneration	Name of Directors										Total Amount
			Mr Kamal Ranjan Das #	Mr Pulak Chandan Prasad	Mr Dhirendra Swarup \$	Mr Gopal Krishna Pillai ^	Mr Naresh Gujral	Mr Anoop Hoon	Mrs Sonu Halan Bhasin	Dr Anoop Kumar Mittal @	
• Fee for attending Board/Committee Meetings			1,00,000	–	50,000	1,00,000	50,000	1,50,000	1,50,000	–	6,00,000
• Commission			3,00,000	–	–	–	7,20,000	7,20,000	7,20,000	–	24,60,000
• Others, please specify											
Total (1)			4,00,000	–	50,000	1,00,000	7,70,000	8,70,000	8,70,000	–	30,60,000
2. Other Non-Executive Directors	Mr Kuldip Singh Dhingra	Mr Gurbachan Singh Dhingra									
• Fee for attending Board/Committee Meetings	1,50,000	1,50,000	–	–	–	–	–	–	–	–	3,00,000
• Commission	18,00,000	10,00,000	–	–	–	–	–	–	–	–	28,00,000
• Others, please specify	–	–	–	–	–	–	–	–	–	–	–
Total (2)	19,50,000	11,50,000	–	–	–	–	–	–	–	–	31,00,000
Total (B) = (1+2)	19,50,000	11,50,000	4,00,000	–	50,000	1,00,000	7,70,000	8,70,000	8,70,000	–	61,60,000
Total Managerial Remuneration	19,50,000	11,50,000	4,00,000	–	50,000	1,00,000	7,70,000	8,70,000	8,70,000	–	61,60,000
Overall Ceiling as per the Act	1% of Net Profits of the Company calculated under Section 198 of the Companies Act, 2013										9,14,10,000

Notes:

Mr Kamal Ranjan Das has ceased to be a non-executive, Independent Director on the Board of Directors of the Company with effect from the close of business hours on 31st March, 2020.

\$ Mr Dhirendra Swarup has resigned as a non-executive, Independent Director of the Board on 13th June, 2019.

^ Mr Gopal Krishna Pillai has ceased to be non-executive, Independent Director of the Board with effect from 12th September, 2019.

@ Dr Anoop Kumar Mittal was appointed as Additional and Independent Director of the Company w.e.f 19th March, 2020.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

(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	89,07,120	33,89,940	1,22,97,060
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,44,450	6,05,125	11,49,575
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	49,65,066	69,39,042	1,19,04,108
2.	Stock Option	9,21,211	6,07,307	15,28,518
3.	Sweat Equity	–	–	–
4.	Commission - as % of profit - others, specify	–	–	–
5.	Others, please specify	–	–	–
	Total	1,53,37,847	1,15,41,414	2,68,79,261

Note: 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 KMPs as shown elsewhere in Directors' Report and Financial Statement, are determined in accordance with the relevant provisions of the Companies Act, 2013.

* Mr Aniruddha Sen, Senior Vice President & Company Secretary retired from the services of the Company w.e.f. the close of business hours on 31st March, 2020.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

REPORT ON CSR ACTIVITIES/INITIATIVE

Your Company recognises that an enterprise and the society in which it operates are mutually dependent on each other and the growth of the industry is proportional to the equitable development of the country, its environment and its people, irrespective of religion, race, caste, creed and gender. Your Company also believes that all round development can be brought about by paying attention to regions, groups and people which are backward and have special needs and by helping citizens to acquire useful skills. To this extent, your Company devotes resources, in the manner recommended by its CSR Committee and approved by its Board of Directors in accordance with the provisions of law for fulfilling the aforesaid objective in the manner laid out in Schedule VII to the Companies Act, 2013, with particular stress on areas around which the Company operates.

A brief outline of the Company’s CSR Policy can be viewed at the following web link- <https://www.bergerpaints.com/about-us/csr-policy.html>

Your Company continues to pursue its CSR project through its iTrain programme which continued to focus on skilling painters – both fresh and existing. The fresh painters were introduced to the painting process for creating employability.

The existing painters were introduced to new products, processes, techniques, soft skills and customer handling which resulted in better efficiency and thereby positively impacting their earnings. The focus is to turn painters with enhanced skills into entrepreneurs and become employers of other painters.

During the financial year 2019-2020, 66,504 painters were trained in the iTrains.

The CSR Committee (“the Committee”) comprised the following members as on 31st March, 2020:

Mr Kuldip Singh Dhingra - Chairman of the Committee, Mr Kamal Ranjan Das, Mr Kanwardip Singh Dhingra, Ms Rishma Kaur, Mr Abhijit Roy, Mr Srijit Dasgupta, Mr Anil Bhalla and Mr Aniruddha Sen.

The Board has reconstituted the Committee in accordance with the terms of reference under Section 135 of the Companies Act, 2013 due to cessation of Mr Kamal Ranjan Das as a Member on the Board of Directors of the Company at the close of business hours on 31st March, 2020. The Committee comprises the following members w.e.f 1st April, 2020: Mr Kuldip Singh Dhingra – Chairman of the Committee, Dr Anoop Kumar Mittal, Mr Kanwardip Singh Dhingra, Ms Rishma Kaur, Mr Abhijit Roy, Mr Srijit Dasgupta, Mr Anil Bhalla and Mr Arunito Ganguly (Appointed w.e.f 1st April, 2020 upon retirement of Mr Aniruddha Sen w.e.f. the close of business hours on 31st March, 2020).

Currently, there are 27 fixed iTrain Centres and 13 mobile iTrain vans operating throughout India.

The current location and status of iTrain Centres are :-

Sr. No.	iTrain Centres	Status
1	Delhi	Operational
2	Kolkata	Operational
3	Jaipur	Operational
4	Kochi	Operational
5	Ludhiana	Operational
6	Surat	Operational
7	Pune	Operational
8	Lucknow	Operational
9	Vijaywada	Operational
10	Ghaziabad	Operational
11	Bhubaneshwar	Operational
12	Calicut	Operational
13	Tirunelveli	Operational
14	Patna	Operational
15	Guwahati	Operational
16	Trivandrum	Operational
17	Gurgaon	Operational
18	Bangalore	Operational

Sr. No.	iTrain Centres	Status
19	Ahmedabad	Operational
20	Hyderabad	Operational
21	Dehradun	Operational
22	Indore	Operational
23	Kottayam	Operational
24	Thrissur	Operational
25	Mumbai	Operational
26	Faridabad	Operational
27	Chennai	Operational

As reported last time, the launch of mobile iTrain Centres (vans) as part of the Company's CSR activity for training of unskilled and semi-skilled persons in painting was in full swing and have been successful in its reach to far flung areas. All mobile iTrains are fully equipped with required tools for training.

The mobile iTrains are operating at and around the following locations:

1. Kolkata
2. Durgapur, Malda, Siliguri
3. Kannur
4. Rajkot, Surat, Vadodara
5. Ghaziabad, Agra, Moradabad, Noida, Bareilly
6. Bhubaneswar, Cuttack, Sambalpur
7. Vizag
8. Pune, Goa, Kolhapur, Aurangabad, Nashik, Nagpur
9. Kollam
10. Ranchi and Jamshedpur
11. Hubli
12. Guwahati, Shillong, Tezpur, Agartala
13. Lucknow and Kanpur.

Other iTrain initiatives during the year:-

- During the year, the Company has conducted Paints & Coating Skill Council (www.pcsc.in) approved certification programs for painters with minimum 1 year experience under the National Skills Qualification Framework (NSQF). Qualifiers got co-branded Recognition of Prior Learning (RPL) certificates with Sector Skills, National Skill Development Corporation (NSDC) and the revered Ashok Sthamba Symbol of the Government of India. 1,228 painters were certified in the financial year 2019-2020.
- With increased participation and training activities, the average per head per session training cost has come down.
- CSR Collaboration with U K Paints India Private Limited-As recommended by the Committee and duly approved by the Board, during the financial year 2019-2020 and thereafter in 2020-2021 onwards, it has been decided that the Company will collaborate with some of its Promoter group companies, viz U K Paints India Pvt Ltd, Citland Commercial Credits Ltd and Wang Investment & Finance Private Limited (jointly referred to as "Promoter Group), in terms of Section 135 of the Companies Act, 2013 read with Rule 4(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, whereby the Promoter Group would supervise and participate in the operation of and reimburse the expenditure, both capital and revenue, for such operations of the Company's iTrain Centre at a New Delhi location and later at other iTrain centres, as may be decided.
- The Company has made a donation of ₹1 crore during the year towards the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) (i.e. the Prime Minister's COVID 19 Fund) which was set up to receive financial aid from the public to fight the corona virus pandemic.
- The CSR spend in the financial year 2019-2020 had been approved by the Committee.

Average net profit of the Company for the last three financial years : ₹673.93 crore

Prescribed CSR Expenditure (two percent of the average net profit for the last three financial years) : ₹13.48 crore

Details of amount spent on CSR activities during the financial year 2019-2020:

- Total amount to be spent for the financial year : ₹13.48 crore
- Amount spent : ₹16.79 crore (including the amount donated to the PM CARES Fund)
- Amount unspent, if any : NIL

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

1	2	3	4	5	6	7
CSR project or activity identified	Sector in which the Project is covered	Projects /Programmes 1. Local area or other 2. State and district where projects or programmes were undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes sub-heads: 1. Direct Expenditure on projects or programmes 2. Overheads	Cumulative Expenditure upto 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 17) Gurgaon 18) Bangalore 19) Ahmedabad 20) Hyderabad 21) Dehradun 22) Indore 23) Kottayam 24) Thrissur 25) Mumbai 26) Faridabad 27) Chennai	13.48 crore	1) Rent - 1.79 crore 2) Setup and Launch cost: 0.72 crore 3) Manpower: 6.61 crore 4) Upkeep and Maintenance: 5.95 crore 5) Consumables: 0.28 crore 6) Communication and Mobilisation: 0.00 crore 7) Miscellaneous: 1.44 crore	54.79 crore	N.A.
TOTAL (₹)			13.48 Crore	16.79 Crore	54.79 Crore	

Responsibility Statement

On behalf of the CSR Committee, we hereby affirm that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place : Kolkata
Dated : 23rd June, 2020

Kuldip Singh Dhingra (DIN: 00048406)
Chairman, CSR Committee

Abhijit Roy (DIN: 03439064)
Managing Director & CEO

ANNEXURE V

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR 2019-2020

A. Top 10 employees including those employed throughout the financial year under review and were in receipt of remuneration aggregating not less than ₹1,02,00,000 per annum:

Sl. No.	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
1.	Mr Abhijit Roy	Managing Director & CEO	3,91,45,702	Permanent	B.E. (JU), MBA (IIM, Bangalore)	29	17.04.1996	54	L'OREAL India Limited – Area Sales Manager
2.	Mr Srijit Dasgupta	Director – Finance & CFO	1,65,07,478	Permanent	B.Sc. (Hons.), ACMA, CS (Passed Final Exam)	35	01.09.1988	58	Machinery Manufacturers Corporation Limited – Officer Finance
3.	Mr Aniruddha Sen*	Senior Vice President & Company Secretary	1,21,23,552	Permanent	B.Sc. (Chemistry Hons.), DIM, Final ICWA, ACS	38	01.10.2004	60	Indian Aluminium Co. Ltd. – Company Secretary
4.	Mr Tapan Kumar Dhar	Senior Vice President (R&D)	1,08,61,660	Permanent	M.Tech., IIT Kharagpur	30	02.04.2013	56	Asian Paints Limited – Chief Manager-Technology
5.	Mr Kilambi Krishna Sai	Sr. Vice President – Sales & Marketing	1,01,67,032	Permanent	B. Tech, MBA	30	06.06.1990	53	–
6.	Dr Prosanta Kumar Ghosh	Sr. Vice President – Manufacturing	98,44,361	Permanent	M.Sc., M. Tech, PhD, IIT Kharagpur	34	01.04.2005	60	ICI India Ltd. – Production Manager
7.	Mr Indrajit Amal Majumdar	Sr. Vice President – Retail Sales	94,84,807	Permanent	B.E., MBA (IIM, Lucknow)	27	16.02.2011	50	OLAM International – Country Head & G.M.
8.	Mr Ranjit Singh **	President – British Paints Division	94,00,000	Contractual	MBA	39	02.04.1998	61	Garware Paints Limited – Marketing Manager
9.	Mr Sujyoti Mukherjee	Vice President – Finance & Accounts	78,31,034	Permanent	A.C.A., A.I.C.W.A	30	05.12.1994	56	Indian Oil Corporation Limited (formerly IBP Co. Ltd.) – Asst. Manager – Finance & Accounts
10.	Mr Abhimanyu Chatterjee	General Manager – Retail Sales	71,62,139	Permanent	B.Com	32	18.02.2002	54	Jenson & Nicholson – Branch Manager
B.	Employed for a part of the year and in receipt of remuneration aggregating ₹8,50,000/- 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.
- *Mr Aniruddha Sen, Senior Vice President and Company Secretary has retired from the services w.e.f. close of business hours of 31st March, 2020. He is currently engaged as a consultant for looking into the legal and corporate affairs of the Company and designated as Senior Vice President, Legal & Corporate Affairs.
- The employee does not hold by himself or along with his spouse and dependent children, 2% or more of the equity shares in the Company.
- None of the employees mentioned above is a relative of any Director of the Company.
- ** Mr Ranjit Singh, President - British Paints Division had retired from the services on 28th February, 2019 and is currently engaged as a consultant.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018]

To,
The Members,
M/s. Berger Paints India Limited
Berger House,
129, Park Street,
Kolkata – 700017

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, 2020. 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 provided to us during the said audit over e-mail and telephone and also based on the information provided by the Company, its officers, agents and authorized representatives over e-mail and telephone 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, 2020, 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, 2020 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, 2020, 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 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 provisions thereof, during the aforesaid period under review.
 - i. BSE Limited
 - ii. The National Stock Exchange of India Limited (NSE)
 - 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.
 - 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 herewith as Annexure A, forming an integral part of this Report.

Note: Due to nationwide lockdown in the wake of COVID 19 pandemic, the aforesaid examination has been carried out on the basis of documents and information received from the company over e-mail and telephone. However, we also intend to carry out physical verification once the situation is restored to normal.

Place : Kolkata

Date : 23rd June, 2020

For, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor

FCS No. 5684

CP. No. 4557

UDIN: F005684B000375471



(To the Secretarial Audit Report of M/s. Berger Paints India Limited
for the financial year ended on 31st March, 2020)

To,
The Members,
M/s. Berger Paints India Limited
Berger House,
129, Park Street,
Kolkata – 700017

Our Secretarial Audit Report for the financial year ended on 31st March, 2020 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. Due to nationwide lockdown in the wake of COVID 19 pandemic, the aforesaid examination has been carried out on the basis of documents and information received from the company over e-mail and telephone. However, we also intend to carry out physical verification once the situation is restored to normal.
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

UDIN: F005684B000375471

Place : Kolkata

Date : 23rd June, 2020

**ANNUAL SECRETARIAL COMPLIANCE REPORT
OF
BERGER PAINTS INDIA LIMITED**

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to Circular No. CIR/CFD/CMDI/27/2019, dated 08/02/2019,
read with Circular No. CIR/CFD/CMDI/114/2019, dated 18th October, 2019
issued by The Securities and Exchange Board of India]

To
The Members,
M/s. Berger Paints India Limited
Berger House,
129, Park Street,
Kolkata – 700017

1. We have examined:
 - (a) all the documents and records made available to us and explanation provided by M/s. Berger Paints India Limited (“the listed entity”);
 - (b) the filings/submissions made by the listed entity to the stock exchanges;
 - (c) website of the listed entity;
 - (d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended on 31st March, 2020 in respect of compliance with the provisions of:
 - (i) The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by The Securities and Exchange Board of India (“SEBI”);
2. The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - N/A;
 - (e) 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 - N/A;
 - (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - N/A;
 - (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and based on the above examination, we hereby report that, during the Review Period:

- i) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

1.	2.	3.	4.
Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations/Remarks of the practising Company Secretary - None.
1.	Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;	Not Applicable	The regulation mentioned in the column no. 2 is not applicable to the company.
2.	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008	Not Applicable	The regulation mentioned in the column no. 2 is not applicable to the company.
3.	Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;	Not Applicable	The regulation mentioned in the column no. 2 is not applicable to the company.

- ii) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- iii) The following are the details of actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/remarks of the Practising Company Secretary, if any.
	N/A	N/A	N/A	N/A

- iv) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practising Company Secretary on the actions taken by the listed entity
	N/A	N/A	N/A	N/A

3. This is to also certify that the company has ensured, through an addendum to the letter of appointment of the Statutory Auditors of the company that the conditions as mentioned in 6(A) and 6(B) of Circular No. CIR/CFD/CMD1/114/2019 dated 18th October, 2019 issued by The Securities and Exchange Board of India are included in the terms of appointment of the Statutory Auditor.

Note: Due to nationwide lockdown in the wake of COVID 19 pandemic, the aforesaid examination has been carried out on the basis of documents and information received from the company over e-mail and telephone. However, we also intend to carry out physical verification once the situation is restored to normal.

For, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor

FCS No. 5684

CP. No. 4557

UDIN: F005684B000357651

Place : Kolkata

Date : 19th June, 2020

ANNEXURE VIII**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 (AS AMENDED)****A) CONSERVATION OF ENERGY:****1. The steps taken or impact on conservation of energy:**

- a. Steps taken to improve power factor in all the Plants.
- b. Installation of Variable Frequency Drives for high power consuming equipment
- c. Draft automation for the combustion air supply system of Bio-briquette fired Thermic Fluid Heaters to reduce the power consumption.
- d. Usage of low power consuming Agitators.
- e. Replacement of Ball Mills with more energy efficient Horizontal Sand Mills.
- f. Installation of Ring Main system in the compressed air pipelines to reduce energy consumption.

2. Energy conservation measures for plant and township lighting and alternative energy usage:

- a. Installation of roof top solar power system at Hindupur Plant.
- b. Replacement of high power consuming conventional lights with LED Lights.

3. Capital investment of energy conservation equipment: ₹8 Cr. (approx.)**Benefits derived as a result of the above efforts in the year:**

- a. Carbon foot print reduction of 2430 MT (approx.) in FY 2019-2020.
- b. Net metering facility for the roof top solar power system at Hindupur Plant.
- c. Overall savings in fuel and power cost across all the Plants.
- d. Increase in productivity, operational efficiency and reduction of manufacturing cost.
- e. Restriction of emissions.

B) TECHNOLOGY ABSORPTION**I. Research and Development (R&D)****1) Specific areas in which R&D carried out by the Company:**

- a) Pollution abatement technology for architectural paints.
- b) Anti-bacterial paint for interior wall application.
- c) Use of waste products in paint formulation.
- d) Development of direct to metal finishes.
- e) Collaborative work with academic institutions and vendors.

2) Benefits derived out of the above work:

Development of new products for different applications.

i) Decorative Products:

- Polyester fibre reinforced paint for interior-exterior application.
- Low cost exterior with gloss, rich look and smoother finish.

- Economy exterior emulsion which is resistant to chalking, flaking, fading and prevent fungi and algae growth.
- Quick drying, anti-rust, anti-yellowing durable coating system.
- Economical elastomeric base coat.

ii) Industrial products:

- Polyurethane coating with extended durability.
- Mono coat polyurethane finish with higher productivity and energy savings.
- Direct to metal finish for PEB sector.
- Moisture cured heat resistance coating.
- High Solid Acrylic Polyol.

3) Future Plan of Action :

The Company continuously carries out innovation and development based on customer and industry needs. These will include new applications, environmentally benign products, hybrid technologies, corrosion resistant and more durable products.

4) Expenditure on R&D:

Capital Expenditure	1.61 crore
Recurring Expenditure	17.31 crore
Total Expenditure	18.92 crore
Total R&D Expenditure as a percentage of Total Turnover	0.33%

II. Technology Absorption, Adaptation and Innovation:

a) Efforts in brief made towards technology absorption, adaptation and innovation:

- For the purpose of Manufacture of CED paste and resin with technology from Nippon Paint and Automotive Coating Co., Ltd., of Japan
- Efforts continued to explore use of recycled raw materials and natural materials to lower carbon footprint and provide sustainable solution for the future.

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

- New value added product were introduced.

c) Technology imported during the last five years.

- Manufacture of CED paste and resin.

Place: Kolkata
Dated : 23rd June, 2020

On behalf of the Board of Directors
Kuldip Singh Dhingra
Chairman
(DIN: 00048406)

ANNEXURE IX**BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2019-2020**

[As per Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

INTRODUCTION

Pursuant to Regulation 34(2)(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations"), top 1000 listed companies based on market capitalization as per NSE/BSE as on the 31st March of every financial year are required to present, as a part of the Annual Report, a "Business Responsibility Report" (BRR).

The following is the fourth BRR of your Company:

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L51434WB1923PLC004793
2. Name of the Company: BERGER PAINTS INDIA LIMITED
3. Registered address: Berger House, 129 Park Street, Kolkata - 700017
4. Website: www.bergerpaints.com
5. E-mail id: arunitoganguly@bergerindia.com
6. Financial Year reported: 2019-2020
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Group*	Description
202	Manufacture of paints, varnishes, enamels or lacquers
201	Manufacture of organic and inorganic chemical compounds

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation.

8. The three key products/services that the Company manufactures/provides (as in balance sheet):
 - Manufacture of decorative (architectural) paints
 - Manufacture of automotive paints and industrial paints
 - Manufacture of protective coatings
9. Total number of locations where business activity is undertaken by the Company :
 - i. Number of International locations – None
 - ii. Number of National Locations –
 - Manufacturing Plants – 14*
 - Sales Depots/Offices – 164*
 - Registered office & Head office - Berger House, 129, Park Street, Kolkata - 700 017

* includes British Paints division units.

10. Markets served by the Company: Mainly local (India).

Section B: Financial Details of the Company

1. Paid up Capital (INR) – ₹ 97.12 crore (as on 31.03.2020)
2. Total Turnover (INR) – ₹ 5,691.69 crore (2019-2020)
3. Total Profit after taxes (INR) – ₹ 699.05 crore (2019-2020)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (PAT) – 2.40% of PAT
5. List of activities in which expenditure in 4 above has been incurred – Details as per Principle 8

Section C: Other Details

1. Does the Company have any subsidiary company/companies?: Yes
2. Do the subsidiary company/companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): No
3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]: No

Section D: Business Responsibility Information

1. Details of Director/Directors responsible for BR
 - a) Details of the Director responsible for implementation of the BR policies during the year:
 - DIN Number – 03439064
 - Name – Mr Abhijit Roy
 - Designation – Managing Director and CEO
 - b) Details of the BR head during the year:

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	Not Applicable
2	Name	Mr Aniruddha Sen*
3	Designation	Senior Vice President & Company Secretary
4	Telephone number	033-2229 9724-28
5	E-mail id	aniruddhasen@bergerindia.com*

* Retired from the services of the Companies w.e.f. the close business hours of 31st March, 2020. Mr Arunito Ganguly has been appointed as the Vice President & Company Secretary w.e.f. 1st April, 2020 and he has been nominated as the BR head w.e.f. this date. His e-mail id is arunitoganguly@bergerindia.com

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] BR policy/policies:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability [P1]

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2]

Principle 3: Businesses should promote the well-being of all employees [P3]

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized [P4]

Principle 5: Businesses should respect and promote human rights [P5]

Principle 6: Businesses should respect, protect, and make efforts to restore the environment [P6]

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7]

Principle 8: Businesses should support inclusive growth and equitable development [P8]

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

a) Details of compliance (Reply in Y/N) :

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y								
3.	Does the policy conform to any national/international standards? If yes, specify.	Y The Policy has been framed in line with the suggested framework as provided by SEBI based on the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs towards conducting its business.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y								
5.	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y								
6.	Indicate the link for the policy to be viewed online.	https://www.bergerpaints.com/about-us/business-responsibility-policy.html								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y								
8.	Does the company have in-house structure to implement the policy/policies?	Y								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y								
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y These policies and controls are continually evaluated through internal audit mechanism.								

b) If answer to the question at Sl. No.1 against any principle is 'No', please explain why: Not applicable.

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company – within 3 months, 3-6 months, annually or more than 1 year: Annually

- b) Does the Company publish a BR or Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

The Company has a BR Report which forms part of the Annual Report and is published annually. The Annual Report is uploaded on the website of the Company, which can be viewed at <https://www.bergerpaints.com/investors/annual-reports.html>.

Section E: Principle-Wise Performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Company continues to maintain the highest standards of ethics in all spheres of its business activities. Apart from the Code of Conduct required as per various laws, rules and regulations from time to time, the Company additionally has in place the Code of Conduct for all its Directors and employees applicable across the Company. The Company and its subsidiaries are committed to complying with the laws that apply to them, the Code of Conduct of the Company and particularly in assuring that business is conducted with integrity.

The Company has adopted the Code of Conduct, which is applicable to all Directors and employees of the Company. This code lays down standards of conduct and ethics for all its employees and Directors.

Pursuant to amended Regulations of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations") made effective from 1st April, 2019, your Company had adopted amended policies on the Code of Conduct to regulate, monitor and report trading in equity shares of the Company by Designated Persons pursuant to Regulation 9(1) of the PIT Regulations and the amended Whistle Blower Policy pursuant to Regulation 9A(6) of the PIT Regulations.

The Company has taken steps to ensure compliance with the above Regulations. Both the Regulations can be viewed at <https://www.bergerpaints.com/about-us/code-of-conduct-to-regulate-monitor-and-report-trading-by-designated-persons.html> and <https://www.bergerpaints.com/about-us/whistleblower-policy.html> respectively.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has not received any stakeholder complaint related to ethics or code of conduct in the past financial year.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is committed to the development of products that are useful to its consumers and has minimal environmental effect. The Research and Development department continues its endeavours and its focus on development of new technologies that reduces, if not eliminates, dependence on ecologically harmful raw materials and/or reduced energy requirement during application, at a lower cost with improved attribute, for both decorative and industrial line of business.

Some of the achievements in this context are as below:

A. Decorative Products :

- Polyester fibre reinforced paint for interior-exterior application.
- Low cost exterior with gloss, rich look and smoother finish.
- Economy exterior emulsion which is resistant to chalking, flaking, fading and prevent fungi and algae growth.
- Quick drying, anti-rust, anti-yellowing durable coating system.
- Economical elastomeric base coat.

B. Industrial products:

- Polyurethane coating with extended durability.
 - Mono coat polyurethane finish with higher productivity and energy savings
 - Direct to metal finish for PEB sector.
 - Moisture cured heat resistance coating.
 - High Solid Acrylic Polyol
2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional) :

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain:

The Company's R&D is always developing new formulations with an eye on environmental impact. For example, solvents and additives are chosen which have milder impact on the environment, wherever possible. Pigments with high carbon footprint are being reduced over the years.

ii. Reduction during usage by consumers (energy, water) which has been achieved since the previous year:

Several new products have been introduced in the decorative and industrial segments which reduce consumption of environmental resources such as water, energy, etc. at the consumer's end either during application or lower repainting frequency. Apart from this, the Company is aggressively pushing its express painting, an on-call painting service, which completes painting in a much less time than usually required.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? Yes.

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has continued to pursue its mission to conserve natural resources and ensure the protection of the environment. It has developed and sourced green raw materials to reduce the harmful effects on environment and natural resources. Efforts are continued to procure raw material having low carbon footprint and which are environment friendly.

The Company has continued its practice of maintaining a digital manual in place which acts as the guideline for purchase. Every purchase by the department is from the vendors who are already approved for supplying the particular material.

The Company has taken other initiatives in the matter of procurement of raw materials by resorting to clearance of imports directly from ports thereby eliminating the process of shifting to container freight stations, storehouses resulting in reduction in overhead costs. The Company is also making its efforts to procure raw material through e-bidding.

However, the Company's efforts to counter the external pressures with vendor development, raw material substitution, long term relation building exercises, employment of intelligent negotiating techniques and cost reduction tools and greater in-house production of emulsions and resins have yielded benefits which were a part of the exercise. In the future too, the endeavour will be to address such matters with creative solutions.

4. Has the Company taken any step to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. Local suppliers and vendors around the various workplaces where the Company operates are identified and trained at the Company's R & D Centre to make them understand the Company's business, its requirements to fulfil its commitment to its customers and non-compromising principle towards quality aspects and continuous value addition. Technical difficulties are discussed and resolved and performance evaluated periodically.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company is fully committed to continuously take steps to improve environment performance and strives to minimize the generation of wastes and optimize resource utilization through recycling or reuse of waste.

Modern Effluent Treatment Plants (ETP) are already put up at all manufacturing sites for treatment of waste water, reuse of such water, waste powder materials passed through bag filter are examples of such efforts.

In some of the units, the Company has installed Zero Liquid Discharge (ZLD) plants for recycling of industrial waste water. By installing ZLD plant, the Company ensures that all waste water is treated and used back again in the process. Thus, no waste water is discharged or released outside the plants.

The initiatives include:

1. Reuse of washing solvents;
2. Reuse of wash water;
3. Recycling of by-products;
4. Recycling of ETP sludge;
5. Zero Liquid Discharge facility.

Principle 3

The safety and well-being of the Company's employees is first and foremost and non-negotiable. The Company follows industry accredited best practices on health and safety across the operations and conducts all processes in a responsible manner to safeguard its employees. The Company has a long-standing practice of developing talent in-house. Much of this can be attributed to employee-friendly policies and practices and nurturing a culture of shared vision and commitment.

The Company's policy prohibits engaging of any child labour or involuntary labour. Thus, there are no complaints relating to child labour, forced labour and involuntary labour.

Practise of safety and health at the workplace is of paramount importance and in this direction, the Company has established policies, plans and procedures aimed at reducing accident rates and to build a strong safety culture amongst its employees. Occupational Health and Safety is centrally governed by corporate safety department and is supplemented by Central Risk Assessment Committee, Plant Head, Plant Environment, Health and Safety (EHS) Manager and Department Safety Committees. Corporate EHS and Quality (TQM) ensures the Design Safety from the starting phase of the projects with all hazard and risk mitigation techniques like HAZOP, Hazard Identification and Risk Assessment (HIRA), Failure Mode Effect Analysis (FMEA), Management of Change (MOC), etc. during modification or alteration of any process or activity. The Company has in its staff, specially trained safety professionals along with trained line personnel. Health and Safety aspects are also covered in all its agreements with unions and contractors and are a part of the same. Some of the initiatives taken in the area of Health and Safety are in the manufacturing units of the Company which follow the Berger Paints Safety Guidelines and Manual which is based on country's Legal Framework and International Standards for Fire Safety, Industrial Safety, Health and Hygiene and Environmental Protection. The Occupational Health Centers at Company's manufacturing locations are in line with the regulatory requirements and the Company takes all possible measures to keep these up-to-date with latest devices, facilities and trained professionals.

For the plants as well as sales warehouses, Safety Week Campaigns, periodic fire mock drills, emergency preparedness, electrical assessments, electrical safety trainings, safety campaigns, safety audits are organized to sensitize workers about environment, health and safety. The units and sales depots are graded on annual safety performance based on legal and statutory compliance, external electrical audit, safety audit, kaizen, emergency preparedness and response and overall EHS awareness. Annual award is presented based on their excellence in EHS practices.

Wellness Initiatives at Factories:

- Yoga Sessions;
- Training on Behaviour Based Safety (BBS);

- Training to nearby school and college students on Environment and Safety awareness on occasion of World Environment Day and National Safety Day;
- Training to employee families on household safety;
- Employee and transporters training on defensive driving techniques;
- Awareness training session with units and sales depots on COVID 19 precautions by Medical professionals and others.

Environment Health and Safety Legal Compliances at Factories:

- EHS legal compliance are in line with the State Rules as well as Central Acts as applicable;
- Fire protection, detection and suppression systems are installed as per National and International guidelines and are updated as per new, upgraded technologies;
- Environmental compliances are as per Central and State specific guidelines;
- Hazardous waste segregation at source and disposals as per hazardous waste management rules;
- Solvent storages are as per Petroleum Rules and guidelines with management and installation of all safety related measures as per need and requirements.

Employees

1. Please indicate the total number of employees: 3,600
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 3,259
3. Please indicate the number of permanent women employees: 76
4. Please indicate the number of permanent employees with disabilities: Nil
5. Do you have an employee association that is recognized by management?: Yes
6. What percentage of your permanent employees are members of recognized employee association?: 13%
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour and sexual harassment in the last financial year and pending, as on the end of the financial year: Nil
8. What percentage of your under mentioned employees were given safety and skill up gradation training in the last year?
 - Permanent Employees – 65%
 - Permanent Women Employees – 60%
 - Casual/Temporary/Contractual Employees – 73%
 - Employees with Disabilities – N.A.

Principle 4

1. Has the Company mapped its internal and external stakeholders? : Please see item 3 below.
2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders? : Please see item 3 below.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company has continued the process of identification of its stakeholders through structured processes initiated in a systematic manner. Various environmental, social, corporate governance and economic issues are considered as priority matters of importance and are eventually taken into consideration in the Company's strategic decision-making process.

The Company endeavours to maintain healthy stakeholder engagement, allow stakeholders' participation wherever possible and promotes a collective decision-making process. The Company continues to appreciate that all its stakeholders are not equally influential or gets influenced and therefore it encourages them to pro-actively engage with and respond to safeguard the interest of those that are disadvantaged, vulnerable and marginalised and who are at underdeveloped areas.

Principle 5

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

It covers the Company's subsidiaries.

2. How many stakeholder complaints have been received in the past financial year and what per cent was satisfactorily resolved by the management?

The Company appreciates and believes that human rights are inherent, universal, indivisible and interdependent in nature.

The Company understands and continuously strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights. The principles of non-discrimination, zero tolerance to sexual harassment and human rights have been laid down in the Company's Code of Conduct and the Business Responsibility Policy.

The Company has not received any stakeholder complaint related to human rights in the past financial year.

Principle 6

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The policy related to Principle 6 covers and extends to all the employees of the Company and its subsidiaries. Regular meetings are held to educate vendors about environmental risks and concerns and how to address them and the Company strongly encourages and recommends non-ISO certified vendors to go for ISO certification.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes. Your Company is engaged in the production of paints and is committed to continually improving environmental performance and believes that it is its duty to responsibly engage in sustainable methods and practices and accordingly the Company has adopted an environmental policy, which can be viewed at: <https://www.bergerpaints.com/about-us/quality-policy.html>.

3. Does the Company identify and assess potential environmental risks? Y/N : Yes
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

The manufacturing units of the Company have inducted sound environment management systems (EMS) and practices in all its activities through adoption of ISO system (ISO 14001). With the adoption of EMS, the management of the environmental programs are done in a comprehensive, systematic, planned and documented manner.

Manufacturing facilities also conduct environmental impact study and reviews the impact on environment, systematically and periodically.

Environment management programmes relating to conservation, waste management, recycling emissions, etc. are held periodically at manufacturing facilities which create awareness amongst the workers.

The Clean Development steps include closed loop systems, fume extraction systems, use of proper stacks and PUC (Pollution Under Control) checks for all inputs.

The Vallabhvidyanagar plant (“VVN”) belonging to Beepee Coatings Private Limited, a wholly owned subsidiary of the Company, received Environment Award organized by Greentech Foundation, New Delhi, National Energy Efficiency Circle Award organized by CII, New Delhi, Occupational Health and Safety Award organized by Indian Chamber of Commerce, Kolkata, National Award for Excellence in Water Management organized by CII-Triveni Water Institute, New Delhi, National Energy Conservation Award organized by Ministry of Power and Bureau of Energy Efficiency. The Human Resources team at the VVN plant received HR Convention Award “Creating a Quality Centric Role of HR” organized by Quality Council Forum of India, Vadodara Chapter. The Jammu plant received Appreciation Certificate in large business category from ICC Environment Excellence Award 2019 - Greentech Environment Award, 2019 and Greentech Safety Award, 2019 from Greentech Foundation.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. Yes. If yes, please give hyperlink for web page, etc.
- i. The steps taken on conservation of energy include:
- a) Roof top Solar Power Plant at Hindupur already installed. Besides that, the implementation of the same is in progress for Jejuri, Assam and Rishra Plants.
 - b) Development of energy efficient Hydrofoil type Agitators in Water Base Emulsion Mixing Tanks, resulting in enormous energy savings.
 - c) Bio-briquette fired Thermic Fluid Heaters installed at Jammu, Assam, Puducherry, Rishra, Jejuri and Goa plants.
 - d) Installation of energy efficient LED lights for internal and external lighting.
 - e) Usage of Screw type Compressors resulting in approximately 30% energy savings.
 - f) VFD installed in all the high HP motors.
 - g) Installation of APFC Panels (Automatic Power Factor Control Panel) in all the plants.
 - h) Installation of Maximum Demand Controllers.
 - i) Fluid Coupling installed at all the Ball Mills to reduce the Transmission losses and in turn the Energy losses.
 - j) Ring Main system implemented for the Compressed Air lines of all the Plants.
 - k) Installation of Draft Automation system for Bio-briquette fired Thermic Fluid Heaters.
 - l) Installation of Timers in Ball Mills and Mixing Tanks.
 - m) Usage of Photo sensors in Street Lights.
 - n) Usage of light weight FRP Blades in Cooling Tower Fans.
 - o) Automatic operation (switching on/off) of the Cooling Tower fans, based on the Sump Temperature.
 - p) Usage of Multi refrigeration circuits in Chilling Plants so as to operate the Chilling Plants, only as per the required load of the Process.
 - q) Installation of energy efficient Sand Mills (IEC) in place of Ball Mills.

Other Steps taken for the Electrical Systems from the Safety aspect across the Plants :

- a) Automatic fire Detection and Suppression system for the Electrical Panels with the latest Fire Extinguishing agent (Novec 1230) available, which has Zero Ozone Depletion Potential.
- b) Surge Protection devices for the Electrical Panels to safeguard the Electrical Equipment from any spikes of Voltage.
- c) Forms of Electrical Separation in the Electrical Panels are being done as per the safest standard (IEC 61439) to eliminate the chances of electrocution.
- d) Dry Run Protection Relay for the Pumps to eliminate the chances of damage of the Pumps, by stopping the pumps automatically if the liquid is not available in the pump suction.

ii. Energy conservation measures for alternative energy usage :

Process improvement and Energy savings measures adopted, other than those mentioned at (i) above:

- a) In-house Colorant manufacturing facility has been launched at Rishra Plant,
 - b) Automatic Storage and Retrieval System (ASRS) installed in the FG Warehouses of Hindupur, Jammu and VVN to increase the throughput of the Plants and maintain FIFO system.
 - c) Pneumatic Powder Handling System along with Silos installed at Hindupur Plant to increase the throughput of Water Base Plant.
 - d) Fully Automatic Filling Machines installed at Water Base and Solvent Base Plants.
 - e) Fully Automatic Robotic Palletisation System installed at Hindupur, Rishra, Goa, Naltali plants.
 - f) Dust Extraction system with Automatic Dampers and VFD have been installed.
6. Is the emission/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?
- Emission/waste generated by the Company is within the permissible limits given by CPCB/SPCB.
7. Number of show cause/legal notices received from CPCB/SPCB which is pending (i.e., not resolved to satisfaction) as on end of Financial Year : Nil.

Principle 7

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:
 - Indian Paint Association (IPA)
 - The Bengal Chamber of Commerce & Industry (BCCI)
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas :

The Company's employees, including its technical and legal experts, participate regularly in discussing various aspects of regulations relating to environment, use of various materials in paints and use of lead and in matters of taxation, economic reforms, etc. and meeting regulatory bodies for framing guidelines/policies in respect of these issues.

Principle 8

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Yes. The Company's policy in this regard can be seen at the following web link - <https://www.bergerpaints.com/about-us/csr-policy.html>

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?

They are generally undertaken through in-house team with external involvement in a few cases.

3. Have you done any impact assessment of your initiative?

Please see the Report on CSR Activities/initiative annexed with the Directors' Report.

4. What is your Company's direct contribution to community development projects-amount in INR and the details of the projects undertaken:

Please see the Report on CSR Activities/initiative annexed with the Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Please see the Report on CSR Activities/initiative annexed with the Directors' Report.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as at the end of financial year?

22 consumer cases were pending as at 31st March, 2020.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information).

All product information displayed by the Company adheres to and conforms to norms as mandated by law and do not convey misleading messages. Additionally, product information can be found in the Product Information Sheets which are available with the dealers of the Company and on the website of the Company and on some products.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so : NIL.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Consumer survey/feedback sessions/satisfaction level are conducted and ascertained and feedbacks obtained on a regular basis to assess the acceptance level of the Company along with regular market research studies conducted by agencies appointed by the Company.

CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31st MARCH, 2020

In accordance with the provisions of Regulations 17 to 27, 46 (2) (b) to (i) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the 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 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 the 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 part of the promoter group), 2 are Non-Executive, (both are part of the promoter group) and 5 are Non-Executive, Independent Directors as per the details given in the table herein below. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").

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.

The names and categories of the Directors on the Board at the close of business hours on 31st March, 2020, their attendance at the Board meetings held during the year under review and at the last Annual General Meeting (AGM), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public limited companies are given herein below:

Name of the Director	Category of Director	Attendance at Meetings		Directorship/Committee Membership in other Companies (including Berger Paints India Limited)		Directorship in other Listed entity (Names of the listed entities and the category of directorship)
		No. of Board Meetings attended	Attendance at last AGM#	No. of Directorships in Public Limited Companies*	No. of Committee Memberships/ Chairmanship*	
MR KULDIP SINGH DHINGRA* (DIN-00048406)	NON-EXECUTIVE CHAIRMAN/ PROMOTER (NON-INDEPENDENT)	6	P	15	–	–
MR GURBACHAN SINGH DHINGRA* (DIN-00048465)	NON-EXECUTIVE VICE CHAIRMAN/ PROMOTER (NON-INDEPENDENT)	6	P	17	2 (Chairman of 1)	–
MR ABHIJIT ROY (DIN-03439064)	MANAGING DIRECTOR & CEO (NON-INDEPENDENT)	6	P	6	1	–
MS RISHMA KAUR* (DIN-00043154)	EXECUTIVE DIRECTOR (NON-INDEPENDENT, LADY DIRECTOR)	6	P	15	–	–
MR KANWARDIP SINGH DHINGRA* (DIN-02696670)	EXECUTIVE DIRECTOR (NON-INDEPENDENT)	6	P	6	–	–
MR NARESH GUJRAL (DIN-00028444)	NON-EXECUTIVE (INDEPENDENT)	4	–	16	–	–
MR PULAK CHANDAN PRASAD (DIN-00003557)	NON-EXECUTIVE (INDEPENDENT)	4	P	4	1	1 Vaibhav Global Limited (Non -Executive Director) 2 Justdial Limited (Non - Executive Director)
MR ANOOP HOON (DIN-00686289)	NON-EXECUTIVE (INDEPENDENT)	6	P	1	–	–
MRS SONU HALAN BHASIN (DIN-02872234)	NON-EXECUTIVE (INDEPENDENT, LADY DIRECTOR)	6	P	6	4 (Chairman of 1)	1 Whirlpool of India Limited (Independent Director) 2 Sulej Textiles And Industries Limited (Independent Director)
DR ANOOP KUMAR MITTAL* (DIN-05177010)	NON-EXECUTIVE (INDEPENDENT)	–	–	4	2	Unitech Limited (Nominee Director)

P denotes present in the meeting

* Please refer notes.

NOTES:

- Includes directorships in private companies but does not include bodies corporate incorporated outside India. Further, none of them is a member of more than ten committees or chairman/chaiperson of more than five committees across all the public companies in which he/she is a Director.

For the purpose of determination of limit of the Board Committees, chairmanship and membership of the Audit Committee and Stakeholders' Relationship and Investor Grievance Committee have been considered as per Regulation 26(1)(b) of the Listing Regulations.

- Mr Kuldeep Singh Dhingra and Mr Gurbachan Singh Dhingra are brothers.
- Ms Rishma Kaur is the daughter of Mr Kuldeep Singh Dhingra and Mr Kanwardip Singh Dhingra is the son of Mr Gurbachan Singh Dhingra. Other directors are not related inter-se except the above.
- The status of independence is as per the requirement of the provisions of the Act as well as the Listing Regulations.
- Mr Dharendra Swarup resigned as a Director of the Company w.e.f. 13th June, 2019.
- Mr Gopal Krishna Pillai ceased to be a Director of the Company w.e.f. 12th September, 2019.
- Mr Kamal Ranjan Das ceased to be a Director of the Company w.e.f. the close of business hours of 31st March, 2020.
- Dr Anoop Kumar Mittal was appointed as an Additional Director on the Board of Directors of the Company w.e.f. 19th March, 2020.

A chart or a matrix setting out the core skills/expertise/competence identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board along with the names of Directors who have such/skills/expertise/competence:

Name of Directors	Qualification	Skills/Expertise/Competence possessed, required for the business and actually available
Mr Kuldeep Singh Dhingra (Chairman)	Science Graduate, Hindu College, Delhi University	Mr Kuldeep Singh Dhingra is a promoter, an industrialist with long standing experience in the paint and related industries. His rich experience and expertise is helpful for the organic and inorganic growth of the business.
Mr Gurbachan Singh Dhingra (Vice Chairman)	Graduate	Mr Gurbachan Singh Dhingra is a promoter, an Industrialist and has a considerable experience in paint industry, especially in its technical aspects. His expertise is helpful for the business growth, its manufacturing and technical aspects.
Mr Abhijit Roy (Managing Director and Chief Executive Officer)	BE (Mechanical), Jadavpur University & Post Graduate Diploma in Management from IIM, Bangalore	Vast experience of accomplishing sales, understanding of market and consumers, contemporary marketing strategy, branding strategies and business promotion. He possesses leadership experience in handling financial management and strategic planning with a vision of the future.

Name of Directors	Qualification	Skills/Expertise/Competence possessed, required for the business and actually available
Ms Rishma Kaur (Executive Director)	B.Sc (Hons.) in Business studies, University of Buckingham, U.K. Studied German language, University of Augsburg, Bavaria, Germany	Has got experience and knowledge in paint industry. She has been involved in development of business including those relating to large projects in decorative paints, development of marketing initiatives and corporate affairs.
Mr Kanwardip Singh Dhingra (Executive Director)	Bachelor's degree in Chemical Engineering from University of Akron, Ohio, USA with specialization in Polymer Engineering and minor in Chemistry	Has got experience in Manufacturing and Process Engineering and accordingly contributes to setting up of various projects of the Company, its subsidiaries and associates, looking into its manufacturing and technical matters.
Mr Naresh Gujral (Non-Executive, Independent Director)	Fellow Member of the Institute of Chartered Accountants of India	An eminent industrialist and a social activist. He is the founder of Span India Group and is on the Board of a number of reputed companies. Expert in the field of management and decision making including policy related matters.
Mr Pulak Chandan Prasad (Non-Executive, Independent Director)	B.Tech, IIT, Delhi, Post Graduate Diploma in Management from IIM, Ahmedabad	He is an expert in the field of management and finance which is the key to decision making and framing of long term strategies. Has an understanding of complex business and regulatory environment, decision making capabilities and developing sound governance practices.
Mr Anoop Hoon (Non-Executive, Independent Director)	B.A. in Economics and Post Graduate in IR & PM from XLRI, Jamshedpur	Has experience in marketing, sales, organisational development, HR, supply chain and commercial functions. He also served as a Business Head of various leading Corporates where he was associated.
Mrs Sonu Halan Bhasin (Non-Executive, Independent Director)	B.Sc (Hons) in Mathematics, St Stephen's College, Delhi University and MBA: Faculty of Management Studies (FMS), Delhi University	Wide range of experience in handling financial management and developing management strategies. Expert in policy making, strategic planning and also authored a book on entrepreneurship and success.
Dr Anoop Kumar Mittal (Non-Executive, Independent Director)	B.E. in Civil Engineering, from Thapar Institute of Engineering & Technology, Punjab University, Patiala. He was conferred "Doctor of Philosophy" (Honoris Causa) - Chancellor, Singhania University	Wide range of expertise and experience in the sector of construction, infrastructure, real estate, advisory function, policy making and management. A renowned civil engineer, has helped develop various flagship schemes and has been a part of advisory and policy making in different government sectors.

MEETINGS AND ATTENDANCE:

Seven Board Meetings were held during the year 2019-2020 and the gap between two consecutive Meetings did not exceed one hundred and twenty days. The Board Meeting dates for a calendar year are usually finalised in the previous calendar year to provide sufficient notice.

Nine resolutions of the Board were passed by circulation during the financial year 2019-2020 and the dates of the Board Meetings were as follows:

SR. NO.	DATE OF MEETING	NO. OF DIRECTORS PRESENT
1	16th April, 2019	12
2	30th May, 2019	8
3	5th August, 2019	8
4	15th October, 2019	4
5	5th November, 2019	9
6	5th February, 2020	9
7	18th February, 2020	6

NOTES:

- Other than the Executive Directors, all Directors were entitled to sitting fees of ₹50,000/-for attending each Board Meeting. No sitting fee is payable for attending Committee Meetings. At the Board Meeting held on 5th August, 2019, the Board discussed the matter of payment of sitting fee to the Non-Wholetime Directors and all the Non-Wholetime Directors present at the Meeting waived payment of sitting fees with effect from the next Meeting of the Board.
- Required quorum was present at 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 that land.

INDEPENDENT DIRECTORS:
I. Meetings:

As stipulated by the Code of Independent Directors under the Act and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 5th February, 2020 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's management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties.

II. Familiarization Programme for Independent Directors:

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company, a Familiarization Programme for the Independent Directors has been adopted and implemented.

Once appointed, the Independent Directors undergo Familiarization Programme of the Company. Necessary information and supportive documents in respect of paint industry, the regulatory environment under which the Company operates and Annual Reports of past financial years are provided to the Independent Directors. The Independent Directors visit the manufacturing units, regional offices and also visit Company's retail outlets and hold one-on-one discussions with Key Functional Heads of

the Company to understand various functions which are critical to the business performance of the Company. The Independent Directors are also provided with financial results, internal audit findings, risk inventories and other specific documents as sought for from time to time. The Independent Directors are also made aware of all policies and Code of Conduct and Business Ethics adopted by the Board.

Details of the Familiarization Program imparted during the year under review has been uploaded on the website of the Company at www.bergerpaints.com and is available at <https://www.bergerpaints.com/about-us/familiarization-program.html>.

III. Formal Letter of Appointment:-

In terms of the provisions of Regulation 46(2)(b) of the Listing Regulations and Section 149 of the Act, and Rules framed thereunder, the Independent Directors of the Company were appointed for a period of five years by the Members of the Company at the General Meetings. A formal letter of appointment setting out the terms and conditions of appointment, roles and functions, responsibilities, duties, fees and remuneration, liabilities, resignation/removal, etc., as specified under Schedule IV to the Act, has been issued to each of the Independent Directors subsequent to obtaining approval of the Members to their respective appointments. The terms and conditions of such appointment of the Independent Directors are also made available on the website of the Company and at <https://www.bergerpaints.com/about-us/standard-letter-of-appointment.html>.

- IV. As required under Regulation 25(8) of the Listing Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations and confirmations received from the Independent Directors, the Board of Directors confirmed that the Independent Directors of the Company meet the criteria of independence as stipulated under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act, and the rules framed thereunder and they are independent of the management.

Pursuant to Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014 all the Independent Directors of the Company are registered on the website of Institute of Corporate Affairs notified under Section 150(1) of the Act.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Directors proposed to be appointed/re-appointed has been annexed to the Notice convening the 96th Annual General Meeting.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2020 have been made by the Directors.

- V. Pursuant to the Act, the tenure of office of each Independent Director may extend upto five consecutive years from the date of his/her appointment. Mr Dharendra Swarup (DIN: 02878434) had tendered his resignation as a Non-Executive, Independent Director of the Company with effect from 13th June, 2019 since he was unable to devote sufficient time due to other pressing commitments.

Mr Gopal Krishna Pillai's (DIN: 02340756) tenure as Non-Executive, Independent Director expired on 12th September, 2019. Consequent upon such expiry he ceased to be an Independent Director of the Company.

Mr Kamal Ranjan Das (DIN: 00048491) ceased to be Non-Executive, Independent Director of the Company w.e.f close of business hours on 31st March, 2020 upon expiry of his second term as an Independent Director of the Company.

Dr Anoop Kumar Mittal (DIN: 05177010) has been appointed as an Additional Director (category: Non-Executive, Independent) with effect from 19th March, 2020 and will hold office upto the date of forthcoming Annual General Meeting. It is proposed to appoint Dr Anoop Kumar Mittal as a Non-Executive, Independent Director at the forthcoming Annual General Meeting, details of which are mentioned in the Notice convening the Annual General Meeting.

COMMITTEES OF DIRECTORS:
I. AUDIT COMMITTEE:

The Composition, Meetings and Attendance of the Audit Committee is as under:

SR. NO.	NAME OF DIRECTORS	CATEGORY	NO. OF MEETINGS ATTENDED
1	MRS SONU HALAN BHASIN	CHAIRMAN	4
2	MR DHIRENDRA SWARUP*	CHAIRMAN	1
3	MR GURBACHAN SINGH DHINGRA	MEMBER	5
4	MR PULAK CHANDAN PRASAD	MEMBER	4
5	MR GOPAL KRISHNA PILLAI#	MEMBER	2
6	MR KAMAL RANJAN DAS**	MEMBER	2
7	MR NARESH GUJRAL \$	MEMBER	-
8	DR ANOOP KUMAR MITTAL \$	MEMBER	-

NOTES:

- * Ceased to be the Chairman and Member of the Audit Committee w.e.f. 30th May, 2019.
- # Ceased to be a Member of Audit Committee upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. 12th September, 2019.
- ** Ceased to be a member of Audit Committee upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. close of business hours of 31st March, 2020.
- \$ Were inducted as Audit Committee members w.e.f. 1st April, 2020.

Mr Aniruddha Sen, Senior Vice President & Company Secretary ceased to be the Secretary of the Audit Committee, consequent upon his retirement from the services of the Company w.e.f. close of business hours of 31st March, 2020. Mr Arunito Ganguly, Vice President and Company Secretary was appointed as the Secretary to the Audit Committee w.e.f. 1st April, 2020.

1. The quorum for Independent Directors as required under Regulation 18(2)(b) of the Listing Regulations was complied with during the year.
2. Effective 1st April, 2019, no sitting fee was paid to the Directors for attending Audit Committee Meetings.
3. Invitees/Participants:
 - Mr Abhijit Roy, Managing Director & CEO and Mr. Srijit Dasgupta, Director – Finance & CFO are permanent invitees to all Audit Committee Meetings. The Committee also invites Members of the Board to attend Meetings of the Committee as per their convenience.
 - Head of the Internal Audit Department attends all the Audit Committee Meetings 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.

The terms of reference of the Audit Committee covers the matters specified under the Listing Regulations read with Section 177 of the Act.

Roles & Responsibilities of the Audit Committee inter alia, includes, 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 related party transactions proposed to be entered by the Company under Section 177 of the Act.

Eight resolutions by circulation were passed by the Audit Committee and five Audit Committee Meetings were conducted during the year 2019-2020 as detailed below:

SR. NO.	DATE OF MEETING
1	16th April, 2019
2	30th May, 2019
3	5th August, 2019
4	5th November, 2019
5	5th February, 2020

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 Act and Regulation 19 of the Listing Regulations. The Remuneration Committee fulfils the roles as laid out in the Act and as per roles specified in Part D of Schedule II of the Listing Regulations which are as below:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- (2) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- (3) Devising a policy on diversity of Board of Directors.
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.
- (6) Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Composition, Meetings and Attendance of the Remuneration Committee is as under:

SR. NO.	NAME OF DIRECTORS	CATEGORY	NO. OF MEETINGS ATTENDED
1	MR KAMAL RANJAN DAS*	CHAIRMAN	2
2	MR KULDIP SINGH DHINGRA	MEMBER	3
3	MR PULAK CHANDAN PRASAD	MEMBER	2
4	MR ANOOP HOON#	MEMBER	2
5	DR ANOOP KUMAR MITTAL\$	MEMBER	-

Notes:

- * Ceased to be the Chairman and Member of the Remuneration Committee upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. the close of business hours on 31st March, 2020.
- # Appointed as a member of the Remuneration Committee w.e.f. 16th April, 2020. Thereafter, upon cessation of Mr Das as the Chairman of the Committee, Mr Hoon was appointed as the Chairman of the Remuneration Committee w.e.f. 1st April, 2020.
- \$ Was inducted as a Remuneration Committee member w.e.f. 1st April, 2020.

Mr Aniruddha Sen, Senior Vice President & Company Secretary ceased to be the Secretary of the Remuneration Committee, consequent upon his retirement from the services of the Company w.e.f. close of business hours of 31st March, 2020. Mr Arunito Ganguly, Vice President and Company Secretary was appointed as the Secretary to the Remuneration Committee w.e.f. 1st April, 2020.

Four Resolutions by Circulation of the Remuneration Committee were passed and three Remuneration Committee Meetings were held during the year 2019-2020 as detailed below:

SR. NO.	DATE OF MEETING
1	16th April, 2019
2	30th May, 2019
3	5th February, 2020

EMPLOYEE STOCK OPTION PLAN

Your Company had earlier re-introduced the ESOP Scheme, aligned with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in the year 2016 in accordance with the approval of the members granted at the Annual General Meeting held on 3rd August, 2016, to reward eligible employees.

In accordance with the aforesaid scheme of 2016 and the earlier scheme of 2010, the Remuneration Committee has granted 94,224 options on 09/11/2019 to 171 eligible employees [including 2,035 to Mr Abhijit Roy and 1,565 to Mr Srijit Dasgupta, being Key Managerial Personnel (KMPs)] and also allotted 90,069 equity shares of ₹1 each (face value) to other eligible employees (including KMPs as per details below) upon exercise of their options granted earlier to them. The allotment of the aforesaid shares were made on 24th December, 2019.

In accordance with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, the Company had allotted shares to KMPs on 24th December, 2019, on their exercising the options earlier granted to them and the details of the allotments made are as follows:

NAME OF KMPs	DESIGNATION	NO. OF EQUITY SHARES ALLOTTED
MR ABHIJIT ROY	MANAGING DIRECTOR & CEO	2,448 shares
MR SRIJIT DASGUPTA	DIRECTOR-FINANCE & CFO	1,883 shares
MR ANIRUDDHA SEN *	SR VICE PRESIDENT & COMPANY SECRETARY	1,256 shares

* Mr Aniruddha Sen, Senior Vice President and Company Secretary retired from the services of the Company w.e.f. close of business hours of 31st March, 2020.

For further details, please refer to **Annexure II** to the Directors' Report where detailed information required to be disclosed in terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 are enclosed.

Please also visit the weblink: <https://www.bergerpaints.com/investors/esop-disclosure.html>. for disclosures under Regulation 14 of the aforesaid Regulations.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Your Company understands the requirements of an effective Board Evaluation process and accordingly conducts the Performance Evaluation every year in respect of the following:

- i. Board of Directors as a whole.
- ii. Committees of the Board of Directors.
- iii. Individual Directors including the Chairman of the Board of Directors.

In compliance with the requirements of the provisions of Section 178 of the Act, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January 2017, your Company has carried out a performance evaluation process internally for the Board/Committees of the Board/Individual Directors including the Chairman of the Board of Directors for the financial year ended 31st March, 2020. During the year under review, the Company has complied with all the criteria of Evaluation as envisaged in the SEBI Circular on 'Guidance Note on Board Evaluation'.

The key objectives of conducting the Board Evaluation process were to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company. Similarly, the key objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to ascertain if the Directors actively participate in the Board/Committee Meetings and contribute to achieve the common business goals of the Company.

The Directors carry out the aforesaid performance evaluation in a confidential manner and provide their feedback on a rating scale of 1-5. Duly completed formats were sent to the Chairman of the Board and the Chairman/Chairperson of the respective Committees of the Board for their consideration. The performance evaluation feedback of the Chairman was sent to the Chairman of the Remuneration Committee.

This year also, the outcome of such performance evaluation exercise was discussed at a separate Meeting of the Independent Directors held on 5th February, 2020 and was later tabled at the Remuneration Committee Meeting held on 5th February, 2020. The Remuneration Committee forwarded their recommendation based on such performance evaluation process to the Board of Directors and the same was tabled at the Board Meeting held on 5th February, 2020.

After completion of internal evaluation process, the Board of Directors at its Meeting held on 5th February, 2020, also discussed the performance evaluation of the Board, its Committees and individual directors. The performance evaluation of independent directors of the Company were done by the entire Board of Directors, excluding the independent directors being evaluated and after being satisfied with the outcome, it was noted that the Committees are working effectively.

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

REMUNERATION OF DIRECTORS:

In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs), Functional Heads and other employees of the Company. The policy provides for criteria and qualifications for appointment of Directors, KMPs and SMPs, remuneration paid/payable to them, Board diversity, etc. The said policy has been uploaded on the website of the Company at <https://www.bergerpaints.com/about-us/remuneration-policy>.

The remuneration of Directors is as under:

A. EXECUTIVE DIRECTORS

The details of the remuneration paid to the Executive Directors for the Financial Year 2019-2020 are as follows:

PARTICULARS	MR ABHIJIT ROY (₹)	MR KANWARDIP SINGH DHINGRA (₹)	MS RISHMA KAUR (₹)
FIXED COMPONENTS:			
CONSOLIDATED SALARY	2,48,75,493	41,82,273	41,82,273
COMPANY'S CONTRIBUTION TO PROVIDENT FUND, GRATUITY AND SUPERANNUATION FUND	42,35,069	2,74,484	2,43,484
ALLOWANCES AND ESTIMATED PERQUISITES IN KIND	44,75,140	2,97,775	2,96,736
VARIABLE COMPONENT:			
SEVERANCE FEES	-	-	-
COMMISSION	55,60,000	-	-
PERFORMANCE INCENTIVE	-	2,93,484	2,93,484
ESOP DETAILS	11,81,527	-	-
TOTAL	4,03,27,229*	50,48,016	50,15,977

* Includes the value of ESOPs.

B. NON-EXECUTIVE DIRECTORS:

The Board of Directors upon recommendation of Compensation and Nomination and Remuneration Committee decides on the remuneration of the Non-Executive Directors in accordance with the provisions of the Articles of Association of the Company subject to the approval of the Members. Such remuneration is also in line with the Remuneration Policy of the Company and in terms of the specific requirements under the Act and the Listing Regulations.

Remuneration by way of sitting fees for attending Board Meetings were paid to the Non-Executive, Independent Directors upto the Board Meeting held on 5th August, 2019. Thereafter, the Board discussed and the Non-Wholetime Directors waived their right to receive sitting fees for the future meetings of the Board.

The Non-Executive Directors are also entitled to a Commission on Net Profits not exceeding 1% in aggregate of the Net Profits computed in the manner referred to in Section 198 of the Act and Rules framed thereunder, 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 same was approved by the Members at the Annual General Meeting held on 4th August, 2017.

The details of the remuneration paid to the Non-Executive Directors for the Financial Year 2019-2020 are as follows:

NAME OF DIRECTORS	COMMISSION (₹)	SITTING FEES (₹)	TOTAL (₹)
MR KULDIP SINGH DHINGRA	18,00,000	1,50,000	19,50,000
MR GURBACHAN SINGH DHINGRA	10,00,000	1,50,000	11,50,000
MR NARESH GUJRAL	7,20,000	50,000	7,70,000

NAME OF DIRECTORS	COMMISSION (₹)	SITTING FEES (₹)	TOTAL (₹)
MR DHIRENDRA SWARUP **	-	50,000	50,000
MR PULAK CHANDAN PRASAD	-	-	-
MR GOPAL KRISHNA PILLAI @	-	1,00,000	1,00,000
MR KAMAL RANJAN DAS #	3,00,000	1,00,000	4,00,000
MR ANOOP HOON	7,20,000	1,50,000	8,70,000
MRS SONU HALAN BHASIN	7,20,000	1,50,000	8,70,000
DR ANOOP KUMAR MITTAL*	-	-	-
TOTAL	52,60,000	9,00,000	61,60,000

** Resigned as a Non-Executive, Independent Director w.e.f. 13th June, 2019.

@ Ceased to be a Non-Executive, Independent Director w.e.f. 12th September, 2019.

Ceased to be a Non-Executive, Independent Director w.e.f. close of business hours on 31st March, 2020.

* Appointed as an Additional Director w.e.f. 19th March, 2020.

Total number of equity shares of (₹) 1/- each held by Key Managerial Personnel (KMPs) as on 31st March, 2020 is as follows:

NAME OF KMPs	DESIGNATION	NUMBER OF EQUITY SHARES HELD
MR ABHIJIT ROY	MANAGING DIRECTOR & CEO	73,204
MR SRIJIT DASGUPTA	DIRECTOR-FINANCE & CFO	90,016
MR ANIRUDDHA SEN	SENIOR VICE PRESIDENT & COMPANY SECRETARY	40,035

III. SHAREHOLDERS' COMMITTEES:

A. SHARE TRANSFER COMMITTEE:

The Composition, Meetings and Attendance of the Share Transfer Committee is as under:

SR. NO.	NAME OF DIRECTORS	CATEGORY	NO. OF MEETINGS ATTENDED
1	MR ABHIJIT ROY	CHAIRMAN	10
2	MR KAMAL RANJAN DAS *	MEMBER	10
3	MR ANIRUDDHA SEN \$	MEMBER	10
4	MR SRIJIT DASGUPTA	MEMBER	10
5	MR ANOOP HOON #	MEMBER	-
6	MR ARUNITO GANGULY #	MEMBER	-

Notes:

* Ceased to be a member of the Share Transfer Committee upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. the close of business hours of 31st March, 2020.

\$ Ceased to be a member of the Share Transfer Committee consequent upon his retirement from the services of the Company w.e.f. the close of business hours of 31st March, 2020.

Inducted as Share Transfer Committee members w.e.f. 1st April, 2020.

Eleven resolutions by circulation of the Share Transfer Committee were passed and ten Share Transfer Committee Meetings were held during the financial year 2019-2020 as detailed below:

SR. NO.	DATE OF MEETING
1.	30.04.2019
2.	31.05.2019
3.	29.06.2019
4.	29.07.2019
5.	31.08.2019

SR. NO.	DATE OF MEETING
6.	30.9.2019
7.	31.10.2019
8.	30.11.2019
9.	31.12.2019
10.	31.01.2020

B. STAKEHOLDERS' RELATIONSHIP AND INVESTOR GRIEVANCE COMMITTEE:

The Composition, Meetings and Attendance of the Stakeholders' Relationship and Investor Grievance Committee is as under:

SR. NO.	NAME OF DIRECTORS	CATEGORY	NO. OF MEETINGS ATTENDED
1	MR GURBACHAN SINGH DHINGRA	CHAIRMAN	1
2	MR KAMAL RANJAN DAS *	MEMBER	1
3	MR ABHIJIT ROY	MEMBER	1
4	MR ANOOP HOON #	MEMBER	-

Notes:

* Ceased to be a member of Stakeholders' Relationship and Investor Grievance Committee upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. the close of business hours on 31st March, 2020.

Inducted as a Stakeholders' Relationship and Investor Grievance Committee member w.e.f 1st April, 2020.

Mr Aniruddha Sen, Senior Vice President & Company Secretary ceased to be the Secretary of the Stakeholders' Relationship and Investor Grievance Committee, consequent upon his retirement from the services of the Company w.e.f the close of business hours of 31st March, 2020. Mr Arunito Ganguly, Vice President and Company Secretary was appointed as the Secretary to the Stakeholders' Relationship and Investor Grievance Committee w.e.f. 1st April, 2020.

The Chairman of the Committee was present at the Annual General Meeting held on 5th August, 2019 to answer the queries of shareholders.

The amended Listing Regulations require the Stakeholders' Relationship and Investor Grievance Committee of the Board to oversee apart from addressing normal grievances of investors, broadly the following w.e.f. 1st April, 2019, being the terms of reference:

- (1) Resolving the grievances of the security holders of the listed entities including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, General Meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entities in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entities for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

One Stakeholders' Relationship and Investors Grievance Committee Meeting was held on 16th March, 2020 during the financial year 2019-2020.

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 : 4
- No. of Complaints resolved during the year : 4
- No. of Complaints not resolved to the satisfaction of shareholders : NIL
- Pending Complaints as on 31st March, 2020 : NIL

IV. BUSINESS PROCESS AND RISK MANAGEMENT COMMITTEE:

The Board of Directors have defined the procedures, practices, roles and responsibilities of the above mentioned 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 terms of reference of the Committee are as follow:

- Framing, overseeing and monitoring implementation of Risk Management Policy.
- Validating the process and procedure of Risk Management and Risk Mitigation.
- Periodically reviewing and evaluating the Risk Management Policy.

The Composition, Meetings and Attendance of Business Process and Risk Management Committee is as under:

SR. NO.	NAME OF DIRECTORS	CATEGORY	NO. OF MEETINGS ATTENDED
1	MR GURBACHAN SINGH DHINGRA	CHAIRMAN	2
2	MR ABHIJIT ROY	MEMBER	2
3	MR KAMAL RANJAN DAS *	MEMBER	1
4	MS RISHMA KAUR	MEMBER	2
5	MR KANWARDIP SINGH DHINGRA	MEMBER	2
6	MR SRIJIT DASGUPTA	MEMBER	2
7	MR ANIL BHALLA	MEMBER	2
8	MR ANOOP HOON	MEMBER	2

Notes:

- * Ceased to be a member of the Business Process and Risk Management Committee upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. the close of business hours on 31st March, 2020.

Two Business Process and Risk Management Committee meetings were convened during the financial year 2019-2020 and the dates are as follows:

SR. NO.	DATE OF MEETING
1	20th September, 2019
2	8th January, 2020

V. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135, read with Schedule VII of the Act, the Corporate Social Responsibility (CSR) Committee had been formed. The terms of reference of the CSR Committee are as follows:

- Formulating and recommending to the Board, a CSR Policy.
- Recommending the amount of expenditure to be incurred on CSR activities.
- Monitoring CSR Policy.

The Composition, Meetings and Attendance of CSR Committee is as under:

SR. NO.	NAME OF DIRECTORS	CATEGORY	NO. OF MEETINGS ATTENDED
1	MR KULDIP SINGH DHINGRA	CHAIRMAN	1
2	MR ABHIJIT ROY	MEMBER	1
3	MR SRIJIT DASGUPTA	MEMBER	1
4	MR ANIL BHALLA	MEMBER	1
5	MR KAMAL RANJAN DAS *	MEMBER	0
6	MR KANWARDIP SINGH DHINGRA	MEMBER	1
7	MS RISHMA KAUR	MEMBER	1
8	MR ANIRUDDHA SEN #	MEMBER	1
9	DR ANOOP KUMAR MITTAL **	MEMBER	-
10	MR ARUNITO GANGULY**	MEMBER	-

Notes:

- * Ceased to be a member of CSR Committee upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. the close of business hours of 31st March, 2020
- # Ceased to be a member of CSR Committee consequent upon his retirement from the services of the Company w.e.f. close of business hours of 31st March, 2020.
- ** Inducted as CSR Committee members w.e.f. 1st April, 2020.

One CSR Committee Meeting was held on 6th February, 2020 during the Financial Year 2019-2020.

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 authorised signatories, authorisation for appearance before court, tax authorities, etc. which require immediate approval.

The Composition, Meetings and Attendance of Committee of Directors for Regular Matters is as under:

SR. NO.	NAME OF DIRECTORS	CATEGORY	NO.OF MEETINGS ATTENDED
1	MR KULDIP SINGH DHINGRA	CHAIRMAN	23
2	MR ABHIJIT ROY	MEMBER	22
3	MR KAMAL RANJAN DAS *	MEMBER	23
4	MR ANOOP HOON #	MEMBER	-

Notes:

- * Ceased to be a member of Committee of Directors for regular matters upon expiry of his tenure as a Non-Executive, Independent Director on the Board w.e.f. the close of business hours of 31st March, 2020
- # Inducted as a member of the Committee of Directors for Regular Matters w.e.f. 1st April, 2020.

Mr Aniruddha Sen, Senior Vice President & Company Secretary ceased to be the Secretary of the Committee of Directors for regular matters, consequent upon his retirement from the services of the Company w.e.f. close of business hours of 31st March, 2020. Mr Arunito Ganguly, Vice President and Company Secretary was appointed as the Secretary to the Committee of Directors for regular matters w.e.f. 1st April, 2020.

Twenty three Meetings of the above committee were convened during the financial year 2019-2020 and the dates are as follows:

SR. NO.	DATE OF MEETING	SR. NO.	DATE OF MEETING	SR. NO.	DATE OF MEETING
1	16.04.2019	9	16.08.2019	17	16.12.2019
2	30.04.2019	10	31.08.2019	18	31.12.2019
3	16.05.2019	11	16.09.2019	19	16.01.2020
4	30.05.2019	12	30.09.2019	20	31.01.2020
5	17.06.2019	13	18.10.2019	21	17.02.2020
6	01.07.2019	14	01.11.2019	22	29.02.2020
7	15.07.2019	15	16.11.2019	23	16.03.2020
8	31.07.2019	16	02.12.2019		

GENERAL BODY MEETINGS:

Date, Time and Venue of the last three Annual General Meetings were as follows:

FINANCIAL YEAR	VENUE	DATE	TIME	WHETHER SPECIAL RESOLUTION PASSED
2016-17	KALAMANDIR 48, SHAKESPEARE SARANI KOLKATA 700 017	04.08.2017	11:00 a.m.	YES
2017-18	KALAMANDIR 48, SHAKESPEARE SARANI KOLKATA 700 017	03.08.2018	11:00 a.m.	YES
2018-19	KALAMANDIR 48, SHAKESPEARE SARANI KOLKATA 700 017	05.08.2019	11:00 a.m.	YES

POSTAL BALLOT:

The Company did not conduct any business through Postal Ballot during the year under review.

DISCLOSURES:

- A. As per the amended Listing Regulations, a certificate from a Company Secretary in practice stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this Corporate Governance Report (**Annexure-B**).
- B. The Board has accepted all the recommendations of the various committees of the Board which is mandatorily required, in the relevant financial year.
- C. The Company has not entered into any materially significant related party transaction which would have potential conflict with the interest of the Company at large.
- D. The Company has complied with all the applicable requirements of the Listing Regulations.
- E. Whistle Blower Policy has been framed by the Company and no personnel have been denied access to the Audit Committee.

- F. 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:** The 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 Managing Director & CEO:** The Chairman of the board is a Non-Executive Promoter Director and his position is separate from that of the Managing Director & CEO.
- G. The weblink where policy for determining ‘material’ subsidiaries is disclosed and can be viewed at <https://www.bergerpaints.com/about-us/rpt-policy.html>.
- H. The weblink where policy on dealing with related party transactions can be viewed at <https://www.bergerpaints.com/about-us/rpt-policy.html>.
- I. The Company has followed all relevant IND AS while preparing its financial statements.
- J. No penalties or strictures have been imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets during the last three financial years.
- K. The total fees (FY 2019-2020) for all services amounting to ₹0.83 crore was payable by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor (S. R. Batliboi & Co. LLP) and all entities in the network firm/network entity of which the statutory auditor is a part, as under:

NAME OF THE COMPANY	NATURE OF SERVICES	AMOUNT (₹ in Crore)
Berger Paints India Limited Group	Fees for Audit and Related Services including out of pocket expense	0.83
	Other Fees paid	-
Total		0.83

- L. Disclosure of commodity price risks and commodity hedging activities, see **Annexure – A** attached to this Corporate Governance Report.
- M. No fund was raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations.
- N. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- a. Number of Complaints filed during the financial year : NIL
 - b. Number of Complaints disposed of during the financial year : NIL
 - c. Number of Complaints pending as at the end of the financial year: NIL

DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE LISTING REGULATIONS:

A status of compliance with discretionary recommendations of Regulation 27(1) of the Listing Regulations is provided below:

1. **Shareholders’ Rights:** The quarterly and half-yearly financial performances along with significant events are published in the newspapers 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, 2020 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-Samay, Dainik Statesman, Aajkaal. Such results are also uploaded on the Company's website at <https://www.bergerpaints.com/investors/quarterly-reports.html>
- Any other such important announcement press/news releases is 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 in 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.

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 Act. The Independent Directors shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with their knowledge, attributable through Board processes, and with their consent or connivance or where they had not acted diligently with respect to the provisions of the Listing Regulations.

The Code of Conduct has been uploaded on the Company's website at <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 amended Regulations of the SEBI (Prohibition of Insider Trading) Regulations, 2015, ("the PIT Regulations") made effective from 1st April, 2019, your Company had adopted amended policies duly approved on the following:-

- (a) Code of practices and procedures for fair disclosure of unpublished price sensitive information under Regulation 8(1) of the PIT Regulations. This can be viewed at <https://www.bergerpaints.com/about-us/code-of-practices-and-procedures-policy.html>
- (b) Code of conduct to regulate, monitor and report trading by Designated Persons (DPs) pursuant to Regulation 9(1) of the PIT Regulations. This can be viewed at <https://www.bergerpaints.com/about-us/code-of-conduct-to-regulate-monitor-and-report-trading-by-designated-persons.html>
- (c) Policy for procedure of enquiry in case of leak of unpublished price sensitive information pursuant to Regulation 9A(5) of the PIT Regulations. This can be viewed at <https://www.bergerpaints.com/about-us/policy-for-procedure-of-inquiry-in-case-of-leak-of-unpublished-price-sensitive-information.html>
- (d) The amended Whistle Blower Policy pursuant to Regulation 9A(6) of the PIT Regulations. This can be viewed at <https://www.bergerpaints.com/about-us/whistleblower-policy.html>.

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

The Company does not have any convertible instruments. The number of equity shares held by Non-Executive Directors at the close of business hours on 31st March, 2020 is given below:

SR. NO.	NAME OF NON-EXECUTIVE DIRECTORS	NUMBER OF SHARES HELD BY THEM
1.	MR KULDIP SINGH DHINGRA	54,88,071
2.	MR GURBACHAN SINGH DHINGRA	44,21,888
3.	MR PULAK CHANDAN PRASAD	–
4.	MR NARESH GUJRAL	7,000
5.	MR ANOOP HOON	–
6.	MRS SONU HALAN BHASIN	–
7.	DR ANOOP KUMAR MITTAL	–

Place: Kolkata

Dated: 23rd June, 2020

On behalf of the Board of Directors

Kuldip Singh Dhingra

Chairman

(DIN: 00048406)



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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), 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, 2020. The said Code of Conduct has also been uploaded by the Company on its website: www.bergerpaints.com.

Place: Kolkata

Dated: 23rd June, 2020

Abhijit Roy
Managing Director & CEO
(DIN: 03439064)

[Annexure to Corporate Governance Report]

GENERAL SHAREHOLDERS' INFORMATION

ANNUAL GENERAL MEETING : **DATE** - 25th September, 2020.
TIME - 11:00 AM.
VENUE - To be held through VC/OAVM.

FINANCIAL YEAR : The accounting year covers the period from 1st April, 2019 to 31st March, 2020.

Financial Reporting for the quarters ending on:

- 30th June, 2020 (unaudited) – By 14th August, 2020
- 30th September, 2020 (unaudited) – By 14th November, 2020
- 31st December, 2020 (unaudited) – By 14th February, 2021
- 31st March, 2021 (audited) – By 30th May, 2021

[Note: The above dates are indicative in nature]

BOOK CLOSURE DATES : Book closure commences on 19th September, 2020 and ends on 25th September, 2020, both days inclusive.

DIVIDEND PAYMENT DATE : Interim Dividend was paid on 16th March 2020. Final Dividend, if declared will be paid on 6th October, 2020.

LISTING ON STOCK EXCHANGES ALONG WITH THE STOCK CODES : **The shares of the Company are listed on the following Stock Exchanges:**

- **NATIONAL STOCK EXCHANGE (NSE)**
National Stock Exchange of India Limited
“Exchange Plaza”, Plot no. C-1, G Block
Bandra Kurla Complex, Bandra (E) Mumbai 400 051.
Stock Code: BERGEPAINT
- **BOMBAY STOCK EXCHANGE (BSE)**
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001.
Stock Codes: 509480
- **CALCUTTA STOCK EXCHANGE (CSE)**
The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata 700 001.
Stock Codes: 12529

DEPOSITORIES : a) **NATIONAL SECURITIES DEPOSITORY LIMITED**
Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel
Mumbai 400 013.

b) **CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED**
Marathon Futurex, A-Wing, 25th Floor,
NM Joshi Marg, Lower Parel (East), Mumbai 400 013.

ISIN No. : **INE463A01038**

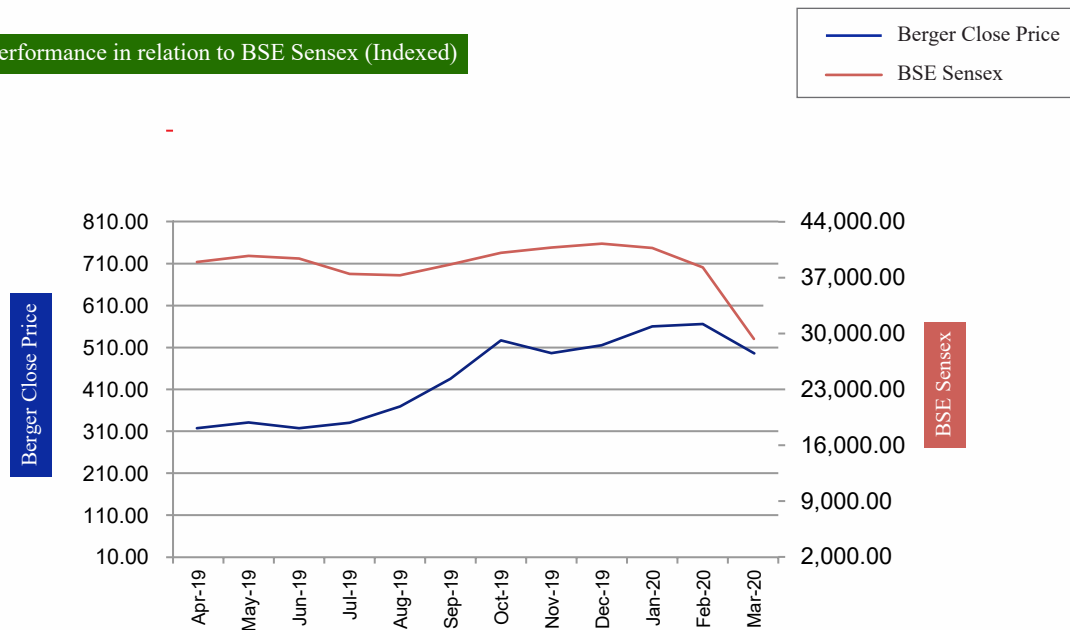
GENERAL SHAREHOLDERS' INFORMATION

MARKET PRICE (HIGH/LOW) AT BSE DURING EACH MONTH FOR THE FINANCIAL YEAR 2019-2020

Month	High (₹)	Low (₹)
April 2019	336.60	314.15
May 2019	343.00	292.20
June 2019	336.95	312.55
July 2019	340.75	300.05
August 2019	375.00	325.55
September 2019	444.60	356.65
October 2019	533.75	421.90
November 2019	527.70	467.00
December 2019	525.00	485.00
January 2020	579.70	484.15
February 2020	597.45	543.55
March 2020	578.10	390.00

SHARE PERFORMANCE IN RELATION TO BSE SENSEX

Share Performance in relation to BSE Sensex (Indexed)

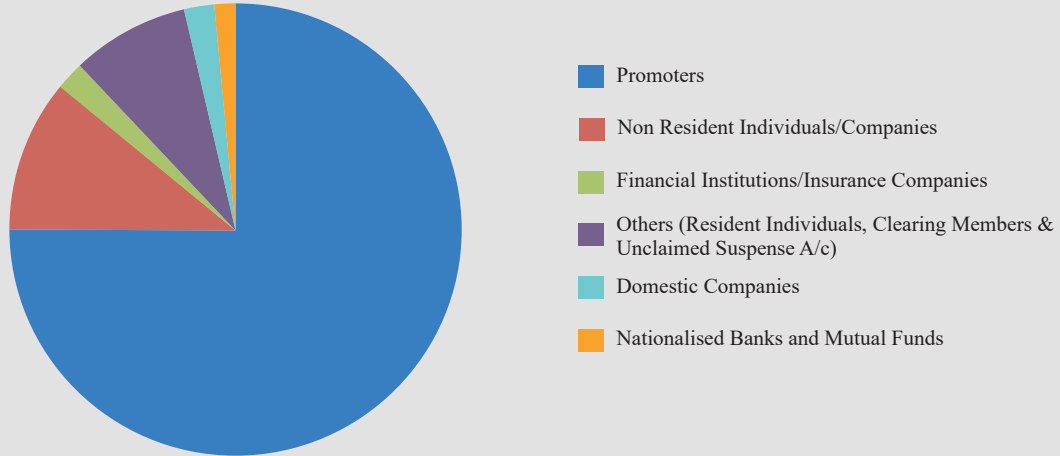


NUMBER OF SHAREHOLDERS AS ON 31ST MARCH, 2020:

120702

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2020

HOLDING (%)



Status	Holding	%
Promoter – Foreign	14,06,56,782	14.48
Promoter – Bodies Corporate	55,53,99,058	57.19
Promoters – Individual	3,22,63,861	3.32
Non Resident Individuals/Companies	11,77,29,564	12.12
Alternate Investment Fund	13,38,831	0.14
Financial Institutions/Insurance Companies/Bank	1,72,98,016	1.78
Others (Resident)	7,01,86,651	7.23
Mutual Fund	94,37,099	0.97
Domestic Companies	2,00,53,143	2.06
IEPF	61,75,298	0.64
Unclaimed Demat Suspense Account	6,81,477	0.07
TOTAL	97,12,19,780	100.00

DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2020

SHAREHOLDING OF NOMINAL VALUE (RANGE OF SHARES)		SHARE AMOUNT		DETAILS		
(₹)		(₹)	% OF TOTAL	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF TOTAL
1	5000	2,55,40,254	2.63	1,16,622	2,55,40,254	96.62
5001	10000	1,36,82,412	1.40	1,962	1,36,82,412	1.62
10001	20000	1,72,10,166	1.77	1,247	1,72,10,166	1.03
20001	30000	72,77,426	0.75	301	72,77,426	0.25
30001	40000	52,38,185	0.54	153	52,38,185	0.13
40001	50000	34,78,299	0.36	79	34,78,299	0.07
50001	100000	96,67,148	1.00	144	96,67,148	0.12
100001	& Above	88,91,25,890	91.55	194	88,91,25,890	0.16
TOTAL		97,12,19,780	100.00	1,20,702	97,12,19,780	100.00

SHARE TRANSFER SYSTEM:

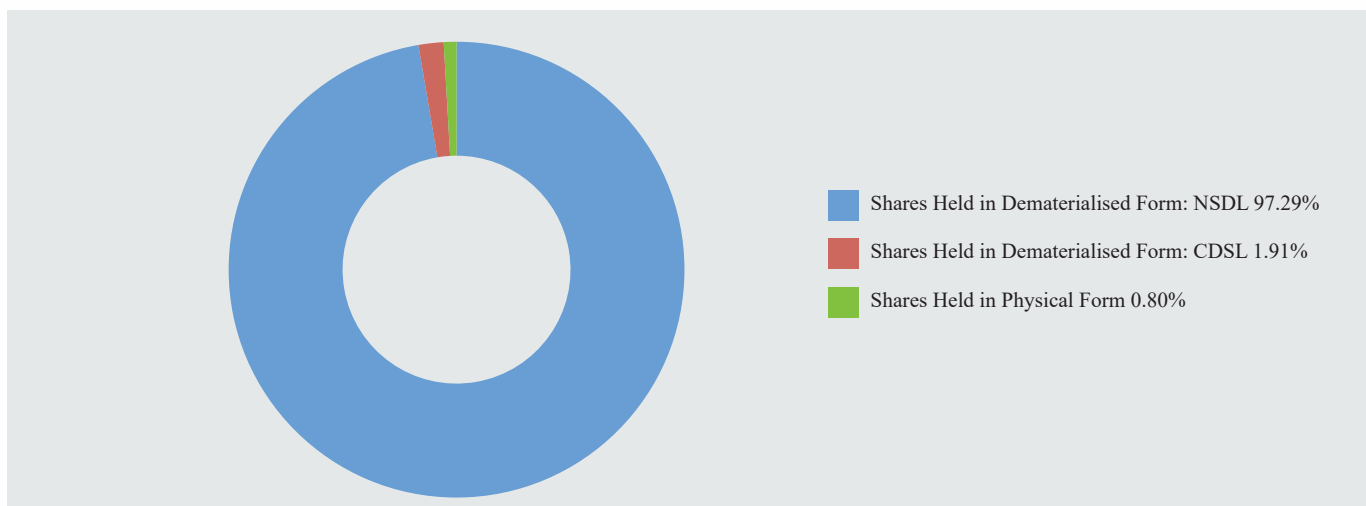
Shares sent for physical transfer are effected within 10 working days of lodgement. Approval for registration of share transfer, transmission etc. is normally obtained from the Share Transfer Committee by means of circular resolutions/at meetings within every 10-11 days (if through circular resolutions) and once in every month (if through a meeting). The total number of shares transferred in physical form during the year 2019-2020 was 23347 as compared to 115316 shares during 2018-2019. The shares transferred to the Investor Education and Protection Fund (IEPF) Account pursuant to Circular No. 12/2017 of the Ministry of Corporate Affairs, during the year 2019-2020 were 340856 equity shares covering 103 folios.

DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31ST MARCH, 2020

99.20% of the Company's shares is held in electronic form.

OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

There are no outstanding GDRs/ADRs/Warrants or convertible instruments.

SHARES HELD IN PHYSICAL AND DEMATERIALISED MODE AS ON 31ST MARCH, 2020


DIVIDEND HISTORY (LAST 10 YEARS)

FINANCIAL YEAR	DIVIDEND PER SHARE (₹)	TOTAL DIVIDEND (₹ in Crore)	DIVIDEND DISTRIBUTION TAX (₹ in Crore)	TOTAL DIVIDEND (INCLUDING DIVIDEND DISTRIBUTION TAX)
2019-2020 (Interim)	1.90	184.53	30.20	214.73
2018-19	1.90	184.51	25.07	209.58
2017-18	1.80	174.78	35.93	210.71
2016-17	1.75	169.93	34.59	204.52
2015-16 (Final)	1.00	97.09	19.76	116.85
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

- Effective 9th January, 2015, the equity shares of nominal face value of ₹2/- each were sub-divided into two equity shares of face value of ₹1/-each.

As you are aware that as per the Income tax Act, 1961 (the Act), as amended by the Finance Act, 2020, dividends paid or distributed by a Company on or after 1st April 2020 shall be taxable in the hands of the shareholders. The Company shall also be required to deduct tax at source at the time of making the payment of the said Final Dividend, if declared at the above AGM.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are provided in Tables 1 and 2 below:

Table 1: Resident Shareholders

Category of shareholder	Tax Deduction Rate	Exemption applicability/Documentation requirement
Any resident shareholder	7.5% (as per CBDT press release dated 13.05.2020 for the FY 2020-2021)	Update the PAN if not already done with depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – CB Management Services (P) Ltd. (in case of shares held in physical mode). No deduction of taxes in the following cases: <ul style="list-style-type: none"> If dividend paid/distributed or likely to be paid/distributed to a Resident Individual shareholder during FY 2020-2021 does not exceed ₹5,000/-, If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.
Submitting Form 15G/ Form 15H	NIL	<ul style="list-style-type: none"> The shareholder's estimated total income as well as dividend payable is below the taxable limit and a declaration is received from the concerned shareholders in Form 15G (for individuals up to age of 60 years). The shareholder's estimated total income is below the taxable limit and a declaration is received from the concerned shareholders in Form 15H (for individuals of the age of 60 years, or above).

Category of shareholder	Tax Deduction Rate	Exemption applicability/Documentation requirement
Order under Section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities
Insurance Companies:	NIL	A declaration that the shares are owned by it or it has full beneficial interest in such shares along with self-attested copy of PAN and registration document.
Corporation established by or under a Central Act which is, under any law for the time being in force, exempts from income- tax on its income.	NIL	Documentary evidence that the person is covered under Section 196 of the Act.
Mutual Funds	NIL	Self-declaration that it is covered under Section 10(23D) of the Act along with self-attested copy of PAN card and registration certificate.
Category I and Category II Alternative Investment fund	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25th June 2015.
Other resident shareholder without PAN/Invalid PAN	20%	

Please Note that:

- Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP ID-Client ID is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.
- Shareholders holding shares under multiple accounts under different status/category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts

Table 2: Non-resident Shareholders

Category of shareholder	Tax Deduction Rate	Exemption applicability/Documentation requirement
Any non-resident shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower	<p>Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company:</p> <ul style="list-style-type: none"> o Copy of the PAN Card, if any, allotted by the Indian authorities. o Self-attested copy of Tax Residency Certificate (TRC) valid for the year 2020 obtained from the tax authorities of the country of which the shareholder is resident. o Self-declaration in Form 10F in the attached form. o Self-declaration confirming not having a Permanent Establishment in India in accordance with the applicable Tax Treaty read with the Multilateral Instrument (where applicable), eligibility to Tax Treaty benefit and beneficial ownership of shares (format attached herewith). <p>TDS shall be deducted at 20% (plus applicable surcharge and cess) if any, if the above mentioned documents are not provided.</p> <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the Non-resident shareholder and are in accordance with the provisions of the Act.</p>
Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI)	20% (plus applicable surcharge and cess)	None
Submitting Order under Section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

Note: All the above referred tax rates shall be duly enhanced by the applicable surcharge and cess.

Commodity Price Risk or Foreign Exchange risk and Hedging activities

In accordance with the materiality criteria of commodities as determined by the Board and available at the Company's website at <https://www.bergerpaints.com/about-us/risk-management-policy.html>, no commodity is considered to be material.

The Company's Foreign Exchange exposure with respect to payables and loans are managed by continuously monitoring the exchange rates and premiums for forward cover and such exposure is hedged on a short term basis when commercially expedient to do so.

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:-

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

The Company, therefore, does not undertake any commodity hedging activity.

PLANT LOCATIONS:-

HOWRAH 14 & 15 Swarnamoyee Road Shibpur, Howrah 711 103 Phone: 033-2668 4706 Fax: 033-2668 2956	SIKANDRABAD* A-38, Industrial Area, Bulandshar Road, Sikandrabad (UP)-203 205 Phone: 05735-224511, 222431	PUDUCHERRY 53-56 Pandasozhanallur Village Nettapakkam Commune Puducherry - 605 106 Phone: 0413-269 9574/171
JAMMU SIDCO Industrial Growth Centre, Sambha, Dist. Jammu Jammu & Kashmir - 184 121 Phone: 09123-243644, 246539 (* includes British Paints Division)	GOA 316-317 Kundaim Industrial Estate Kundaim, North Goa Phone: 0832-239 5610/6407 Fax: 0832-239 5663/239 5610	RISHRA 103, G.T. Road Rishra, Hooghly- 712 248 Phone : 033-2672 0640/41/42 Fax: 033-2672 0491
SURAJPUR* D-19/4-5-6 & D-20, Site- B, Surajpur Industrial Area, Greater Noida - 201 306 Dist: Gautam Budhh Nagar (U.P) Phone: 0120-2561320	JEJURI Plot No. G-35, Additional Jejuri Industrial Area Tal - Purandar, Pune - 412 303 Phone: 02115254816/17/18/19	HINDUPUR Plot No. 262, Industrial Growth Centre Thumukunta Village, Hindupur - 515 211 Dist: Anantapur, Andhra Pradesh Phone: 08556-297245
HINDUPUR* Plot No. 32 (part), Gollapuram Industrial Park, Hindupur - 515 211, Ananthapuram District, Andhra Pradesh Phone: 9676070165	ASSAM (NALBARI)* IIDC of AIDC, Nathkuchi - 2, Near North East Mega Food Park, Tihu, Nalbari (Assam) - 781 355 Phone: 7086085604	ASSAM (NALTOLI) IIDC Centre Project Bhomoraguri/Naltali Dist: Nagaon, Assam
TALOJA Plot no. J-90, MIDC Taloja, Panvel Raigad - 410208 Maharastra (India)		

* British Paints Division

REGISTRARS AND SHARE TRANSFER AGENTS AND ADDRESS FOR CORRESPONDENCE:**M/s C B Management Services (P) Ltd**

P-22 Bondel Road, Kolkata 700 019

Phone: 91 33 4011 6700, 4011 6725

Fax No.: 91 33 4011 6739

E-mail: rta@cbmsl.com**COMPLIANCE OFFICER:**

Mr Aniruddha Sen (ACS 13917), Senior Vice President and Company Secretary retired from the services of the Company w.e.f close of business hours of 31st March, 2020.

Mr Arunito Ganguly (FCS 9285) was appointed as the Vice President and Company Secretary w.e.f 1st April, 2020.

FOR ANY QUERY RELATING TO YOUR SHAREHOLDING, PLEASE SEND YOUR QUERY AT:**1. BERGER PAINTS INDIA LIMITED**

Berger House, 129, Park Street, Kolkata 700 017

Phone: 91 33 2229 9724/28

Fax No.: 91 33 2227 7288

E-mail: consumerfeedback@bergerindia.com**2. M/S C B MANAGEMENT SERVICES (P) LTD.**

At the above address and E-mail id.

Credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad are as follows:-

Name of Entity	Instrument	Rating
CRISIL Limited	Bank Loan Rating	CRISIL AAA
CARE Ratings Limited	Commercial Paper Issue	CARE A1+
CRISIL Limited	Commercial Paper Issue	CRISIL A1+

There was no revision during the year.

DISCLOSURES AS PER REGULATION 34(3) READ WITH 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 Demat Suspense Account/ Unpaid Suspense Account are disclosed here:

SR. NO.	PARTICULARS	NO. OF SHAREHOLDERS	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	297	954035
2	Subsequently Transferred from suspense account to IEPF A/C on 25.10.2019	55	253587
	Total	242	700448
3	No of Shareholders who approached Issuer for transfer of shares from Suspense Account and shares released on 17.05.2019	1	336
4	No of Shareholders who approached Issuer for transfer of shares from Suspense Account and shares released on 02.08.2019	1	2688
5	No of Shareholders who approached Issuer for transfer of shares from Suspense Account and shares released on 09.08.2019	1	3360
6	No of Shareholders who approached Issuer for transfer of shares from Suspense Account and shares released on 27.09.2019	1	4300
7	No of Shareholders who approached Issuer for transfer of shares from Suspense Account and shares released on 31.12.2019	1	1568
8	No of Shareholders who approached Issuer for transfer of shares from Suspense Account and shares released on 28.02.2020	2	6719
	Total Shares released from Suspense Account during 2019-2020	7	18971
9	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year i.e. 31.03.2020	235	681477

Place: Kolkata

Dated: 23rd June, 2020

On behalf of the Board of Directors

Kuldip Singh Dhingra

Chairman

(DIN: 00048406)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To,
The Members of Berger Paints India Ltd
Berger House,
129 Park Street,
Kolkata: 700017

1. The Corporate Governance Report prepared by Berger Paints India Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C,D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended 31st March, 2020 as required by the Company for annual submission to the Stock exchanges and to be sent to the Stakeholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include-
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on 31st March, 2020 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

- iv. Obtained and read the minutes of the following committee meetings/other meetings held between 1st April, 2019 to 31st March, 2020
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting;
 - (d) Compensation and Nomination and Remuneration Committee;
 - (e) Stakeholders' Relationship and Investor Grievance Committee;
 - (f) Business Process and Risk Management Committee;
 - (g) Corporate Social Responsibility Committee;
- v. Obtained necessary declarations from the directors of the Company.
- vi. Obtained and read the policy adopted by the Company for related party transactions.
- vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
- viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended 31st March, 2020, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report 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.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership No.: 055596

UDIN: 20055596AAAABT9401

Place of Signature: Kolkata

Dated: 23rd June, 2020

ANNEXURE B**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Berger Paints India Limited
 Berger House
 129, Park Street
 Kolkata - 700017
 West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Berger Paints India Limited having CIN : L51434WB1923PLC004793 and having registered office at Berger House, 129, Park Street, Kolkata – 700017, West Bengal (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr Pulak Chandan Prasad	00003557	13.11.2009
2.	Mr Naresh Gujral	00028444	20.08.2014
3.	Ms Rishma Kaur	00043154	14.04.2011
4.	Mr Kuldip Singh Dhingra	00048406	17.07.1991
5.	Mr Gurbachan Singh Dhingra	00048465	14.05.1993
6.	Mr Anoop Hoon	00686289	01.02.2019
7.	Mr Kanwardip Singh Dhingra	02696670	03.08.2011
8.	Mrs Sonu Halan Bhasin	02872234	01.02.2019
9.	Mr Abhijit Roy	03439064	11.02.2011
10.	Dr Anoop Kumar Mittal	05177010	19.03.2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
 Date : 23rd June, 2020

Atul Kumar Labh
Practising Company Secretary
 Membership No. : FCS - 4848
 CP No. : 3238
UDIN : F004848B000355044

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Berger Paints India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Recognition of revenue from sale of goods (as described in Note 3.4 of the Standalone Ind AS financial statements)	
<p>The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the net consideration, which the Company expects to receive for those goods from customers. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration).</p> <p>The terms of sales arrangements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that require judgment in determining sales revenues.</p> <p>Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.</p>	<p>Our audit procedures included, among others the following:</p> <ol style="list-style-type: none"> 1. We read and evaluated the Company's revenue recognition policy and assessed its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. 2. We assessed the design and tested the operating effectiveness of internal controls related to sales and applicable rebates/discounts. 3. We performed test for a sample of individual sales transaction by comparing the underlying sales invoices, sales orders and dispatch documents to assess that revenue is recognized on transfer of control over those goods to the customer. 4. We tested on a sample basis rebates and discount schemes as approved by the management to assess its accounting. For the samples selected, we also compared that the actual rebates and discounts recognized in respect of particular schemes do not exceed their approved amounts. 5. We tested on a sample basis, sales transactions made prior to year-end and post-year end, and checked the period of revenue recognition with reference to underlying documents including customer's confirmation. 6. We read and assessed the relevant disclosures made in the standalone Ind AS financial statements.
Assessment of impairment of Investments in subsidiaries and joint ventures (as described in Note 28 of the standalone Ind AS financial statements)	
<p>The carrying values of the Company's investments in subsidiaries and joint ventures are assessed annually by management for potential indicators of impairment by reference to the requirements under Ind AS 36 "Impairment of Assets". Accordingly, management has identified impairment indicators in respect of one joint venture and certain subsidiaries. As a result, an impairment assessment was required to be performed by the Company by comparing the carrying value of these investments to their recoverable amount to determine whether an impairment was required to be recognised.</p> <p>For the purpose of the above impairment testing, management has determined the value in use and the fair value less costs to sell as applicable. Value in use has been determined by forecasting and discounting future cash flows. Furthermore, the value in use is sensitive to changes in some of the inputs used for forecasting the future cash flows.</p> <p>Accordingly, we identified the assessment of potential impairment of investments in subsidiaries and joint ventures as a key audit matter because impairment assessment involves significant degree of management judgement in determining the key assumptions.</p>	<p>Our audit procedures included, among others the following:</p> <ol style="list-style-type: none"> 1. We have obtained and discussed with management and evaluated the key judgements/assumptions underlying management's assessment of potential indicators of impairment. 2. Where potential indicators of impairment were identified, we evaluated management's impairment assessments and assumptions around the key drivers of the cash flow forecasts, discount rates, expected growth rates and terminal growth rates used by comparison with available financial information including considerations of the audited consolidated financial statements of the subsidiary. 3. We evaluated management estimates used in determination of fair value less costs to sell by consideration of available market and financial information. 4. We also performed sensitivity analysis to determine the impact of changes in the key assumptions, both individually and in aggregate. 5. We involved valuation specialists where considered necessary, to independently assess the assumptions and methodologies used by the Company in computing the recoverable amount. In making this assessment, we also assessed the objectivity, independence and competency of the valuation specialists. 6. We read and assessed the relevant disclosures made in the standalone Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or

error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 purposes 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, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) 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, as amended 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 standalone Ind AS financial statements – Refer Note 33 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any 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 No.: 055596

UDIN: 20055596AAAABR8060

Place: Kolkata

Date: June 23, 2020

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF BERGER PAINTS INDIA LIMITED

TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED (‘THE COMPANY’)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All property, plant and equipment 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) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment/right of use assets are held in the name of the Company, except for certain immovable properties aggregating ₹1.80 Crores as at March 31, 2020 acquired through schemes of amalgamation/arrangements as set out in Note 4(a)(v) and Note 32 (a) (i) to the standalone Ind AS financial statements.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at the year end and no material discrepancies were noticed in respect of such confirmations.
- (iii) 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, the Company has not advanced loans to directors/to a company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. Provisions of section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made and guarantees and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- (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) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues applicable to the Company 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, dues of income tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess that have not been deposited till the year end on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Crore)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
The Central Excise Act, 1944, Finance Act, 1994 and Customs Act, 1962	Excise Duty/Service Tax/Customs	0.90	April 2003 to December 2004, 2007-08, 2012-13, March 2013 to February 2014 & April 2015 to June 2017	Adjudicating Authority
		0.49	2004-05 & April 2013 to June 2017	Commissioner (Appeals)
		16.26	April 2003 to January 2010, April 2011 to December 2014 & 2006-07 to 2015-16	Customs Excise Service Tax Appellate Tribunal (CESTAT)
The Central Sales Tax Act, 1956 and The Value Added Tax Act, 2005	Sales Tax/ Value added Tax	3.47	2011-12 & 2012-13	Deputy Commissioner (VAT Assessment)
		11.79	1996-97, 1999-00 to 2001-02 & 2003-04 to 2005-06	Appellate and Revisional Board
		26.60	1983-84, 1984-85, 1988-89, 1989-90, 1991-92 to 1993-94, 1995-96, 1996-97, 1999-00, 2000-01 & 2002-03 to 2017-18	Appellate Authority
		2.32	1998-99, 1999-00, 2001-02, 2003-04, 2007-08 & 2011-12	Taxation Tribunal
		1.01	1994-95, 1996-97, 1997-98, 2003-04, 2005-06 to 2007-08, 2009-10, 2012-13 & 2013-14	High Court
Income Tax Act, 1961	Income Tax	3.49	2015-16	Commissioner of Income Tax (Appeals)

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank. The Company did not have any dues to government or debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans during the year. Therefore, the provision of clause (ix) of the Order are not applicable and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

- (xi) According to the information and explanations given by the management, 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) 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 Ind AS 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. Therefore, reporting requirements under clause 3(xiv) are not applicable to the Company and hence, not commented upon.
- (xv) 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 them as referred to in section 192 of Companies Act, 2013.
- (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 & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN: 20055596AAAABR8060

Place: Kolkata

Date: June 23, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS 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, 2020 in conjunction with our audit of the standalone Ind AS 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 with reference to these standalone Ind AS financial statements 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 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 with reference to these standalone Ind AS financial statements 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements 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 with Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, 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

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN: 20055596AAAABR8060

Place: Kolkata

Date: June 23, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

	Notes	As at March 31, 2020	As at March 31, 2019 (As Restated)	₹ in Crores As at April 01, 2018 (As Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	4	1,110.01	951.45	890.73
Capital work-in-progress	4	168.29	147.73	87.27
Intangible assets	4	6.93	7.36	4.29
Right of use assets	32	269.29	246.71	188.81
Financial assets				
(a) Investments	5a	468.63	331.80	303.18
(b) Loans and deposits	5b	18.01	16.42	19.99
(c) Other financial assets	5c	39.12	4.14	2.53
Income tax assets (net)	6	33.96	19.33	46.14
Other non-current assets	7	19.35	28.96	27.45
		2,133.59	1,753.90	1,570.39
Current assets				
Inventories	8	1,167.24	1,149.13	939.36
Financial assets				
(a) Investments	9a	179.35	245.51	227.59
(b) Trade receivables	9b	558.57	574.33	598.01
(c) Cash and cash equivalents	9c	55.66	27.24	64.18
(d) Bank balances other than (c) above	9d	69.89	104.53	56.39
(e) Loans and deposits	5b	9.01	7.98	1.96
(f) Other financial assets	5c	6.95	3.27	2.89
Other current assets	7	162.44	168.38	208.08
		2,209.11	2,280.37	2,098.46
Total assets		4,342.70	4,034.27	3,668.85
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10	97.12	97.11	97.10
Other equity	11	2,527.92	2,257.68	2,032.13
Total Equity		2,625.04	2,354.79	2,129.23
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Lease liabilities	32	178.43	185.05	149.52
(b) Deposits	12	25.88	11.94	3.54
Provisions	13	3.41	3.16	2.92
Deferred tax liabilities (net)	14a	29.14	51.43	50.88
Other non-current liabilities	15	2.48	2.45	1.72
		239.34	254.03	208.58
Current liabilities				
Financial liabilities				
(a) Borrowings	16a	222.46	215.34	143.27
(b) Lease liabilities	32	40.77	38.96	36.73
(c) Trade payables				
i) Total outstanding dues of micro enterprises and small enterprises	16b	49.98	46.38	17.84
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		962.94	921.76	914.73
(d) Other financial liabilities	12	125.99	130.41	113.95
Other current liabilities	15	42.65	50.39	85.00
Provisions	13	29.99	18.67	15.98
Current tax liabilities (net)	14c	3.54	3.54	3.54
		1,478.32	1,425.45	1,331.04
Total liabilities		1,717.66	1,679.48	1,539.62
Total equity and liabilities		4,342.70	4,034.27	3,668.85

Summary of Significant accounting policies

3

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

As per our report of even date

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

Firm Registration Number 301003E/E300005

 per **Bhaswar Sarkar**

Partner

Membership Number : 055596

Place: Kolkata

Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited
Kuldip Singh Dhingra – Chairman

Gurbachan Singh Dhingra – Vice-Chairman

Abhijit Roy – Managing Director & CEO

Srijit Dasgupta – Director-Finance & CFO

Arunito Ganguly – VP & Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Notes	Year Ended March 31, 2020	₹ in Crores Year Ended March 31, 2019 (Restated)
Income			
Revenue from operations	19	5,691.69	5,515.55
Other income	20	150.82	53.63
Total income		5,842.51	5,569.18
Expenses			
Cost of materials consumed	21	2,902.53	3,150.03
Purchases of traded goods		481.60	432.46
(Increase) in inventories of finished goods, work-in-progress and traded goods	22	(16.81)	(168.67)
Employee benefits expense	23	342.52	311.67
Finance costs	24	32.68	34.87
Depreciation and amortisation expense	25	170.52	165.45
Other expenses	26	1,024.05	927.42
Total expenses		4,937.09	4,853.23
Profit before exceptional items and tax		905.42	715.95
Exceptional items	26.3	-	(28.60)
Profit before tax		905.42	687.35
Tax expense			
Current tax		226.47	249.86
Deferred tax/(credit)	14a	(20.10)	1.64
Profit for the year (I)		699.05	435.85
Other comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains and (losses) on defined benefit obligations (net)		(8.71)	(3.15)
Income tax effect thereof		2.19	1.10
Other comprehensive loss for the year, net of tax (II)		(6.52)	(2.05)
Total comprehensive income for the year, net of tax (I + II)		692.53	433.80
Earnings per Equity Share of ₹1 each			
Basic (rounded off upto two decimal places)	27	7.20	4.49
Diluted (rounded off upto two decimal places)		7.20	4.49

Summary of Significant accounting policies

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

As per our report of even date

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

Chartered Accountants

Firm Registration Number 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number : 055596

Place: Kolkata

Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman
Gurbachan Singh Dhingra – Vice-Chairman
Abhijit Roy – Managing Director & CEO
Srijit Dasgupta – Director-Finance & CFO
Arunito Ganguly – VP & Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

a. Equity Share Capital:

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity shares of ₹ 1 each issued, subscribed and fully paid				
At the beginning of the year	97,11,29,711	97.11	97,10,31,428	97.10
Add: Issue of Shares on exercise of Stock Options (Note 31)	90,069	0.01	98,283	0.01
At the end of the year	97,12,19,780	97.12	97,11,29,711	97.11

b. Other Equity

For the year ended March 31, 2020

₹ in Crores

Particulars	Reserves & Surplus (refer Note 11)						Total Equity
	Securities premium	Share based Payment Reserve	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	
As at April 1, 2019 (Restated)	114.62	2.38	1,850.01	0.02	290.61	0.04	2,257.68
Profit for the year	-	-	699.05	-	-	-	699.05
Other comprehensive income for the year (net of tax)	-	-	(6.52)	-	-	-	(6.52)
Total Comprehensive Income for the year	-	-	692.53	-	-	-	692.53
Share based payments (Note 31)	-	2.04	-	-	-	-	2.04
Exercise of share options (Note 31)	2.15	(2.15)	-	-	-	-	-
Share Options forfeited/ lapsed (Note 31)	-	(0.02)	-	-	-	-	(0.02)
Dividends (Note 18)	-	-	(369.04)	-	-	-	(369.04)
Dividend distribution tax on dividend (Note 18)	-	-	(55.27)	-	-	-	(55.27)
As at March 31, 2020	116.77	2.25	2,118.23	0.02	290.61	0.04	2,527.92

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

For the year ended March 31, 2019

₹ in Crores

Particulars	Reserves & Surplus (refer note 11)						Total Equity
	Securities Premium	Share based payment Reserve	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	
As at April 1, 2018	112.34	2.20	1,641.30	0.02	290.61	0.04	2,046.51
Changes on account of Ind AS 116 (Refer Note - 3.23)	-	-	(14.38)	-	-	-	(14.38)
As at April 1, 2018 **	112.34	2.20	1,626.92	0.02	290.61	0.04	2,032.13
Profit for the year (Restated)	-	-	435.85	-	-	-	435.85
Other comprehensive income for the year (net of tax)	-	-	(2.05)	-	-	-	(2.05)
Total Comprehensive Income for the year	-	-	433.80	-	-	-	433.80
Share based payments (Note 31)	-	2.51	-	-	-	-	2.51
Exercise of share options (Note 31)	2.28	(2.28)	-	-	-	-	-
Share Options forfeited/lapsed (Note 31)	-	(0.05)	-	-	-	-	(0.05)
Dividends (Note 18)	-	-	(174.78)	-	-	-	(174.78)
Dividend distribution tax on Dividend (Note 18)	-	-	(35.93)	-	-	-	(35.93)
As at March 31, 2019 (Restated)	114.62	2.38	1,850.01	0.02	290.61	0.04	2,257.68

** Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer Note - 32)

Summary of Significant accounting policies

3

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

As per our report of even date

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

Chartered Accountants

Firm Registration Number 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number : 055596

Place: Kolkata

Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman
Gurbachan Singh Dhingra – Vice-Chairman
Abhijit Roy – Managing Director & CEO
Srijit Dasgupta – Director - Finance & CFO
Arunito Ganguly – VP & Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020
₹ in Crores

Particulars	2019-20	2018-19 (Restated)*
A. Cash flows from operating activities:		
Profit before tax	905.42	687.35
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortisation expense	170.52	165.45
Loss on sale/discard of Property, plant and equipment	0.12	1.64
Employee stock option cost	2.02	2.46
Impairment in subsidiary (refer note 26.3)	-	28.60
Income from guarantee provided	(1.35)	(1.39)
Unrealised foreign exchange (gain)/loss	3.38	(1.79)
Net gain on sale of mutual fund investments measured at FVTPL post investments	(15.94)	(13.87)
Fair value gain on mutual fund investments measured at FVTPL post investments	(0.83)	(6.18)
Dividend income	(100.09)	-
Finance costs	32.68	34.87
Interest income	(9.35)	(10.66)
Operating profit before working capital changes	986.58	886.48
Adjustments for :		
Increase in trade payables	41.40	37.36
Increase in other financial liabilities	1.56	22.95
Increase in other liabilities	(7.71)	(33.88)
Increase in provisions	11.32	2.69
Decrease in loans, deposits and other financial assets	(4.79)	(2.80)
Decrease in other assets	7.87	44.04
Decrease in trade receivables	15.76	23.68
Increase in inventories	(18.11)	(209.77)
Cash generated from operations	1,033.88	770.75
Direct taxes paid (net of refunds)	(241.10)	(223.05)
Net cash flows from operating activities (A)	792.78	547.70
B. Cash flows from investing activities:		
Purchase of Property, plant and equipment and intangible assets including capital work in progress	(290.53)	(253.09)
Proceeds from sale of Property, plant and equipment and intangible assets	1.86	1.24
Investment in joint venture and subsidiaries	(171.81)	(57.46)
Proceeds from sale of current investments	3,290.97	2,128.51
Purchase of current investments	(3,208.04)	(2,126.38)
Proceeds from maturity of fixed deposits with banks	142.80	150.50
Investment in fixed deposits with banks	(107.19)	(198.50)
Dividend received from subsidiary	100.09	-
Interest received	7.84	10.63
Net cash flows used in investing activities (B)	(234.01)	(344.55)
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital	0.01	0.01
Net movement in cash credit and buyer's credit	(41.38)	(86.51)
Proceeds from short term borrowings	3,538.92	3,281.60
Repayment of short term borrowings	(3,490.42)	(3,123.02)
Payment of lease liabilities	(98.61)	(78.11)
Interest paid	(15.53)	(20.51)
Dividend paid (including net dividend distribution tax)	(423.34)	(210.53)
Net cash flows used in financing activities (C)	(530.35)	(237.07)
Net increase/(decrease) in cash and cash equivalents [A+B+C]	28.42	(33.92)
Cash and cash equivalents as at the beginning of the year	27.24	61.16
Cash and cash equivalents as at end of the year	55.66	27.24
Components of cash and cash equivalents (Refer Note 9c)		
Balances with banks:		
– On current accounts	37.20	12.40
– Deposits with original maturity of less than three months	17.87	-
Cheques/drafts on hand	-	14.24
Cash on hand	0.59	0.60
Total cash and cash equivalents	55.66	27.24

* Restated pursuant to retrospective adoption of Ind AS 116, Leases (refer Notes 3.25 and 32)

Summary of Significant accounting policies

The accompanying notes are an integral part of the Standalone Ind AS financial statements.
As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
Firm Registration Number 301003E/E300005
per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman
Gurbachan Singh Dhingra – Vice-Chairman
Abhijit Roy – Managing Director & CEO
Srijit Dasgupta – Director-Finance & CFO
Arunito Ganguly – VP & Company Secretary

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

1. Corporate Information

Berger Paints India Limited ('BPIL' or 'the Company') is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable 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. The registered office of the Company is located at Berger House, 129, Park Street, Kolkata-700 017.

These Ind AS financial statements were approved for issue in accordance with a resolution of the Board of Directors on June 23, 2020.

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

These Ind AS financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values (refer accounting policy regarding financial instruments). The Ind AS financial statements are presented in INR and all values are rounded-off to the nearest crore (₹00,00,000) except when otherwise indicated.

These financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements. An additional balance sheet as at 1 April 2018 is presented in these Ind AS financial statements due to the retrospective application of accounting policies as a result of the adoption of Ind AS 116 Leases. See Note no. 3.23.

3. Summary of Significant Accounting Policies

3.1. Current and Non Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3.2. Foreign Currencies

Items included in the Ind AS financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Ind AS financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates (i.e., INR) at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or the Statement of Profit and Loss are also recognised in OCI or Statement of the Profit and Loss, respectively).

3.3. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

For assets and liabilities that are recognised in the Ind AS financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.4. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of Goods

Revenue from sale of goods is recognised on transfer of control in the goods to customers at a point of time by performance of obligation towards delivery or as per customers' instruction. The normal credit term is 30 to 90 days upon delivery. The revenue is based on the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, rights to return or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are considered. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

The Company provides volume rebates to certain customers once the quantity of products purchased by the customers during the period exceeds a threshold specified in the contract. Generally, rebates are offset against the amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the expected value method.

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS on constraining estimates of variable consideration to are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section "Financial instruments – initial recognition and subsequent measurement". Also refer Note 3.20 below.

3.5. Government Grants

Government grants and subsidies are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy relates to revenue and is not relatable to the corresponding costs, it is recognised as income on a systematic basis in the Statement of Profit and Loss, under Other Operating Revenue, over the periods necessary to match them with the related costs, which they are intended to compensate. When the grant or subsidy relates to an asset, it is deducted from the carrying amount of the asset. The grant is recognised in the Statement of Profit and Loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

i.e., by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.6. Taxes**Current Income Tax**

Current income-tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation 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.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Ind AS financial statements at the reporting date. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income (OCI) or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

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 temporary 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 temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary 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 temporary differences which originate first are considered to reverse first.

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Goods and Service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and Service tax paid, except:

- ▶ When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ▶ When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.7. Property, Plant and Equipment

Property, plant and equipment and Capital work in progress are carried at cost of acquisition, 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. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 28 regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

Depreciation is provided on Straight line method over the useful lives of property, plant and equipment 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 property, plant and equipment 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: 3 years to 21.05 years
- Motor Vehicles: 6.67 years
- Tinting Machines: Based on useful lives of 60 months
- No depreciation is provided on freehold land

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.8. Intangible Assets

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 any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.9. Research and Development

Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Expenditure incurred on research of an internal project is recognised as an expense in the Statement of Profit and Loss, when it is incurred.

Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use. An intangible asset arising from development is recognised if, and only if, the following criteria are met:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale.
- (b) the Company intends to complete the intangible asset and use or sell it.
- (c) the Company has ability to use or sell the intangible asset.
- (d) the Company can demonstrate how the intangible asset will generate probable future economic benefits.
- (e) the Company has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) the Company has ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

3.10. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing Costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs. Discount on Commercial Papers is amortised over the tenor of the underlying instrument. Borrowing Costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date the asset is ready for its intended use is added to the cost of the assets. Capitalisation of Borrowing Costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

3.11. Leases

Ind AS 116, Leases, replaces the existing standard on accounting for leases, Ind AS 17, with effect from April 01, 2019. The Company has elected to apply the full retrospective approach on transition, and accordingly the comparative numbers for all years presented in accordance with the requirements of Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors have been restated. Refer Note 3.23 for details. The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the present value of lease payments to be made over the lease term, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 2 years to 15 years
- Leasehold land 20 years to 99 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3.20 Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Note 32.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of properties taken on rent (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It has not opted for low-value assets recognition exemption. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3.12. Inventories

Raw materials, stores and spares and packing materials are valued at lower of cost and estimated net realisable value. Cost is determined on weighted average basis. 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.

Finished goods and Work-in-process 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.

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.

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

3.13. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, 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.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

3.14. Provisions and Contingencies

A provision is recognized when the Company has a present obligation (legal or constructive) 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. The expense relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The Company records a provision for decommissioning costs for its certain manufacturing facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

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. The Company does not recognize a contingent liability but discloses its existence in the Ind AS financial statements.

3.15. Employee Benefits

I. Defined Contribution Plan

a. Superannuation

Contribution made to Superannuation Fund for certain of employees are recognised in the Statement of Profit and Loss as and when services are rendered by employees. The Company has no liability for future Superannuation Fund benefits other than its contribution.

b. Provident Fund

Contributions in respect of Employees who are not covered by Company's Employees Provident Fund Trust are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to the Statement of Profit and Loss as and when services are rendered by employees. The Company has no obligation other than the contribution payable to the Regional Provident fund.

II. Defined Benefit Plan

a. Gratuity

Every employee who has completed five years or more of service is entitled to Gratuity as per the provisions of The Payment of Gratuity Act, 1972. 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/losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to the Statement of Profit and Loss in subsequent periods. 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. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

b. Provident Fund

In respect of the employees covered by the Company's Employee Provident Fund Trust in Point I b above, contributions to the Company's Employees Provident Fund Trust (administered by the Company as per the provisions of Employees'

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Provident Fund and Misc. Provisions Act, 1952) are made in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contribution to the Trust, the Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and recognizes such obligation, if any, determined based on an actuarial valuation as at the balance sheet date, as an expense.

III. Long Term Compensated Absences

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 the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

3.16. Employees Stock Option

Stock options are granted to the employees under the stock option scheme. The cost of stock options granted to the employees (equity-settled awards) of the Company is the difference between fair value of equity instruments granted and the price at which options may be exercised by concerned employees. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

Aforesaid cost of stock options is recognised, together with a corresponding increase in Employee Stock Options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e., the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

3.17. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.18. Forward Currency Contracts

The Company uses forward currency contracts to hedge its foreign currency risks. Such forward currency contracts are initially measured at fair value on the date on which a forward currency contract is entered into and are subsequently re-measured at fair value. Forward currency contracts are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in the fair value of forward contracts are recognized in the Statement of Profit and Loss as they arise.

3.19. Earnings Per Share

Basic Earnings Per Share is 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 is adjusted for the effects of all dilutive potential equity shares.

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

3.20. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Debt instruments at amortised cost
- Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost other than derivative contracts

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost on first time adoption of Ind AS. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
iv. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities
i. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowing or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.21. Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.22. Operating Segments

The Business Process and Risk Management Committee of the Company approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Company. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Company has identified that Chief Operating Decision Maker function is being performed by the Business Process and Risk Management Committee. The financial

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

information presented to the Business Process and Risk Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Company. As the Company's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the Ind AS financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

3.23. Changes in accounting policies and disclosures
New and amended standards –

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the full retrospective method of adoption, with the date of initial application on April 1, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The effect of adoption of Ind AS 116 is as follows:

Impact on standalone balance sheet (increase/(decrease):
₹ in Crores

	March 31, 2020	March 31, 2019	April 01, 2018
Assets			
Right-of-use assets	269.29	246.71	188.81
Property, plant and equipment	(74.91)	(45.11)	(20.31)
Prepayments	(5.51)	(4.62)	(4.35)
Total assets	188.87	196.98	164.15
Equity			
Retained earnings	(22.70)	(17.56)	(14.38)
Total equity	(22.70)	(17.56)	(14.38)
Liabilities			
Lease liabilities	219.20	224.01	186.25
Deferred tax liabilities	(7.63)	(9.44)	(7.72)
Total liabilities	211.57	214.57	178.53

NOTES TO IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the full retrospective method of adoption, the Company applied Ind AS 116 at the date of initial application as if it had already been effective at the commencement date of existing lease contracts.

As at April 1, 2018, March 31, 2019 and March 31, 2020:

- 'Right-of-use assets' were recognised and presented separately in the balance sheet. Lease assets recognised previously under finance leases, which were included under 'Property, plant and equipment', were derecognised.
- 'Prepayments' related to previous operating leases were derecognised.
- 'Deferred tax liabilities' decreased because of the deferred tax impact of the changes in recognised lease related assets and liabilities.
- 'Retained earnings' decreased due to the net impact of these adjustments.

For the year ended March 31, 2020:

- Depreciation expense increased because of depreciation charged on right of use assets recognised on adoption of Ind AS 116 (net of the decrease in 'Property, plant and equipment' consequent to derecognition of leasehold assets). This resulted in additional depreciation charge of ₹45.51 crores (March 31, 2019: ₹ 43.28 crores) for the year.
- Rent expense included in 'Other expenses', relating to previous operating leases, reduced by ₹55.24 crore (March 2019: ₹52.45 crore)
- 'Finance costs' increased by ₹13.02 crore (March 2019: ₹14.08 crore) relating to the interest expense on additional lease liabilities recognised.
- 'Income tax expense' decreased by ₹0.84 crore (March 2019: ₹1.72 crore) relating to the net tax effect of the aforesaid adjustment.
- Cash outflows from operating activities decreased by ₹ 98.61 crores (March 31, 2019: ₹78.11 crores) and cash outflows from financing activities increased by the same amount, relating to decrease in operating lease payments and increases in principal and interest payments of lease liabilities.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Note 4(a) - Property, plant and equipment
₹ in Crores

Particulars	Gross Block at Cost				Accumulated Depreciation				Net Block	
	As at April 1, 2019 (As restated) Refer Note 32	Additions	Deletions	As at March 31, 2020	As at April 1, 2019 (As restated) Refer Note 32	For the Year	On Deletions (accumulated upto the date of sale)	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019 (As restated)
Freehold Land	12.73	-	-	12.73	-	-	-	-	12.73	12.73
Freehold Buildings #	407.54	128.14	0.12	535.56	51.47	16.21	0.03	67.65	467.91	356.07
Plant & Equipment ##	771.75	140.92	2.22	910.45	249.09	87.92	1.08	335.93	574.52	522.66
Furniture and Fixtures	30.38	2.33	0.12	32.59	12.55	3.46	0.08	15.93	16.66	17.83
Computer ##	49.00	5.05	0.14	53.91	23.93	9.49	0.13	33.29	20.62	25.07
Office Equipment	13.50	3.40	0.02	16.88	6.23	2.54	0.02	8.75	8.13	7.27
Vehicles	13.05	2.75	2.46	13.34	3.23	2.40	1.73	3.90	9.44	9.82
TOTAL	1,297.95	282.59	5.08	1,575.46	346.50	122.02	3.07	465.45	1,110.01	951.45

Partly on leasehold land

(i) Includes following assets (together constituting Color Bank) given under operating lease arrangements:

₹ in Crores

Particulars	Gross Block at Cost				Accumulated Depreciation				Net Block	
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the Year	On Deletions (accumulated upto the date of sale)	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Plant & Equipment	222.19	37.94	0.43	259.70	115.79	40.86	0.41	156.24	103.46	106.40
Computer	20.03	1.56	-	21.59	11.87	3.68	-	15.55	6.04	8.16
Total	242.22	39.50	0.43	281.29	127.66	44.54	0.41	171.79	109.50	114.56

(ii) For charge created on Property, plant and equipment refer note 33 (iii).

(iii) Nil amount of Borrowing cost is capitalised during the current & comparative period.

(iv) Nil amount of impairment loss is recognised during the current and comparative period.

Note 4(a)(v)

Title deeds of immovable properties set out in Note 4(a) above, are in the name of the Company except those mentioned below which is transferred to and vested in the Company pursuant to the respective Schemes of Arrangement in earlier years.

₹ in Crores

Particulars	No. of title deeds	Gross Carrying Amount		Net Carrying Amount		Held in the name of
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	
Freehold land at Rishra, West Bengal	1	1.36	1.36	1.36	1.36	Berger Auto & Industrial Coatings Limited

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 4(b) - Intangible assets

₹ in Crores

Particulars	Gross Block at Cost				Accumulated Amortisation				Net Block	
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the Year	On Deletions (accumulated upto the date of sale)	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computer Software	19.20	1.82	0.02	21.00	11.84	2.28	0.05	14.07	6.93	7.36
TOTAL	19.20	1.82	0.02	21.00	11.84	2.28	0.05	14.07	6.93	7.36

Note 4(c) - Capital work in progress

₹ in Crores

Particulars	Gross Block at Cost			
	As at April 1, 2019	Additions	Capitalisation	As at March 31, 2020
Buildings	79.64	85.51	128.14	37.01
Plant & Equipment	68.02	199.53	140.92	126.63
Other assets	0.07	9.66	5.08	4.65
TOTAL	147.73	294.70	274.14	168.29

Note 4(d) - Property, plant and equipment

₹ in Crores

Particulars	Gross Block at Cost				Accumulated Depreciation				Net Block	
	As at April 1, 2018 (As restated) Refer Note - 32	Additions	Deletions	As at March 31, 2019 (As restated)	As at April 1, 2018 (As restated) Refer Note - 32	For the Year	On Deletions (accumulated upto the date of sale)	As at March 31, 2019 (As restated)	As at March 31, 2019 (As restated)	As at April 1, 2018 (As restated)
Freehold Land	10.07	2.66	-	12.73	-	-	-	-	12.73	10.07
Freehold Buildings #	374.57	32.97	-	407.54	36.38	15.09	-	51.47	356.07	338.19
Plant & Equipment ###	679.89	127.65	35.79	771.75	198.37	84.74	34.02	249.09	522.66	481.52
Furniture and Fixtures	27.32	3.32	0.26	30.38	9.22	3.46	0.13	12.55	17.83	18.10
Computer ##	47.02	8.39	6.41	49.00	19.39	10.64	6.10	23.93	25.07	27.63
Office Equipment	10.57	3.11	0.18	13.50	4.16	2.23	0.16	6.23	7.27	6.41
Vehicles	10.71	3.94	1.60	13.05	1.90	2.27	0.94	3.23	9.82	8.81
TOTAL	1,160.15	182.04	44.24	1,297.95	269.42	118.43	41.35	346.50	951.45	890.73

Also refer note 4(a)(v)

Partly on leasehold land

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

(i) Includes following assets (together constituting Color Bank) given under operating lease arrangements to the dealers:

₹ in Crores

Particulars	Gross Block at Cost				Depreciation				Net Block	
	As at April 1, 2018	Additions	Deletions	As at March 31, 2019	As at April 1, 2018	For the Year	On Deletions (accumulated upto the date of sale)	As at March 31, 2019	As at March 31, 2019	As at April 1, 2018
Plant & Equipment	213.91	43.73	35.45	222.19	108.53	41.00	33.74	115.79	106.40	105.38
Computer	23.14	2.53	5.64	20.03	12.11	5.15	5.39	11.87	8.16	11.03
Total	237.05	46.26	41.09	324.40	120.64	46.15	39.13	205.92	114.56	116.41

(ii) On account of adoption of Ind AS 116, leasehold lands and buildings have been reclassified to Right to use assets. Refer note 32(b) for details.

(iii) For charge created on Property, plant and equipment refer note 33 (iii).

(iv) Nil Amount of Borrowing cost is capitalised during the current & comparative period.

(v) Nil amount of impairment loss is recognised during the current and comparative period.

Note 4(e) - Intangible assets

₹ in Crores

Particulars	Gross Block at Cost				Accumulated Amortisation				Net Block	
	As at April 1, 2018	Additions	Deletions	As at March 31, 2019	As at April 1, 2018	For the Year	On Deletions (accumulated upto the date of sale)	As at March 31, 2019	As at March 31, 2019	As at April 1, 2018
Computer Software	13.17	6.20	0.17	19.20	8.88	3.13	0.17	11.84	7.36	4.29
TOTAL	13.17	6.20	0.17	19.20	8.88	3.13	0.17	11.84	7.36	4.29

Note 4(f) - Capital work-in-progress

₹ in Crores

Particulars	Gross Block at Cost			
	As at April 1, 2018	Additions	Capitalisation	As at March 31, 2019
Buildings	4.31	108.30	32.97	79.64
Plant & Equipment	82.94	112.73	127.65	68.02
Other assets	0.02	7.31	7.26	0.07
TOTAL	87.27	228.34	167.88	147.73

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 5a. Financial assets - Investments

Particulars	Non-Current					
	Nominal Value per unit	Currency	Number of shares		₹ in Crores	
			As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Trade Investments						
At fair value through profit and loss						
Equity Shares - Unquoted (Fully Paid)						
Shaktikunj Apartments Limited *	1	`	1,498	1,498	0.00	0.00
At cost:						
Equity Shares - Unquoted (Fully Paid)						
<u>Investment in Subsidiaries</u>						
Beepee Coatings Private Limited	10.00	`	25,00,000	25,00,000	2.50	2.50
Berger Jenson & Nicholson (Nepal) Private Limited	100.00	NEPALESE RUPEE	345,421	345,421	4.46	4.46
Berger Paints (Cyprus) Limited	1.71	EURO	74,40,964	69,69,863	90.12	83.93
Less: Impairment (Refer Note 26.3)					(56.60)	(56.60)
					33.52	27.33
Lusako Trading Limited	1.71	EURO	60,47,149	56,48,639	76.24	70.80
SBL Specialty Coatings Private Limited	10.00	`	29,60,000	29,60,000	83.18	83.18
Berger Hesse Wood Coatings Private Limited	1.00	`	1,03,03,580	1,03,03,580	1.50	1.50
Berger Rock Paints Private Limited	1.00	`	4,08,00,000	4,08,00,000	4.08	4.08
STP Ltd.	10.00		1,88,63,180	-	125.20	-
<u>Investment in Joint Ventures</u>						
Berger Becker Coatings Private Limited	100.00	`	270,850	270,850	2.71	2.71
Berger Nippon Paint Automotive Coatings Private Ltd. (Formerly BNB Coatings India Private Limited/ BNB Coatings India Limited)	1,000.00	`	1,352,400	13,52,400	135.24	135.24
Total					468.63	331.80
Aggregate book value of Unquoted Investments					468.63	331.80
Aggregate amount of impairment in value of Investment					56.60	56.60

Note :

During the year the Company has acquired 95.53% stake in STP Ltd.

* Refer Note 41

Note 5b. Financial assets - Loans and Deposits

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
* Security deposits	18.01	16.42	9.01	7.98
Total	18.01	16.42	9.01	7.98

*Refer Note 34 for security deposits given to related parties.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 5c. Financial assets - Other financial assets

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Bank deposits with original maturity more than twelve months *	-	-	-	0.07
Advances for Share Application money (to related parties) (Refer Note 34) #	39.12	4.14	-	-
Interest accrued on deposits	-	-	2.37	0.86
Other receivables ##	-	-	4.58	2.34
Total	39.12	4.14	6.95	3.27
* includes deposits pledged against bank guarantees				
# Represents share application money pending allotment				
Berger Paints (Cyprus) Limited(wholly owned subsidiary)	-	4.14		
Lusako Trading Limited (wholly owned subsidiary)	39.12	-		
Total	39.12	4.14		
## includes receivable from related parties (Refer Note 32)				
Berger Paints (Bangladesh) Limited			0.42	0.42
Berger Jenson & Nicholson (Nepal) Private Limited			4.08	1.79
Total			4.50	2.21

Note 6. Income Tax Assets (net)

₹ in Crores

Particulars	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Advance payment of income tax [net of provision for tax of ₹1313.22 Crores (March 31, 2019 – ₹1,086.75 Crores)]	33.96	19.33
Total	33.96	19.33

Note 7. Other Assets

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Capital advances	15.50	22.21	-	-
Advances other than capital advances	-	-	17.23	12.17
Prepayments *	0.15	0.13	10.67	9.05
Subsidy receivable #	-	-	44.09	51.60
Balances with statutory/government authorities	3.70	6.62	90.45	95.56
Total	19.35	28.96	162.44	168.38

The Company has subsidy receivable under "Scheme of Budgetary Support under GST Regime to eligible units" located in specified States.

* Restated pursuant to retrospective adoption of Ind AS116, Leases Refer Notes 3.23 and 32.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 8. Inventories

(at the lower of cost and net realisable value)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials [Including in-transit ₹52.96 crores (March 31, 2019 - ₹76.00 crores)]	310.10	317.88
Packing materials [Including in-transit ₹0.12 crores (March 31, 2019 - ₹0.14 crores)]	23.67	20.36
Work in progress	65.55	79.24
Finished goods	671.15	649.31
Traded goods [Including in-transit ₹3.87 crores (March 31, 2019 - ₹2.00 crores)]	82.94	70.81
Stores and Spares	13.83	11.53
Total	1,167.24	1,149.13

Note 9a. Financial assets - Current Investments

Particulars	Current				
	Nominal Value per unit (₹)	Number of units		₹ in Crores	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
At fair value through profit and loss (FVTPL):					
Investments in Mutual Funds - Unquoted					
Aditya Birla Sunlife Low Duration Fund - Growth - Direct Plan (formerly known as Aditya Birla Sun Life Cash Manager)	100	7,72,28.86		3.97	-
Aditya Birla Sunlife Liquid Fund - Growth - Direct Plan (formerly known as Aditya Birla Sunlife cash plus)	100	13,20,32.55		4.22	-
Aditya Birla Sunlife Money Manager Fund - Growth Direct Plan (formerly known as Aditya Birla Sunlife Floating Rate Fund Short Term Plan)	100	97,69,18.26		26.47	-
Axis Ultra Short Term Fund - Direct Growth - USDG	10	1,64,50,588	54,81,550	18.66	5.76
DSP Overnight Fund - Dir - Growth	1,000	50,186	-	5.36	-
DSP Savings Fund - Direct Growth Plan	1,000	-	14,39,591	-	5.36
Franklin India Liquid Fund Super Institutional Plan - Direct Growth (formerly known as Franklin India Treasury Management Account - Super Institutional Plan - Direct)	1,000	7,185	27,076	2.14	7.58
Franklin India Short Term Income Plan - Retail Plan - Direct - GROWTH	1,000	-	10,12,506	-	3.56
Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct - GROWTH	10	69,68,257		19.27	-
HDFC Low Duration Fund - Direct Plan - Growth Option	10	39,92,044	-	17.65	-
HDFC Ultra Short Term Fund - Direct Growth	10	-	3,18,04,399	-	33.31
ICICI Prudential Ultra Short Term Fund - Direct Growth	10	-	1,60,99,537	-	31.87
Kotak Savings Fund Direct Plan Growth (formerly known as Erstwhile Kotak Treasury Adv)	10	8,27,358	79,00,551	2.72	24.14
UTI Liquid Cash Plan - Direct Growth	1,000	6,182	34,642	2.01	10.60
UTI Ultra Short Term Fund - Direct Growth Plan	10	-	17,674	-	5.55
Kotak Money Market Fund - Direct Plan - Growth (formerly known Erstwhile Kotak Floater ST)	10	10,356	-	3.43	-
Birla Sunlife Savings Fund - Direct Growth	10	-	11,28,744	-	41.96
ICICI Prudential Money Market Fund - Direct Growth	10	-	987,595	-	25.69

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Nominal Value per unit (₹)	Current			
		Number of units		₹ in Crores	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Birla Sunlife Floating Rate Fund Short term - Direct growth	10	-	712,492	-	17.93
Franklin India Short Term Income Plan - Weekly Dividend	10	10,320	10,320	4.18	4.33
Franklin India Ultra Short Term Bond Fund - Direct - Growth	10	-	95,99,250	-	25.33
HDFC Liquid Fund - Direct - Growth	10	-	6,899	-	2.54
LIC MF Liquid Fund - Direct Plan-Growth - LICLF	1,000	20,973	-	7.56	-
SBI Savings Fund - Direct Plan - Growth	10	48,00,312	-	15.54	-
UTI Corporate Bond Fund - Direct Growth Plan	10	25,40,963	-	3.00	-
ICICI Prudential Savings Fund - Direct Plan - Growth	100	11,05,962	-	43.17	-
Aggregate amount of Unquoted Investments				179.35	245.51
Aggregate amount of Repurchase price of Unquoted Investments				179.35	245.51

Refer Note 36 for determination of fair value.

Note 9b. Financial Assets - Trade receivables
 Unsecured

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good #	-	-	558.57	574.33
Trade receivables - credit impaired	6.85	8.57	-	-
	6.85	8.57	558.57	574.33
Impairment allowance (allowance for bad and doubtful debts)				
Trade receivables - credit impaired	(6.85)	(8.57)	-	-
Total	-	-	558.57	574.33
# Includes debts due from related parties	-	-		
Berger Jenson & Nicholson (Nepal) Private Limited	-	-	10.51	3.99
Berger Becker Coatings Private Limited	-	-	1.72	0.84
SBL Specialty Coatings Private Limited	-	-	0.64	0.98
Berger Nippon Paint Automotive Coatings Private Ltd.	-	-	16.79	6.57
Berger Paints Overseas Limited	-	-	1.78	2.62
Berger Rock Paints Private Limited	-	-	4.56	6.89
Berger Hesse Wood Coatings Private Limited	-	-	0.02	-

Trade receivables are non-interest bearing and generally has credit period from 30 to 90 days
 For terms and conditions relating to related party receivables, refer Note 34.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 9c. Financial assets - Cash and Cash Equivalents

₹ in Crores

Particulars	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
– On current accounts	37.20	12.40
– Deposits with original maturity of less than three months #	17.87	-
Cheques/drafts on hand	-	14.24
Cash on hand	0.59	0.60
Total	55.66	27.24

Note 9d. Financial assets - Other bank balances

₹ in Crores

Particulars	Non-Current	
	As at March 31, 2020	As at March 31, 2019
– Balance with banks in Unpaid Dividend Account	6.69	5.72
– Deposits with original maturity of not less than three months but more than twelve months #	63.20	98.81
Total	69.89	104.53

Deposits at Banks earn interest between 4.75% to 7.30% (March 31, 2019- 7.95% to 8.65%) and are made for periods between 7 to 366 days (March 31, 2019 - periods between 61 to 215 days).

Note 10. Equity

₹ in Crores

	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital		
1,200,000,000 Equity Shares of ₹1 each (March 31, 2019: 1,200,000,000 Equity Shares of ₹1 each)	120.00	120.00
Issued Share Capital		
971,311,260 Equity Shares of ₹1 each fully paid up (March 31, 2019: 971,221,191 Equity Shares of ₹1 each fully paid up)	97.13	97.12
Subscribed and Paid-up Share Capital		
At April 1, 2019		
971,129,711 Equity Shares of ₹1 each issued, subscribed and fully paid up	97.11	97.10
Add: Issue of Share Capital	0.01	0.01
At March 31, 2020		
971,219,780 Equity Shares of ₹1 each issued, subscribed and fully paid up	97.12	97.11
	97.12	97.11

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

a) The reconciliation of share capital is given below:

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
At the beginning of the year	97,11,29,711	97.11	97,10,31,428	97.10
Add: Shares issued on exercise of Employee Stock Options (Refer Note 31)	90,069	0.01	98,283	0.01
At the end of the year	97,12,19,780	97.12	97,11,29,711	97.11

b) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹1 each. Holder of each equity share 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, except in case of interim dividend. 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.

c) Equity shares held by the holding company and/or the subsidiaries/associates of holding company

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
U K Paints (India) Private Limited (Holding Company)	48,65,45,399	48,65,45,399
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	14,06,56,782
Citland Commercial Credits Limited	3,09,15,659	3,09,15,659
Wang Investment & Finance Private Limited	2,99,85,580	2,98,10,580
Bigg Investment & Finance Private Limited	79,52,420	79,52,420

d) Details of shareholders holding more than 5 percent of equity shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% holding	No. of Shares	% holding
U K Paints (India) Private Limited (Holding Company)	48,65,45,399	50.10%	48,65,45,399	50.11%
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	14.48%	14,06,56,782	14.48%

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 ownership of shares as declared under the relevant provisions of the Companies Act, 2013.

e) Shares reserved for issue under Employee Stock Options:

For movement of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer Note 31.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note - 11. Other equity

For the year ended March 31, 2020

₹ in Crores

Particulars	Securities premium	Share based payment reserve	Retained earnings	Capital Reserve	General Reserve	Capital Redemption reserve	Total Equity
As at April 1, 2019 (Restated)	114.62	2.38	1,850.01	0.02	290.61	0.04	2,257.68
Profit for the year	-	-	699.05	-	-	-	699.05
Other comprehensive income for the year (net of tax)	-	-	(6.52)	-	-	-	(6.52)
Total Comprehensive Income for the year	-	-	692.53	-	-	-	692.53
Share based payments (Note 31)	-	2.04	-	-	-	-	2.04
Exercise of share options (Note 31)	2.15	(2.15)	-	-	-	-	-
Share Options forfeited/lapsed (Note 31)	-	(0.02)	-	-	-	-	(0.02)
Dividends (Note 18)	-	-	(369.04)	-	-	-	(369.04)
Dividend distribution tax on dividend (Note 18)	-	-	(55.27)	-	-	-	(55.27)
As at March 31, 2020	116.77	2.25	2,118.23	0.02	290.61	0.04	2,527.92

For the year ended March 31, 2019

₹ in Crores

Particulars	Securities premium	Share based payment reserve	Retained earnings	Capital Reserve	General Reserve	Capital Redemption reserve	Total Equity
As at April 1, 2018	112.34	2.20	1,641.30	0.02	290.61	0.04	2,046.51
Changes on Account of Ind AS 116 (Refer Note - 3.23)	-	-	(14.38)	-	-	-	(14.38)
As at April 1, 2018 **	112.34	2.20	1,626.92	0.02	290.61	0.04	2,032.13
Profit for the year (Restated)	-	-	435.85	-	-	-	435.85
Other comprehensive income for the year (net of tax)	-	-	(2.05)	-	-	-	(2.05)
Total Comprehensive Income for the year	-	-	433.80	-	-	-	433.80
Share based payments (Note 31)	-	2.51	-	-	-	-	2.51
Share Options forfeited/lapsed (Note 31)	2.28	(2.28)	-	-	-	-	-
Share-based payments	-	(0.05)	-	-	-	-	(0.05)
Dividends (Note 18)	-	-	(174.78)	-	-	-	(174.78)
Dividend distribution tax on dividend (Note 18)	-	-	(35.93)	-	-	-	(35.93)
As at March 31, 2019 (Restated)	114.62	2.38	1,850.01	0.02	290.61	0.04	2,257.68

** Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer Note - 32)

Notes

Securities Premium - Premium received on equity shares issued including those under Employee Stock Option Plan are recognised in the Securities Premium account net of utilization for bonus shares issued.

Retained Earnings - Retained Earnings includes surplus in the Statement of Profit and Loss, Ind-AS related adjustments as on the date of transition, remeasurement gains/losses on defined benefit plans.

General Reserve - Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid capital of the Company for that year, the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Share based payment Reserve - The Company has an Employee Stock Option Plan (ESOP) under which options to subscribe for the Company's shares have been granted to specific employees.

The Share based payment Reserve is used to recognise the value of equity-settled share-based payments to employees as part of their remuneration. The year end balance is net off options exercised by the concerned employees. Refer to Note 31 for further details of these plans.

Capital redemption Reserve - Represents amount equal to the face value of equity shares transferred at the time of buy-back of shares.

Capital Reserve - Includes profit on re-issue of forfeited shares.

Note 12. Other financial liabilities

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(a) Other financial liabilities at amortised cost				
Interest accrued but not due on borrowings	-	-	0.67	0.04
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	-	-	6.69	5.72
Deposits	25.88	11.94	42.35	44.37
Capital creditors	-	-	42.74	35.03
Accrued employee liabilities	-	-	29.94	40.77
Other payables	-	-	2.86	2.39
(b) Financial guarantee contracts [refer note 33(iii)]	-	-	0.74	2.09
Total	25.88	11.94	125.99	130.41

Note 13. Provisions

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits				
- Provision for gratuity (Refer Note 30)	-	-	8.65	1.43
- Provision for leave encashment	-	-	21.34	17.24
Others			-	-
- Provision for decommissioning [Refer Note (a) below]	3.41	3.16	-	-
Total	3.41	3.16	29.99	18.67

(a) Provision for decommissioning

₹ in Crores

At the beginning of the year	3.16	2.92
Discount unwinding for the year	0.25	0.24
At the end of the year	3.41	3.16

Recognised towards provision for decommissioning/dismantling of Property, Plant and Equipment.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 14a. Deferred tax assets & liabilities (net)

₹ in Crores

Nature - (liability)/asset			Statement of Profit and Loss and Other Comprehensive Income (expense/income)	
	As at March 31, 2020	As at March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Deferred tax liabilities				
Arising out of temporary differences between tax and book written down values of depreciable assets	49.53	69.33	19.80	(6.29)
Financial Assets at fair value through profit and loss	0.21	2.16	1.95	(0.62)
Total (A)	49.74	71.49	21.75	(6.91)
Deferred tax assets				
Expenses allowable on payment basis for tax purposes	8.57	8.69	0.12	(3.18)
Decommissioning liability	0.86	0.58	(0.28)	(0.37)
Others through other comprehensive income	3.54	1.35	(2.19)	(1.10)
Arising out of temporary differences on accounting of lease rentals under Ind AS 116	7.63	9.44	1.81	(1.72)
Total (B)	20.60	20.06	(0.54)	(6.37)
Net deferred tax (liabilities)/assets (B-A)	29.14	51.43	22.29	(0.54)

Reconciliation of deferred tax liabilities (net)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	51.43	50.88
Tax expense/(income) during the period recognised in Statement of Profit and Loss	20.10	1.64
Tax expense/(income) during the period recognised in OCI	(2.19)	(1.10)
Closing balance	29.14	51.43

During the year ended March 31, 2020 and March 31, 2019, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 14b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Accounting Profit before Income tax	905.42	687.35
Profit before income tax multiplied by standard rate of corporate tax in India of 25.168% (March 31, 2019: 34.944%)	227.88	240.19
Impact of reduced tax rate on dividend received from foreign company	(7.42)	-
Reversal of opening deferred tax liability due to change in tax rate	(14.77)	-
Effects of:		
Permanent differences affecting income tax expense:		
Additional deduction allowed in respect of R&D Expenditure	(0.41)	(3.51)
Disallowance of exceptional item (impairment) (refer Note 26.3)	-	10.00
Other miscellaneous disallowances/(allowance)	(1.10)	3.72
Net effective income tax	204.18	250.40
(i) Tax expense reported in the Statement of Profit and Loss:		
Current tax	226.47	249.86
Deferred tax /(credit)	(20.10)	1.64
(ii) Income tax credit recognised in Other Comprehensive Income	(2.19)	(1.10)
	204.18	250.40

Note 14(c) Current Tax Liabilities (Net):

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Provision for income tax [net of advance tax of ₹117.42 crores (March 31, 2019: ₹117.42 crores)]	3.54	3.54
Total	3.54	3.54

Note 15. Other liabilities

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Advance from customers	-	-	14.63	18.18
Statutory liabilities	-	-	26.14	30.60
Other liabilities	2.48	2.45	1.88	1.61
Total	2.48	2.45	42.65	50.39

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 16a. Financial Liabilities - Current borrowings

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
From Banks:		
Cash credit	12.36	53.74
Working capital demand loan	210.10	76.60
Unsecured		
Commercial Paper	-	85.00
Total	222.46	215.34

Cash Credits from banks are secured by way of first charge on book debts and other current assets ranking pari passu between the lenders (first pari passu charge over entire current assets). Cash Credit is repayable on demand and carries interest at 7.95% - 10.30 % per annum (March 31, 2019: 7.30%-12.10% per annum).

Working capital demand loan from banks are secured by way of first charge on book debts and other current assets ranking pari passu between the lenders (first pari passu charge over entire current assets). Working capital demand loan is repayable within April 30, 2020 and carries interest at 8.00 % - 9.15% per annum (March 31, 2019: 9.50% -10.25% per annum).

Commercial paper as at March 31, 2019 carried interest at 9.50% per annum.

Amendments to Ind AS 7 Statement of Cash Flows:

The amendments to Ind AS 7 require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for both the current and the comparative period as under:

Changes in liabilities arising from financing activities

₹ in Crores

Particulars	April 1, 2019	Cash flows	Exchange difference	March 31, 2020
Current Borrowings				
Cash credit	53.74	(41.38)	-	12.36
Working Capital Demand Loan	76.60	133.50	-	210.10
Commercial paper	85.00	(85.00)	-	-

Particulars	April 1, 2018	Cash flows	Exchange difference	March 31, 2019
Current Borrowings				
Bank overdraft	3.02	(3.02)	-	-
Cash credit	140.25	(86.51)	-	53.74
Working Capital Demand Loan	-	76.60	-	76.60
Commercial Paper	-	85.00	-	85.00

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 16b. Financial Liabilities - Trade Payables

₹ in Crores

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
i) Total outstanding dues of micro enterprises and small enterprises (refer note below)	49.98	46.38
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Acceptances	120.14	146.70
Outstanding dues of creditors other than acceptances [includes ₹45.25 crores (March 31, 2019: ₹ 48.67 crores payable to related parties)]	842.80	775.06
	962.94	921.76
Total	1,012.92	968.14

₹ in Crores

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
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.		
Principal amount remaining unpaid at the end of the year	47.15	44.24
Interest due thereon remaining unpaid at the end of the year	2.83	2.14
	49.98	46.38
Delayed payment of Principal amount paid beyond appointed date during the entire financial year	129.24	41.67
Interest actually paid under Section 16 of the Act during the entire accounting year	-	-
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.	0.63	0.24
Amount of Interest due and payable for the period (where principal has been paid but interest under the MSMED Act not paid)	0.18	0.30
Interest accrued and remaining unpaid at the end of the year	0.69	0.63
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	2.83	2.14

Terms and conditions of the above trade payables:

Trade payables are non interest bearing and are normally settled on 45-90 days terms.

For terms and conditions of transactions with related parties, refer Note 34.

Acceptances are payable to bank.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 17 The carrying value and fair value of financial instruments by category as at end of the year are as follows:-

Note 17a. Financial Assets

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Financial Assets - Non Current		
<u>At Fair Value through profit or loss</u>		
Investments *	0.00	0.00
<u>At Amortised Cost</u>		
(a) Loans and deposits	18.01	16.42
(b) Other financial assets	39.12	4.14
	57.13	20.56
<u>At Cost</u>		
Investments	468.63	331.80
Total Non current financial assets (a)	525.76	352.36
Financial assets - Current		
<u>At fair value through profit or loss</u>		
Investments	179.35	245.51
<u>At Amortised cost</u>		
(a) Trade receivables	558.57	574.33
(b) Cash and cash equivalents	55.66	27.24
(c) Bank balances other than (b) above	69.89	104.53
(d) Loans and deposits	9.01	7.98
(e) Other financial assets	6.95	3.27
Total Current financial assets (b)	879.43	962.86
Total financial assets (a + b)	1,405.19	1,315.22

* Refer Note 41

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Note 17b. Financial liabilities
₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Financial liabilities - non current		
At Amortised Cost		
(a) Lease Liabilities	178.43	185.05
(b) Deposits	25.88	11.94
Total Non Current Financial Liabilities (a)	204.31	196.99
Financial Liabilities - Current		
At fair value through profit & loss		
Financial guarantee contracts	0.74	2.09
At Amortised Cost		
(a) Borrowings	222.46	215.34
(b) Lease liabilities	40.77	38.96
(c) Trade Payables		
i) Total outstanding dues of micro enterprises and small enterprises	49.98	46.38
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	962.94	921.76
(d) Other Financial Liabilities		
Interest accrued but not due on borrowings	0.67	0.04
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	6.69	5.72
Others		
Deposits	42.35	44.37
Capital creditors	42.74	35.03
Accrued employee liabilities	29.94	40.77
Other payables	2.86	2.39
Total Current Financial Liabilities (b)	1,402.14	1,352.85
Total Financial Liabilities (a + b)	1,606.45	1,549.84

* Refer Note 41

Also refer Note 36 for fair value hierarchy.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 18. Distribution made and proposed

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Dividends on equity shares declared and paid:		
Final dividend for March 31, 2019- ₹1.90 per share (March 31, 2018 - ₹1.80 per share)	184.51	174.78
Dividend Distribution Tax on final dividend	25.07	35.93
Interim dividend paid during FY 19 - 20 ₹1.90 per share (March 31, 2019 - Nil)	184.53	-
Dividend Distribution Tax on final dividend	30.20	-
	424.31	210.71
Proposed dividends on equity shares:		
Final dividend for March 31, 2020- ₹0.30 per share (March 31, 2019 - ₹1.90 per share)	29.14	184.51
Dividend Distribution Tax on proposed dividend	7.33	37.93
	36.47	222.44

As at March 31, 2020, proposed dividend on equity shares are subject to approval in the ensuing Annual General Meeting. Pending such approval proposed dividend and dividend distribution tax thereon have not been recognised in these Ind AS financial statements

Note 19. Revenue from Operations

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from sale of products (net off rebates and discounts)	5,608.49	5,457.05
Revenue from sale of services	20.58	3.35
Other operating revenue		
Scrap sales	10.33	10.79
Income from government grant	32.25	25.63
Others	20.04	18.73
Total	5,691.69	5,515.55

Note 19.1 Disaggregation of revenue from contracts with customers

The Company derives revenue from following major segments:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. Revenue from contracts with customers disaggregated based on nature of product or services		
(i) Revenue from contracts with customers		
Revenue from sale of paints and allied products (net of rebates and discounts)*	5,608.49	5,457.05
Revenue from sale of services (supply apply contracts)**	20.58	3.35
	5,629.07	5,460.40
(ii) Other operating revenues		
Sale of Scrap	10.33	10.79
Income from government grant	32.25	25.63

* Revenue from sale of goods is recognised on transfer of control in goods to the customers at a point of time by performance of obligation towards delivery or as per customer's instructions

** Revenue from sale of service is recognised over a period of time.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Others	20.04	18.73
	62.62	55.15
Total	5,691.69	5,515.55
B. Revenue from contracts with customers disaggregated based on geography		
India	5,676.44	5,500.43
Outside India	15.25	15.12
Total	5,691.69	5,515.55

Note 20. Other income

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income:		
Investment in Deposits with banks carried at amortised cost	5.61	4.70
Others	3.74	5.96
Dividend income from subsidiary	100.09	-
Other non operating income:		
Net gain on sale of mutual fund investments measured at FVTPL	15.94	13.87
Fair value gain on mutual fund investments measured at FVTPL	0.83	6.18
Miscellaneous Income	24.61	22.92
Total	150.82	53.63

Note 21. Cost of materials consumed

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<u>Raw Materials Consumed</u>		
Opening Stock	317.88	278.79
Purchases	2,484.41	2,762.08
Closing stock	(310.10)	(317.88)
	2,492.19	2,722.99
<u>Packing Material Consumed</u>		
Opening Stock	20.36	19.49
Purchases	413.65	427.91
Closing stock	(23.67)	(20.36)
	410.34	427.04
Cost of materials consumed*	2,902.53	3,150.03

* Also refer Note 39 for expenses on research and development

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 22. (Increase) in inventories of finished goods, work-in-progress and traded goods

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock		
Work-in-progress	79.24	62.66
Finished goods	649.31	496.32
Traded goods	70.81	71.71
	799.36	630.69
Stock Adjustment	3.47	-
Closing Stock		
Work-in-progress	65.55	79.24
Finished goods	671.15	649.31
Traded goods	82.94	70.81
	819.64	799.36
(Increase) in inventories of finished goods, work-in-progress and traded goods	(16.81)	(168.67)

Note 23. Employee benefits expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	293.49	267.28
Contribution to provident and other funds (Refer Note 30)	18.15	15.76
Employee stock option plan (Refer Note 31)	2.02	2.46
Staff welfare expenses	28.86	26.17
Total	342.52	311.67

Also refer Note no 39 for expenses on research and development.

Note 24. Finance Costs

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on borrowings	19.41	20.54
Interest on lease liabilities *	13.02	14.09
Unwinding of discount on provisions (Refer Note 13)	0.25	0.24
Total	32.68	34.87

* Restated pursuant to retrospective adoption of Ind AS 116 "Leases". Refer Notes 3.23 and Note 32.

Note 25. Depreciation and amortisation expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of tangible assets (Refer Note 4)*	122.02	118.43
Amortisation of intangible assets (Refer Note 4)	2.28	3.13
Depreciation of right-of-use assets*	46.22	43.89
Total	170.52	165.45

* Restated pursuant to retrospective adoption of Ind AS 116 "Leases". Refer Notes 3.23 and Note 32.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 26. Other expenses

₹ in Crores

	Year ended March 31, 2020	Year ended March 31, 2019
Freight and Forwarding Charges	367.36	353.65
Power and fuel (also refer Note 39 for expenses on research and development)	47.71	49.48
Consumption of stores	8.58	9.93
Repairs		
- Plant and machinery	20.18	18.05
- Building	0.37	0.28
- Others	3.44	3.01
Rent *	4.96	2.20
Rates and Taxes	3.89	5.19
Travelling	47.49	48.79
Advertisement and Sales Promotion Expenses	236.89	180.01
Insurance	6.78	2.00
Processing Charges	46.07	49.04
Foreign Exchange Loss (net)	7.47	8.41
Commission to Non-Executive Directors	0.61	0.45
Payment to Auditors (Refer Note 26.1)	0.65	0.65
CSR expenditure (Refer Note 26.2)	16.79	13.47
Miscellaneous Expenses (also refer note 39 for expenses on research and development)	204.81	182.81
Total	1,024.05	927.42

* Restated pursuant to retrospective adoption of Ind AS 116 "Leases". Refer Notes 3.23 and Note 32.

Note 26.1 Auditor's Remuneration

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
As Auditor:		
Audit fees and limited review fees	0.45	0.47
Tax audit fee	0.04	0.04
In other capacity:		
Miscellaneous certificates and other matters	0.14	0.08
Reimbursement of expenses	0.02	0.06
Total	0.65	0.65

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 26.2 Details of CSR expenditure:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a) Gross amount required to be spent by the Company during the year	13.48	12.19
(b) Amount spent during the year:		
(i) Construction/Acquisition of an asset	-	-
(ii) Purposes other than (i) above	16.79	13.47
Total	16.79	13.47

Corporate Social Responsibility expensed ₹16.79 Crores (March 31, 2019: ₹13.47 Crores) includes programme run by the Company for promoting employment enhancing vocational skill programme named 'iTrain'.

Note 26.3. Exceptional Items

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Impairment of investments in subsidiary	-	(28.60)
Total	-	(28.60)

The Company had in previous year provided for impairment amounting to ₹28.60 crores in the carrying value of its investment in its wholly owned subsidiary, Berger Paints Cyprus Limited (BPCL) on account of losses sustained by the ultimate wholly owned subsidiary Berger Paints Overseas Limited (BPOL) due to downturn in Russian economy which were reflected in the consolidated financial position of the Company. During the current financial year, the Company has made an assessment of the fair value less costs to sell of the carrying value of assets and liabilities of the wholly owned subsidiary. Based on the above assessment, no further provision was considered necessary in these financial statements.

Note 27. Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and earning per share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net Profit after tax for calculation of Basic and Diluted Earnings Per Share * (₹ in crores) (I)	699.05	435.85
Weighted average number of shares (II)		
- Basic	97,11,65,394	97,10,61,301
- Diluted (refer note below)	97,13,05,114	97,12,01,378
Earning per equity share [nominal value of ₹1 per share] [(I)/(II)]		
- Basic	7.20	4.49
- Diluted	7.20	4.49
* Net Profit after tax for calculation of Basic and Diluted Earnings Per Share is net off exceptional item (refer note 26.3 for details)		
<u>Effect of dilution:</u>		
Weighted average number of equity shares in calculating Basic Earnings Per Share	97,11,65,394	97,10,61,301
Dilution - Stock options granted under Employee Stock Option Plan	1,39,720	1,40,077
Weighted average number of equity shares in calculating diluted EPS	97,13,05,114	97,12,01,378

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 28. Significant accounting judgements, estimates and assumptions

The preparation of the Company's Ind AS financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Judgements, Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the process of applying the Company's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the Ind AS Financial Statements.

Defined Employee Benefit plans

The cost and the present value of the defined benefit gratuity plan and other post-employment leave encashment benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of appropriate discount rate, estimating future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. For further details refer Note 30.

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 for further disclosures.

Depreciation on Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Impairment Allowance on Trade Receivable

The Company makes loss allowances for credit impaired debts based on an assessment of the recoverability of trade and other receivables. The identification of credit impaired debt enquires the use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and other receivables and credit impaired debt expenses in the period in which such estimate has been changed.

Decommissioning Liability

Decommissioning Liability has been recognised for items of property plant and equipment built or installed on specified leasehold land the terms of which said leases include decommissioning of such assets on expiry of the lease prior to handing over to the lessor. The decommissioning costs as at the end of the lease period have been estimated based on current costs by the Company's own technical experts and have been escalated to the end of the leasehold period using suitable inflation factors. The said escalated cost as at the end of the lease period is now discounted to the present value of such liability by applying Company's weighted average cost of capital.

Impairment of Investment

The carrying amount of the Company's investments are assessed at the end of each reporting period to determine whether there is any indication that an asset may be impaired. If any such indication exists, then the Company estimates the recoverable amount of the asset. The recoverable amount of the asset is computed as the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use. Such value is derived using valuation techniques (i.e. the Discounted Cash Flow (DCF) model) or management's best estimate of the estimated fair value of the carrying value of assets and liabilities. The inputs to the Discounted Cash Flow models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Key assumptions on which management has based its determination of recoverable amount includes estimated long term growth rates , weighted average cost of capital, estimated operating margins etc. Cash flow projections take into account past experience and represent management's best estimate about future development's. Details about impairment of investments recognised during the previous year has been further explained in Note 26.3.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 29 - COVID - 19 Assessment

The operations of the Company were impacted in the month of March 2020 due to temporary shutdown of all manufacturing units and depots on account of the lockdown announced by the Government of India because of the COVID-19 pandemic. The Company has resumed its operations in a phased manner from the month of May 2020. The Management has made an initial assessment of the Company's liquidity and recoverability of its assets as at the balance sheet date and the likely impact of the lockdown on overall economic environment and paint industry, in particular, based on the current situation. Arising out of such assessment, the Company does not expect a material impact of COVID-19 on the Company's liquidity and future performance, as of the date of this statement. The Company has made detailed disclosure as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and will continue to monitor any material changes to future economic conditions.

Note 30. Gratuity and other post-employment benefit plans

(I) Defined benefit plans

(a) Gratuity

- (i) The following table summarizes the components of net defined benefit expense towards gratuity recognised in the Statement of Profit and Loss and OCI and the funded status and amounts recognised in the Balance Sheet.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Changes in the present value of defined benefit obligation		
Present value of defined benefit obligation as at year beginning	37.10	31.53
Current Service Cost	3.16	2.70
Interest Cost	2.65	2.30
Remeasurements (gains)/losses		
-Actuarial (gains)/losses arising from changes in financial assumptions	6.17	0.43
-Actuarial (gains)/losses arising from changes in experience adjustments	1.35	2.83
Benefits Paid	(3.61)	(2.69)
Present value of defined benefit obligation as at year end	46.82	37.10
Changes in fair value of plan assets		
Fair Value of Plan Assets as at year beginning	35.67	29.41
Interest Income	2.71	2.39
Remeasurements (gains)/losses		
-Return on plan assets (excluding amount included in net Interest expense)	(1.19)	0.11
Employer's Contribution	4.59	6.45
Benefits Paid	(3.61)	(2.69)
Fair Value of Plan Assets as at year end	38.17	35.67
Amounts recognised in the Balance Sheet		
Present value of defined benefit obligation at the year end	46.82	37.10
Fair Value of the Plan Assets at the year end	38.17	35.67
(Liability) Recognised in the Balance Sheet	(8.65)	(1.43)

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 30. Gratuity and other post-employment benefit plans (Contd.)

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Expense recognised in the Statement of Profit and Loss:		
Cost of current service and plan amendments	3.16	2.70
Net Interest Cost/(Income)	(0.06)	(0.09)
Net Cost Recognised in the Statement of Profit and Loss	3.10	2.61
Expense recognised in the Other Comprehensive Income:		
Remeasurements (gains)/losses	8.71	3.15
Net Cost Recognised in the Other Comprehensive Income:	8.71	3.15

(ii) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

Significant Actuarial Assumptions	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.70%	7.50%
Withdrawal Rate	3.00%	3.00%
Salary increase	6.00%	5.00%
Mortality Rate	Indian Assured Lives (Mortality 2006-08 modified) Ult	Indian Assured Lives (Mortality 2006-08 modified) Ult

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.

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Actuary.

The discount rate is based on the government securities yield.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

(iii) Major category of Plan Assets of the fair value of the total plan assets are as follows:-

Particulars	AS at March 31, 2020	As at March 31, 2019
Assets under scheme of insurance	100%	100%

(iv) A quantitative sensitivity analysis for significant assumptions are as shown below:

Assumptions	As at March 31, 2020		As at March 31, 2019	
	Discount rate		Discount rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
	(₹ Crores)	(₹ Crores)	(₹ Crores)	(₹ Crores)
Impact on defined benefit obligation	(3.62)	4.19	(2.60)	2.97

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 30. Gratuity and other post-employment benefit plans (Contd.)

(iv) A quantitative sensitivity analysis for significant assumptions are as shown below: (Contd.)

Assumptions	As at March 31, 2020		As at March 31, 2019	
	Future Salary increase		Future Salary increase	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
	(₹ crores)	(₹ crores)	(₹ crores)	(₹ crores)
Impact on defined benefit obligation	4.02	(3.56)	2.93	(2.62)

Impact on defined benefit obligation

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk Exposure

Since the employees gratuity fund is a defined benefit plan the liability to be provided will be subject to interest rate risk since the future valuation of benefit depends upon the yield of government bonds for matching maturities

(vi) Defined Benefit Liability and Employer Contributions

Since the employees gratuity fund is a defined benefit plan maintained by Life Insurance Corporation of India the return is generated from a pool of assets invested by them and any deficit in the liability and return on plan assets is funded by the Company on a yearly basis

(vii) The Company expects to contribute ₹8.65 crores (March 31, 2019: ₹1.43 crores) to gratuity during the subsequent accounting year.

(viii) Maturity profile of the defined benefit obligation

Particulars	As at March 31, 2020	As at March 31, 2019
Weighted Average duration of the defined benefit obligation	10 Years	10 Years
	₹ in Crores	₹ in Crores
Within the next 12 months (next annual reporting period)	3.13	2.26
Between 2 and 5 years	18.66	16.89
Between 5 and 10 years	31.43	26.00

(b) Provident Fund

Provident Fund for certain eligible employees is administered by the Company through "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, any shortfall in the rate of interest on member contributions as compared to the relevant rate of interest declared by the Government of India for this purpose will have to be met by the employer. Such provident fund would in effect be a defined benefit plan in accordance with the requirement of Ind AS 19 - Employee Benefits. The Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Professional Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regards to interest rate guarantee obligation of the Company as at the balance sheet date. Further during the year, the Company's contribution of ₹6.57 crores (March 31, 2019: ₹5.76 crore) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Note 30. Gratuity and other post-employment benefit plans (Contd.)

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.70%	7.50%
Rate of return on Plan Assets	8.50%	8.65%

(c) Other Defined Benefit Plans

The amounts for "Other Defined Benefit Plans" are below the rounding off norm adopted by the Company (refer Note 41) and hence the disclosures as required under Ind AS 19 - "Employee Benefits" have not been given.

(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:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Provident and Family Pension Fund (applicable for eligible employees whose provident fund accounts are maintained with the Regional Provident Fund Commissioner)	2.09	1.60
Superannuation Fund	2.28	2.11

Note 31. Employee Stock Option Plan

Berger Paints India Limited Employee Stock Option Plan 2016

The Berger Paints India Limited – Employee Stock Option Plan 2016 [‘the Plan’] was approved at the Annual General Meeting of the Company held on 3rd August, 2016. The objective of the plan is to:

- 1) Attract, retain and motivate Employees,
- 2) Create and share wealth with the Employees,
- 3) Recognise and reward employee performance with shares and
- 4) Encourage employees to align individual performance with the objective of the Company. The terms and conditions of the Plan is reproduced below:
 - a) “Vesting Date” means the date on and from which the Option vests with the Participant and thereby becomes exercisable.
 - b) “Exercise Date” means the date on which the Participant exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant exercises part of his Vested Options.
 - c) “Vesting Period” means the period during which the Vesting of the Option granted to the Participant in pursuance of the Plan takes place.
 - d) “Exercise Period” means a period of 3 years from the Vesting Date as defined above of the Plan within which the Vested Options can be exercised in pursuance of the Plan.
 - e) The Exercise Price of an Option shall be the face value of ₹1/- per Share
 - f) Cashless exercise of the Options are not permitted under the Plan. Participants to pay full Aggregate Exercise Price upon the Exercise of the Vested Options.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 31. Employee Stock Option Plan (Contd.)

- g) Subject to Participant's continued employment as defined in Clause 14 of the Plan the Unvested Options shall vest with the Participant automatically in accordance with the following schedule : a) 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the first anniversary of the Grant Date; b) further 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the second anniversary of the Grant Date and c) balance 34% of the total Options granted, rounded up to the whole number such that the total number of Options vested shall add up to 100%, shall vest on the third anniversary of the Grant Date.
- h) The Date of grant of options: 9th November, 2016.

	Particulars	As at March 31, 2020	As at March 31, 2019
a	Number of Stock Options outstanding (ESOP Plan 2016: Grant I)	-	42,163
	Number of Stock Options outstanding (ESOP Plan 2016: Grant II)	47,968	98,496
		47,968	140,659
b.	Number of Options granted during the year		
	ESOP Plan 2016: Grant III	94,224	-
c.	Number of Options vested (ESOP Plan 2016: Grant I)	41,701	43,472
	Number of Options vested (ESOP Plan 2016: Grant II)	48,368	50,608
		90,069	94,080
d.	Number of Options exercised (ESOP Plan 2010 : Grant III)	-	1,390
	Number of Options exercised (ESOP Plan 2010 : Grant IV)	-	1,172
	Number of Additional Grant Options exercised in lieu of bonus issues from ESOP Plan 2010 balances on 21.11.2016	-	1,025
	Number of Options exercised (ESOP Plan 2016: Grant I) [Number of ESOP exercised from vested options on 09.11.2017 : 616 and Number of ESOP exercised from vested options on 09.11.2018 : 43,472]	41,701	44,088
	Number of Options exercised (ESOP Plan 2016: Grant II)	48,368	50,608
		90,069	98,283
e.	Number of Shares arising on exercise (ESOP Plan 2010 : Grant III)	-	1,390
	Number of Shares arising on exercise (ESOP Plan 2010 : Grant IV)	-	1,172
	Number of Additional Shares arising as result on exercise from ESOP Plan 2010 balances on 21.11.2016	-	1,025
	Number of Shares arising on exercise (ESOP Plan 2016: Grant I)	41,701	44,088
	Number of Shares arising on exercise (ESOP Plan 2016: Grant II)	48,368	50608
		90,069	98,283
f.	Number of Options lapsed (ESOP Plan 2016: Grant I)	462	1,771
	Number of Options lapsed (ESOP Plan 2016: Grant II)	2,160	7,280
	Number of Options lapsed (ESOP Plan 2016: Grant III)	2,086	-
		4,708	9,051
g.	Variation of terms of Option	None during the period	None during the period
h.	Total Number of Options in force (ESOP Plan 2016: Grant I)	-	42,163
	Total Number of Options in force (ESOP Plan 2016: Grant II)	47,968	98,496

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

	Particulars	As at March 31, 2020	As at March 31, 2019
	Total Number of Options in force (ESOP Plan 2016: Grant III)	92,138	-
		1,40,106	1,40,659
i.	Weighted Average exercise price of the Share Options		
	Outstanding at the beginning of the year	1	1
	Granted during the year	1	1
	Forfeited during the year	-	-
	Exercised during the year	1	1
	Expired during the year	1	1
	Outstanding at the end of the year	1	1
	Exercisable at the end of the period	1	1
j.	Weighted Average share price of options exercised during the year on the date of exercise	₹1	₹1
k.	Weighted Average fair value of the Options granted during the year		
	i. ESOP Plan 2016 Grant I (Fair value as on 31.03.2019)	NA	NA
	ii. ESOP Plan 2016 Grant II (Fair value as on 31.03.2019)	NA	NA
l.	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. Date of grant		
	a. ESOP Plan 2016	09.11.2019	NA
	ii. Weighted average share price	₹497.95	₹323.75
	iii. Exercise Price	₹1	₹1
	iv. Risk Free Interest rate	6.14%	7.35%
	a. For options vested on 01.08.2016	-	0.33 years
	b. For options vested on 09.11.2017	0.61 years	1.61 years
	c. For options vested on 09.11.2018	1.61 years	2.61 years
	d. For options yet to be vested	3 years from the vesting day	-
	vi. Expected Volatility	22%	22%
	vii. Expected dividend yield	0.34%	0.47%
	viii. Weighted Average fair value as on grant date		
	a. ESOP Plan 2016 (Grant date: 09.11.2016)	₹229.10	₹229.10
	b. Additional grant in lieu of bonus issues from ESOP Plan 2010 balances (Grant date: 21.11.2016)	-	₹218.21
	c. ESOP Plan 2016 (Grant II) - 09.11.2017	₹247.75	₹247.75
	d. ESOP Plan 2016 (Grant II) - 09.11.2019	₹479.59	-

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

	Particulars	As at March 31, 2020	As at March 31, 2019
ix.	The price of the underlying share in the market at the time of option grant:		
	a. Additional grant on 21.11.2016 in lieu of bonus issues from ESOP Plan 2010 balances- 18.11.2016	-	₹187.10
	b. ESOP Plan 2016 Grant I - 08.11.2016	₹234.85	₹234.85
	c. ESOP Plan 2016: Grant II - 09.11.2017	₹253.70	₹253.70
	d. ESOP Plan 2016: Grant III - 09.11.2019	₹479.59	-
x.	Time to maturity		
	a. Additional grants vested on 21.11.2016	-	NA
	b. ESOP 2016 Plan Grant I vested on 09.11.2017	0.61 years	1.61 years
	c. ESOP 2016 Plan Grant II vested on 09.11.2018	1.61 years	2.61 years
	d. ESOP 2016 Plan Grant III vested on 09.11.2019	3 years from the vesting day	NA

Expected volatility during the expected term of the ESOP is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the ESOP.

The fair values of our ESOP are based on the market value of our stock on the date of grant.

m. The following table summarizes information about Share Options outstanding as at year end:-

Range of exercise prices per option (₹)	As at March 31, 2020		
	No. of options outstanding	Weighted average remaining contractual life	Weighted average exercise price (₹)
1	-	0.61 years	1
1	47,968	1.61 years	1
1	92,138	Yet to be vested	1

Range of exercise prices per option (₹)	As at March 31, 2019		
	No. of options outstanding	Weighted average remaining contractual life	Weighted average exercise price (₹)
1	42,163	1.61 years	1
1	98,496	2.61 years	1

Note 32. (a) Company as Lessee

The Company has lease contracts for various depots, head office and leasehold lands used in its operations. Leases of building generally have lease terms between 2 and 15 years, while leasehold lands generally have lease terms between 20 and 99 years.

The Company also has certain leases of buildings with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

(i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

₹ in Crores

Particulars	Buildings	Leasehold land	Total
As at April 1, 2018 (restated)	180.50	8.31	188.81
Additions	78.80	25.40	104.20
Deletions	2.41	-	2.41
Depreciation charge	43.55	0.34	43.89
As at March 31, 2019 (restated)	213.34	33.37	246.71
Additions	58.34	30.51	88.85
Deletions	20.05	-	20.05
Depreciation charge	45.78	0.44	46.22
As at March 31, 2020	205.85	63.44	269.29

Title deeds of immovable properties mentioned above, are in the name of the Company except those mentioned below which were transferred to and vested in the Company pursuant to the respective Schemes of Arrangement in earlier years.

Particulars	No. of title deeds	Gross Carrying Amount		Net Carrying Amount		Held in the name of
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	
Leasehold land at Panaji, Goa	1	0.35	0.35	0.27	0.28	Rajdoot Paints Private Limited
Leasehold land at Sikandrabad, Uttar Pradesh	1	0.27	0.27	0.14	0.14	Rajdoot Paints Private Limited
Leasehold land at Chandigarh	1	0.05	0.05	0.03	0.03	Rajdoot Paints Private Limited

(ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
As at April 1	224.01	186.25
Additions	95.87	101.99
Accretion of interest	13.02	14.09
Deletions/ termination	20.05	2.41
Payments	93.65	75.91
As at March 31	219.20	224.01
Current	40.77	38.96
Non-current	178.43	185.05

The effective interest rate for lease liabilities is 10%, with maturity between 2020-2031.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The following are the amounts recognised in Statement of Profit or Loss:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 As restated
Depreciation expense of right-of-use assets	46.22	43.89
Interest expense on lease liabilities	13.02	14.48
Expense relating to short term leases (included in other expenses)	4.96	2.20
Total amount recognised in the Statement of Profit and Loss	64.20	60.57

The Company had total cash outflows for leases of ₹98.61 crores (March 31, 2019: ₹78.11 crores).

The Company does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligation related to the lease liabilities as and when they fall due.

Rental Expenses recorded for the short term leases is ₹4.96 crores (March 31, 2019: ₹2.20 crores).

The table below provides details regarding the contractual maturities of lease liabilities as on undiscounted basis:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Less than one year	54.76	51.93
More than one year but less than five years	155.86	153.46
More than five years	61.56	57.20

b. Company as Lessor

The Company has given Color Bank (tinting machines) on operating lease to its dealers. The Company enters into 3- 5 years cancellable lease agreements. However the corresponding lease rentals may be receivable for a shorter period or may be waived off/refunded on achievement of certain sales targets by the concerned dealers. The minimum aggregate lease payments to be received in future is considered as ₹Nil. Accordingly the disclosure of the minimum lease payments receivable at the Balance Sheet date is not made. The amounts received from customers pending to be refunded back are recognised as liabilities and are included in "Deposits" under "Other financial liabilities" in Note 12. Also refer Note 4.

Note 33. Commitments and Contingencies

a. Commitments

₹ in Crores

	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	45.49	86.14

b. Contingent Liabilities

- (i) Claims against the Company not acknowledged as debts:

₹ in Crores

Legal claim contingency	As at March 31, 2020	As at March 31, 2019
Sales Tax	42.11	28.53
Excise Duty, Service Tax, Customs	18.50	21.05
Income Tax	0.71	-
	61.32	49.58

The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums. No reimbursements is expected to arise to the Company in respect of above cases.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Guarantees excluding financial guarantees		
ii. Outstanding Bank Guarantees	95.43	30.23
Financial guarantees		
iii. Corporate guarantees issued by the Company to certain banks for loans taken by certain subsidiaries and a joint venture. Total value of guarantee provided by the Company is ₹363.39 cores (March 31, 2019: ₹318.98 crores) and the outstanding balance of loan in the books of subsidiaries and joint venture is ₹268.67 crores (March 31, 2019: ₹268.86 crores) which has been disclosed under contingent liabilities. (Refer Notes a and b below)	268.67	268.86

a) The Company has mortgaged certain immovable properties with Standard Chartered Bank and has also created charge on certain fixed moveable assets with DBS Bank in relation to loan extended to its subsidiary, M/s Lusako Trading Limited.

b) The loan is utilised by the said subsidiaries and joint ventures for their business purposes. Also refer Notes 12 and 34.

iv. Others

The Company continues to provide such support as may be necessary to its subsidiaries (Berger Rock Paints Private Limited and Lusako Trading Limited) and joint venture (Berger Nippon Paint Automotive Coatings Pvt. Ltd.) to enable them to continue with their present scale of operations and meet their commitments.

34a. Disclosure in respect of Related Parties pursuant to Ind AS 24
List of Related Parties
I. Parent and Subsidiary Companies:

Name of related parties	Nature of relationship	Principal Place of business
U K Paints (India) Private Limited *	Holding Company	India
Berger Jenson & Nicholson (Nepal) Private Limited	Wholly Owned Subsidiary	Nepal
Beepee Coatings Private Limited	Wholly Owned Subsidiary	India
Berger Paints (Cyprus) Limited	Wholly Owned Subsidiary	Cyprus
Lusako Trading Limited	Wholly Owned Subsidiary	Cyprus
SBL Specialty Coatings Private Limited (Formerly known as Saboo Coatings Private Limited) (w.e.f. June 5, 2017)	Wholly Owned Subsidiary	India
Berger Rock Paints Private Limited (w.e.f. September 25, 2018)	Subsidiary	India
Berger Hesse Wood Coatings Private Limited (w.e.f. January 28, 2019)	Subsidiary	India
STP Ltd. (w.e.f. November 6, 2019)	Subsidiary	India
Berger Paints Overseas Limited	Wholly Owned Subsidiary of Berger Paints (Cyprus) Limited	Russia
Bolix S.A.	Wholly Owned Subsidiary of Lusako Trading Limited	Poland
BUILD-TRADE sp. z. o.o.	Wholly Owned Subsidiary of Bolix S.A.	Poland
Bolix UKRAINA sp. z. o.o.	Wholly Owned Subsidiary of Bolix S.A.	Ukraine
Soltherm External Insulations Limited	Wholly Owned Subsidiary of Bolix S.A.	United Kingdom
Soltherm Insolutions Thermique Exterieur SAS	Wholly Owned Subsidiary of Bolix S.A.	France
Surefire Management Services Limited (w.e.f. November 17, 2017)	Joint Venture of Bolix S.A.	United Kingdom

The Principal activities of all entities mentioned above are "Manufacturing Paints and other related product"

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

II. Other related parties with whom transactions have taken place during the year:

a) Key Management Personnel

Name of related parties	Nature of relationship
Mr Kuldip Singh Dhingra	Director
Mr Gurbachan Singh Dhingra	Director
Mr Kanwardip Singh Dhingra	Executive director and relative of Mr Gurbachan Singh Dhingra
Ms Rishma Kaur	Executive director and relative of Mr Kuldip Singh Dhingra
Mr Abhijit Roy	Managing Director & CEO
Mr Srijit Dasgupta	Director - Finance & Chief Financial Officer
Mr Aniruddha Sen	Senior Vice President & Company Secretary
Mr Kamal Ranjan Das	Independent Director till March 31, 2020
Mr Naresh Gujral	Independent Director
Mr Dharendra Swarup	Independent Director till June 13, 2019
Mr Gopal Krishna Pillai	Independent Director till September 12, 2019
Mrs Sonu Halan Bhasin	Independent Director
Mr Anoop Hoon	Independent Director
Dr Anoop Kumar Mittal	Independent Director w.e.f. March 19, 2020

b) Others

Name of related parties	Nature of relationship
Berger Becker Coatings Private Limited	Joint Venture of the Company
Berger Nippon Paint Automotive Coatings Private Limited	Joint Venture of the Company
Jenson & Nicholson (Asia) Limited *	Fellow Subsidiary
Berger Paints (Bangladesh) Limited	Fellow Subsidiary
Citland Commercial Credits Limited	Fellow Subsidiary
Wang Investment & Finance Private Limited	Fellow Subsidiary
Kanwar Properties Private Limited	Fellow Subsidiary
Berger Paints Provident Fund (Covered)	Post-employment benefit plan of the Company
Berger Paints Officers (Non-Management Category) Superannuation Fund	Post-employment benefit plan of the Company
Berger Paints Management Staff Superannuation Fund	Post-employment benefit plan of the Company
Berger Paints India Limited Employees Gratuity Fund	Post-employment benefit plan of the Company
BAICL Employees Superannuation Fund	Post-employment benefit plan of the Company
BAICL Employees Gratuity Fund	Post-employment benefit plan of the Company
Seaward Packaging Private Limited	Entity controlled by Key Managerial Personnel
Flex Properties Private Limited	Entity controlled by Key Managerial Personnel
Wazir Estates Private Limited	Entity controlled by Key Managerial Personnel
Bigg Investment & Finance Private Limited	Entity controlled by Key Managerial Personnel
KSD Family Trust	Mr Kuldip Singh Dhingra - Settlor Trustee
GBS Dhingra Family Trust	Mr Gurbachan Singh Dhingra - Settlor Trustee
Mrs Meeta Dhingra	Spouse of Mr Kuldip Singh Dhingra
Mrs Vinu Dhingra	Spouse of Mr Gurbachan Singh Dhingra

* The parties hold more than 10% of the equity shares in the Company (refer Note 10d).

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Name of related parties	Nature of relationship
Mrs Jessima Kumar	Daughter of Mr Kuldeep Singh Dhingra
Ms Dipti Dhingra	Daughter of Mr Kuldeep Singh Dhingra
Mrs Sunaina Kohli	Daughter of Mr Gurbachan Singh Dhingra
Mrs Anshna Sawhney	Daughter of Mr Gurbachan Singh Dhingra

34b. Disclosure in respect of Related Parties pursuant to Ind AS 24
A. During the year the following transactions were carried out with the related parties in the ordinary course of business:
₹ in Crores

Transaction	Related Party	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Goods (includes sale of raw materials, packing materials, intermediates, traded goods and stores)	Berger Becker Coatings Private Limited	2.22	0.70
	Berger Jenson & Nicholson (Nepal) Private Limited	17.61	14.09
	Berger Nippon Paint Automotive Coatings Private Limited	24.44	21.23
	Berger Rock Paints Private Limited	6.51	4.52
	Berger Paints (Bangladesh) Limited	0.06	0.07
	Berger Paints Overseas Limited	0.62	2.90
	U K Paints (India) Private Limited	0.26	0.37
	SBL Specialty Coatings Private Limited	2.45	2.67
	STP Ltd.	0.02	-
	Berger Hesse Wood Coating Private Limited	0.16	-
	Mr Kuldeep Singh Dhingra	0.07	0.03
	Mr Gurbachan Singh Dhingra *	0.01	0.00
	Seaward Packaging Private Limited	0.05	-
	Royalty Income	Berger Jenson & Nicholson (Nepal) Private Limited	2.69
Consultancy Income	Berger Paints (Bangladesh) Limited	-	0.21
Software License Income	Berger Nippon Paint Automotive Coatings Private Limited	-	2.53
	Berger Jenson & Nicholson (Nepal) Private Limited	1.48	-
Purchase of Goods (includes purchase of raw materials, packing materials and traded goods)	U K Paints (India) Private Limited	82.16	73.56
	Berger Becker Coatings Private Limited	0.42	0.05
	SBL Specialty Coatings Private Limited	0.28	0.67
	STP Ltd	1.39	-
	Seaward Packaging Private Limited	51.73	45.99
	Berger Nippon Paint Automotive Coatings Private Limited	2.27	1.84
Processing Charges	U K Paints (India) Private Limited	21.31	22.00
	Beepee Coatings Private Limited	24.20	25.29
Rent Expenses	U K Paints (India) Private Limited	1.68	2.45
	Flex Properties Private Limited	0.16	0.15
	Beepee Coatings Private Limited	0.07	0.07
	Kanwar Properties Private Limited	0.61	0.55
	Berger Nippon Paint Automotive Coatings Private Limited	0.06	0.06

* Refer Note 41

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Transaction	Related Party	Year ended March 31, 2020	Year ended March 31, 2019
	Mrs Meeta Dhingra	0.05	-
	Mrs Vinu Dhingra	0.05	-
	Mr Kuldip Singh Dhingra	0.19	0.21
	Mr Gurbachan Singh Dhingra	0.19	0.21
Security Deposit Refunded	U K Paints (India) Private Limited	-	0.11
Sale of Machineries	Berger Rock Paints Private Limited	0.03	0.62
	Berger Paints Overseas Limited	-	0.02
Corporate Guarantee Income	Lusako Trading Limited	1.35	1.39
Processing Income	Berger Nippon Paint Automotive Coatings Private Limited	3.82	3.09
Shared Services Income	Berger Rock Paints Private Limited	0.53	0.06
Rendering of Manpower Services	U K Paints (India) Private Limited	0.16	0.02
	Berger Becker Coatings Private Limited	0.17	0.17
Machinery Rental Income	Beepee Coatings Private Limited	0.43	0.43
Warehouse Rental Income	Berger Rock Paints Private Limited	0.37	0.10
	STP Ltd. *	0.00	-
Contribution to Provident Fund	Berger Paints Provident Fund (Covered)	17.17	15.21
Contribution to Gratuity Fund	BAICL Employees Gratuity Fund	0.17	0.06
Contribution to Superannuation Fund	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.61	0.64
	Berger Paints Management Staff Superannuation Fund	1.64	1.61
	BAICL Employees Superannuation Fund	0.06	0.08
Directors Commission & Fees	Mr Kuldip Singh Dhingra	0.20	0.10
	Mr Gurbachan Singh Dhingra	0.12	0.10
	Mr Kamal Ranjan Das	0.04	0.03
	Mr Naresh Gujral	0.08	0.07
	Mr Dhirendra Swarup	0.01	0.07
	Mrs Sonu Halan Bhasin	0.09	-
	Mr Anoop Hoon	0.09	-
	Mr Gopal Krishna Pillai	0.01	0.07
Equity Contribution	Berger Nippon Paint Automotive Coatings Private Limited	-	39.20
	Berger Rock Paints Private Limited	-	4.08
	Berger Paints (Cyprus) Limited	6.20	10.12
	Lusako Trading Limited	5.44	0.53
	STP Ltd	125.20	-
Corporate Guarantee Obligation	Lusako Trading Limited	-	1.46
Share Application Money Pending Allotment	Berger Paints (Cyprus) Limited	-	4.14
	Lusako Trading Limited	39.12	-
Key Management Personnel Compensation	Mr Abhijit Roy	4.03	3.08
	Mr Srijit Dasgupta	1.74	1.54
	Mr Aniruddha Sen	1.27	1.11

* Refer Note 41

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Transaction	Related Party	Year ended March 31, 2020	Year ended March 31, 2019
	Mr Kanwardip Singh Dhingra	0.50	0.45
	Ms Rishma Kaur	0.50	0.45
Dividend Payment	U K Paints (India) Private Limited	184.89	87.58
	Jenson & Nicholson (Asia) Limited	53.45	25.32
	Others	38.52	18.22
Dividend Receipt	Berger Jenson & Nicholson (Nepal) Private Limited	92.69	-
	SBL Specialty Coatings Private Limited	7.40	-
Impairment of Investment	Berger Paints (Cyprus) Limited	-	28.60

B. Balances outstanding at the year end (including commitments):

₹ in Crores

Outstanding	Related Party	As at March 31, 2020	As at March 31, 2019
Payable	U K Paints (India) Private Limited	24.31	25.22
	Beepee Coatings Private Limited	5.84	10.35
	Seaward Packaging Private Limited	14.48	12.93
	STP Limited	0.62	-
	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.05	0.05
	Berger Paints Management Staff Superannuation Fund	0.14	0.12
	BAICL Employees Superannuation Fund	0.01	0.01
	Flex Properties Private Limited	-	0.01
	Wazir Estates Private Limited *	0.00	0.00
	Mr Abhijit Roy	0.57	0.62
	Mr Srijit Dasgupta	0.08	0.04
	Mr Aniruddha Sen	0.04	0.04
	Mr Kanwardip Singh Dhingra	0.01	0.03
	Ms Rishma Kaur	0.01	0.02
	Mr Kamal Ranjan Das	0.03	-
	Mr Naresh Gujral	0.07	-
	Mr Anoop Hoon	0.07	-
	Mrs Sonu Halan Bhasin	0.07	-
	Mr Kuldip Singh Dhingra *	0.18	0.00
	Mr Gurbachan Singh Dhingra	0.10	0.01
Receivable	Berger Becker Coatings Private Limited	1.72	0.84
	Berger Jenson & Nicholson (Nepal) Private Limited	14.59	5.78
	Berger Nippon Paint Automotive Coatings Private Limited	16.79	6.57
	Berger Rock Paints Private Limited	4.56	6.89
	SBL Specialty Coatings Private Limited	0.64	0.98
	Berger Hesse Wood Coatings Private Limited	0.02	-

* Refer Note 41

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Outstanding	Related Party Related Party	As at March 31, 2020	As at March 31, 2019
	Berger Paints (Bangladesh) Limited	0.42	0.42
	Berger Paints Overseas Limited	1.78	2.62
Security Deposit Receivable	U K Paints (India) Private Limited	0.22	0.22
	Kanwar Properties Private Limited	0.08	0.08
	Mr Kuldip Singh Dhingra	0.01	0.01
	Mr Gurbachan Singh Dhingra	0.01	0.01
Share Application Money Pending Allotment	Berger Paints (Cyprus) Limited	-	4.14
	Lusako Trading Limited	39.12	-
Corporate Guarantee Obligation	Lusako Trading Limited	0.74	2.09
Corporate Guarantee outstanding (Also Refer Note 33 for details of security given)	Lusako Trading Limited	248.96	264.23
	Berger Becker Coatings Private Limited	4.45	4.63
	STP Ltd.	14.00	-
	Berger Hesse Wood Coatings Private Limited	1.26	-

C. Details of remuneration to Key Managerial Personnel is given below:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
- Short-term employee benefits	7.05	5.87
- Post employment benefits	0.73	0.61
- Share based payment	0.27	0.17
	8.05	6.65

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to Note 31 for further details of the scheme.

Notes:

Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except as otherwise mentioned.

Note 35. Segment Information

The Company is engaged in the business of manufacturing and selling of paints. Based on the nature of products, production process, regulatory environment, customers and distribution methods there are no reportable segment(s) other than "Paints". The Business Process and Risk Management Committee of the Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Company. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Company has identified that Chief Operating Decision Maker function is being performed by the Business Process and Risk Management Committee. The financial information presented to the Business Process and Risk Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Company. As the Company's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the Ind AS financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 36. Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

a) Financial assets and liabilities measured at fair value through profit and loss at March 31, 2020

₹ in Crores

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	-	179.35	-	179.35
Investment in unquoted equity instruments *	-	-	0.00	0.00
Financial Liabilities				
Financial Guarantee Contracts	-	-	0.74	0.74

Financial assets and liabilities measured at fair value through profit and loss at March 31, 2019

₹ in Crores

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	-	245.51	-	245.51
Investment in unquoted equity instruments*	-	-	0.00	0.00
Financial Liabilities				
Financial Guarantee Contracts	-	-	2.09	2.09

* refer Note 41

Description of significant unobservable inputs to valuation:

Particulars	Valuation technique	Significant unobservable techniques
Financial Guarantee Contracts -Also refer note 33(iii)	DCF Method	Interest saved approach

(b) Financial instruments at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Ind AS financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(c) During the year there has been no transfer from one level to another.

(d) Also refer Notes 17a and 17b.

Note 37. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans, investments, short-term deposits and cash & cash equivalents, which arise directly from its operations. The Company enters into derivative transactions by way of forward exchange contracts to hedge its payables.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

(i) Risk Management Framework

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by the Business Process and Risk Management Committee (BPRMC) that advises on financial risks and the appropriate financial risk governance framework for the Company. The BPRMC provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by personnels that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board has been monitoring the risks that the Company is exposed to, due to the outbreak of Covid-19 closely. The Board has taken all necessary actions to mitigate the risks identified on the basis of information and situation present. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

(ii) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk, liquidity risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and financial derivative. The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant at March 31, 2020. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations. The following assumptions have been made in calculating the sensitivity analyses:

- ▶ The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019
- ▶ The sensitivity of equity is calculated as at March 31, 2020 for the effects of the assumed changes of the underlying risk

(iii) Interest rate risk

The Company has incurred short term debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk. Borrowing issued at fixed rates expose the Company to fair value interest rate risk. The Company's interest rate risk management policy includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt through evaluation of various bank loans and money market instruments.

Some of the Company's borrowings are index linked, that is their cost is linked to changes in the London inter-bank offer rate (Libor).

Although the Company has significant variable rate interest bearing liabilities at March 31, 2020, there would not be any material impact on pretax profit and pre tax equity of the Company on account of any anticipated fluctuations in interest

(iv) Foreign currency risk

The Company has a policy of entering into foreign exchange forward contracts to manage risk of foreign exchange fluctuations on borrowings and payables. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates of any currency. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities by way of direct imports or financing of imports through foreign currency instruments.

The Company proactively hedged its currency exposures in case of a significant movement in exchange rates for imports and in case the hedged cost of foreign currency instrument is lower than the domestic cost of borrowing in case of short term import financing.

There are no outstanding derivative contract as at March 31, 2020 and March 31, 2019.

Foreign currency sensitivity

The tables in the next page demonstrate the sensitivity to a reasonably possible change in USD/Euro/JPY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

₹ in Crores

		Change in USD rate(%)	Effect on profit before tax	Effect on pre-tax equity
March 31, 2020	USD	5%	(4.14)	(4.14)
	USD	-5%	4.14	4.14
	EURO	5%	(0.01)	(0.01)
	EURO	-5%	0.01	0.01
March 31, 2019	USD	5%	(5.84)	(5.84)
	USD	-5%	5.84	5.84
	EURO	5%	(0.07)	(0.07)
	EURO	-5%	0.07	0.07
	JPY	5%	(0.03)	(0.03)
	JPY	-5%	0.03	0.03

(v) Commodity price risk

The Company doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

(vi) Equity price risk

The Company does not have any investments in listed securities or in Equity Mutual Funds and thereby is not exposed to any Equity price risk.

(vii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

The concentration of Credit Risk is limited as the customer base is large. There is no customer representing more than 5% of the total balance of trade receivable. As a practical expedient, the company computes credit loss allowances based on a provision matrix. The provision matrix is prepared based on historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. Additionally, considering the Covid-19 situation, the Company has also assessed the performance and recoverability of trade receivables. The Company believes that the current value of trade receivables reflects the fair value/recoverable value.

₹ in Crores

Movement in expected credit loss allowance on trade receivable	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	8.57	4.29
Loss allowance measured at lifetime expected credit losses (net of bad debts)	(1.72)	4.28
Balance at the end of the year	6.85	8.57

Trade receivables and contract assets if any

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored by BPRMC and corrective actions taken.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in Note 12 except for financial guarantees. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in note 36 and the liquidity table below.

(viii) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in Crores

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2020						
Financial Liabilities						
Borrowings	12.36	210.10	-	-	-	222.46
Lease Liabilities	-	9.88	30.89	163.09	15.34	219.20
Other financial liabilities	6.69	75.82	42.74	25.88	-	151.13
Trade payables	2.83	1,010.09	-	-	-	1,012.92
Financial Guarantee	268.67	-	-	-	-	268.67
	290.55	1,305.89	73.63	188.97	15.34	1,874.38
Year ended March 31, 2019						
Financial Liabilities						
Borrowings	53.74	161.60	-	-	-	215.34
Lease Liabilities	0.00	9.67	29.29	155.85	29.19	224.00
Other financial liabilities	5.72	87.57	35.03	11.94	-	140.26
Trade payables	2.14	966.00	-	-	-	968.14
Financial Guarantee	268.86	-	-	-	-	268.86
	330.46	1,224.84	64.32	167.79	29.19	1,816.60

For maturity profile of lease liabilities, refer Note 32

Note 38. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company only avails short term borrowings to bridge its working capital gap and finances its capital expenditure through internal generation of funds. The Company has a generally low debt equity ratio.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings (Note 16a)	222.46	215.34
Less: cash and cash equivalents (note 9c)	(55.66)	(27.24)
Net debt	166.80	188.10
Total capital	2,625.04	2,354.79
Capital and net debt	2,791.84	2,542.89
Gearing ratio	6%	7%

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Note 39 Expenditure on Research & Development

- a. Details of Research & Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss is given below:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Employee benefits expense	12.47	10.96
Cost of materials consumed	1.11	1.20
Power and fuel	0.40	0.39
Depreciation of tangible assets	2.32	2.04
Miscellaneous expenses	1.01	1.14
	17.31	15.73

- b. Details of Capital expenditures incurred for Research & Development are given below:

Capital Expenditures	1.61	3.75
	1.61	3.75
Total	18.92	19.48

Above includes allowable expenditure under section 35(2AB) of the Income Tax Act for a research & development unit situated in Howrah, Kolkata which focuses on research on new and existing paint products, reformulation for cost optimization, environment friendly products etc.

Details are mentioned below :

Capital expenditure Nil (March 31, 2019 ₹2.20 crores)

Revenue expenditure Nil (March 31, 2019 ₹10.41 crores)

Note 40

The figures of previous year have been regrouped/rearranged wherever considered necessary.

Note 41

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

As per our report of even date

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

Chartered Accountants

Firm Registration Number 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number : 055596

Place: Kolkata

Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman

Gurbachan Singh Dhingra – Vice - Chairman

Abhijit Roy – Managing Director & CEO

Srijit Dasgupta – Director - Finance & CFO

Arunito Ganguly – VP & Company Secretary

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

₹ Crores

	2019-20 #	2018-19 #	2017-18 * #	2016-17 *	2015-16 *
Gross Revenue	5,691.69	5,515.55	4,839.37	4,723.52	4,305.91
Revenue from Operations (Net of Excise Duty)	5,691.69	5,515.55	4,723.79	4,225.32	3,857.81
% Growth	3.19	16.80	11.80	9.53	1.35
Other Income	150.82	53.63	46.53	48.31	36.20
Materials Consumed	3,367.33	3,413.82	2,788.34	2,442.09	2,287.64
Employee Benefits Expense	342.52	311.67	269.84	244.51	203.76
Other Expenses	1,024.05	927.42	922.21	876.60	758.80
Operating Profit - EBITDA	1,108.61	916.27	789.93	710.43	643.81
% to Net Revenue	19.48	16.61	16.72	16.81	16.69
Depreciation/Amortization	170.52	165.45	111.92	98.00	88.07
Finance Cost	32.68	34.87	16.20	7.76	17.05
Profit Before Tax & Exceptional Item	905.42	715.95	661.81	604.67	538.69
Exceptional Items	-	(28.60)	-	58.67	-
Profit Before Tax	905.42	687.35	661.81	663.34	538.69
Tax Expense	206.37	251.50	229.97	219.25	182.43
Profit After Tax	699.05	435.85	431.84	444.09	356.26
Return On Net Worth (%)	26.63	18.51	20.28	23.22	22.38
Dividend-including Tax on Dividend	424.31	210.71	204.52	116.85	108.49
Retained Earnings	699.05	435.85	431.84	444.09	356.26
Shareholders' Funds:					
Share Capital	97.12	97.11	97.10	97.10	69.35
Reserves and Surplus	2,527.92	2,257.68	2,032.13	1,815.67	1,522.79
Total	2,625.04	2,354.79	2,129.23	1,912.77	1,592.14
Deferred Tax Liability (Net)	29.14	51.43	50.88	60.09	46.39
Borrowings	222.46	215.34	143.27	119.68	66.51
Other current and non-current liabilities	1,466.06	1,412.71	1,345.47	994.80	807.02
EQUITY AND LIABILITIES	4,342.70	4,034.27	3,668.85	3,087.34	2,512.06
Fixed Assets	1,554.42	1,353.25	1,171.10	945.17	752.86
Investments	468.63	331.80	303.18	577.62	415.14
Other current and non-current assets	2,319.65	2,349.22	2,194.57	1,564.55	1,344.06
ASSETS	4,342.70	4,034.27	3,668.85	3,087.34	2,512.06
Debt - Equity Ratio	0.08 : 1	0.09 : 1	0.07 : 1	0.06 : 1	0.04 : 1
Cash Earnings Per Share (₹) *	8.95	6.19	5.60	5.58	4.58
Earnings Per Share - Basic (₹) *	7.20	4.49	4.45	4.57	3.67
Earnings Per Share - Diluted (₹) *	7.20	4.49	4.45	4.57	3.67
Book Value Per Share (₹) *	27.03	24.25	21.92	19.70	16.40
Dividend per share (₹) *	2.20	1.90	1.80	1.75	1.65
Number of employees	3600	3450	3130	2993	2802

* Figures for these years are as per new accounting standard (Ind AS 115) and Schedule III of Companies Act, 2013. However, Revenue from operations in periods prior to GST implementation have been adjusted suitably for Excise duty on sale of goods, to enable comparability of Revenue from operations for these years.

Figures for these years are as per new accounting standard (Ind AS 116) and Schedule III of Companies Act, 2013. Profit and Loss and Balance Sheet have been adjusted suitably for considering the impact of this new accounting standard. Hence the numbers are not comparable with previous years.

FORM AOC-1

[Pursuant To First Proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]
**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF
SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES**

Part "A" : Subsidiaries

Sl. No.	Name of subsidiary	Reporting Period	Reporting Currency	Berger Jenson & Nicholson (Nepal) Private Limited	Beepee Coatings Private Limited	SBL Specialty Coatings Private Limited	Berger Paints (Cyprus) Limited	Lusako Trading Limited	Berger Paints Overseas Limited	Bolix S.A	Build Trade BIS sp. z.o.o	Bolix UKRAINA OOO	Soltherm External Insulations Limited	Soltherm Insulations Thermique Extérieure SAS	Berger Hesse Wood Coatings Private Limited	Berger Rock Paints Private Limited	STP Ltd
1				13-03-2020	31-03-2020	31-03-2020	31-12-2019	31-12-2019	31-12-2019	31-12-2019	31-12-2019	31-12-2019	31-12-2019	31-12-2019	31-03-2020	31-03-2020	31-03-2020
2				Nepalese Rs	INR	INR	USD	USD	Russian Ruble	Polish Zloty	Polish Zloty	Ukrainian hryvnia	GBP	EUR	INR	INR	INR
3	Exchange Rate as on last date of relevant financial year in case of foreign subsidiaries	1.60	1.00	71.27	71.27	1.00	71.27	71.27	1.15	18.79	18.79	3.01	93.48	79.88	1.00	1.00	1.00
4	Share Capital	2.16	2.50	107.62	135.22	2.96	107.62	135.22	1.60	18.79	0.09	0.24	0.28	0.04	2.02	8.00	19.75
5	Reserves & surplus	127.09	14.31	(7.53)	(89.37)	34.24	(7.53)	(89.37)	(54.24)	202.70	0.00	(0.91)	0.67	0.13	(2.21)	(4.41)	103.82
6	Total assets	227.62	25.04	100.14	282.26	65.51	100.14	282.26	48.11	315.06	0.10	1.09	19.12	1.15	7.04	9.55	188.22
7	Total liabilities	98.37	8.23	0.05	236.41	28.31	0.05	236.41	100.75	93.57	-	1.75	18.17	0.98	7.23	5.96	64.65
8	Investments	-	0.00	-	281.74	-	-	281.74	-	1.29	0.01	-	-	-	-	-	-
9	Turnover	214.51	24.13	-	-	105.34	-	-	13.59	257.30	-	3.14	25.41	2.41	9.71	8.29	77.75
10	Profit before taxation	57.74	2.22	(0.15)	(5.16)	21.25	(0.15)	(5.16)	(5.15)	20.72	(0.01)	0.61	0.43	0.08	(0.13)	(3.47)	3.36
11	Provision for taxation	9.26	0.63	-	-	5.52	-	-	-	3.28	-	-	0.15	0.02	0.04	-	1.88
12	Profit after taxation	48.48	1.59	(0.15)	(5.16)	15.73	(0.15)	(5.16)	(5.15)	17.44	(0.01)	0.61	0.28	0.06	(0.09)	(3.47)	1.48
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	51%	51%	95.53%

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

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman

Gurbachan Singh Dhingra – Vice - Chairman

Abhijit Roy – Managing Director & CEO

Srijit Dasgupta – Director - Finance & CFO

Arunito Ganguly – Vice President & Company Secretary

Place : Kolkata

Date : 23rd June, 2020

Part "B": Associates and Joint Ventures

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

₹ in Crores

Sl. No.	Name of associates / Joint Ventures	Berger Becker Coatings Private Limited (INR)	Berger Nippon Paint Automotive Coatings Private Limited "Formerly BNB Coatings India Pvt. Ltd." (INR)	Surefire Management Services Limited (GBP)
		Joint Venture 31-March-2020	Joint Venture 31-March-2020	Joint Venture 31-December-2019
1	Latest audited Balance Sheet Date			
2	Shares of Associate / Joint Ventures held by the company on the year end			
	i) Number	270,850	1,352,400	75,000
	ii) Amount of Investment in Associates / Joint Venture	2.71	135.24	0.28
	iii) Extend of Holding %	48.98%	49.00%	75.00%
3	Description of how there is significant influence	Shareholding more than 20%	Shareholding more than 20%	Bolix is a shareholder with 2 out of 4 directors nominated by Bolix S. A.
4	Reasons why the associate/ joint venture is not consolidated	BPIL does not have substantive rights	BPIL does not have substantive rights	Bolix is a shareholder with 2 out of 4 directors nominated by Bolix S. A.
5	Net worth attributable to shareholding as per latest audited Balance Sheet	126.69	236.43	0.76
6	Profit / Loss for the year			
	i) Considered in consolidation	6.03	(14.43)	0.12
	ii) Not Considered in consolidation	6.28	(15.01)	0.04

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

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman

Gurbachan Singh Dhingra – Vice - Chairman

Abhijit Roy – Managing Director & CEO

Srijit Dasgupta – Director - Finance & CFO

Arunito Ganguly – Vice President & Company Secretary

Place : Kolkata

Date : 23rd June, 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS 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 joint ventures comprising the consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 joint ventures as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Recognition of revenue from sale of goods (as described in Note 3.6 of the consolidated Ind AS financial statements)	
<p>The Group recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the net consideration, which the Group expects to receive for those goods from customers. In determining the sales price, the Group considers the effects of rebates and discounts (variable consideration).</p> <p>The terms of sales arrangements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that requires judgment in determining sales revenues.</p> <p>Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.</p>	<p>Our audit procedures included, among others the following:</p> <ol style="list-style-type: none"> 1. We read and evaluated the Group's revenue recognition policy and assessed its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. 2. We assessed the design and tested the operating effectiveness of internal controls related to sales and applicable rebates/discounts. 3. We performed test for a sample of individual sales transaction by comparing the underlying sales invoices, sales orders and dispatch documents to assess that revenue is recognized on transfer of control over those goods to the customer. 4. We tested on a sample basis rebates and discount schemes as approved by the management to assess its accounting. For the samples selected, we also compared that the actual rebates and discounts recognized in respect of particular schemes do not exceed their approved amounts. 5. We tested on a sample basis, sales transactions made prior to year-end and post year-end, and checked the period of revenue recognition with reference to underlying documents including customer's confirmation. 6. We read and assessed the relevant disclosures made in the consolidated Ind AS financial statements.
Assessment of Impairment of Goodwill (as described in Note 27 of the consolidated Ind AS financial statements)	
<p>The Group has goodwill in consolidated financial statements for the year ended March 31, 2020 including significant amount of goodwill recognized in one of its step-down subsidiary. These are allocated to Cash Generating Units (CGUs) and are tested annually for impairment. This testing is done by computing the value in use based on discounted cash flow method. The value in use so determined is compared with the carrying values and if there is a deficit, impairment loss is recognised.</p> <p>The inputs to the impairment testing model which have the most significant impact on the CGU's recoverable value include:</p> <ul style="list-style-type: none"> – Projected revenue growth, operating margins and operating cash-flows; – Stable long-term growth rates till perpetuity; and – Discount rates <p>Considering that the impairment assessment requires consideration of above inputs that involves significant management judgement, we have identified this to be a key audit matter.</p>	<p>Our audit procedures included among others the following:</p> <ol style="list-style-type: none"> 1. We assessed the Group's methodology applied in determining the CGUs to which goodwill is allocated. 2. We performed procedures to evaluate management's assumptions of the step down subsidiary in respect of future sales growth rate, operating margins and operating cash flows, perpetuity growth rate and discount rate used to compute the CGU's recoverable value including considerations of the audited consolidated financial statements of the subsidiary. 3. In respect of the goodwill recognized in the books of the step-down subsidiary, we made enquiries on audit procedures performed by the component auditor. <ul style="list-style-type: none"> The audit procedures carried out by component auditor for the subsidiary includes the following: <ol style="list-style-type: none"> A. Evaluating the methodology applied by the subsidiary company in determining the CGUs to which goodwill is allocated. B. Verifying the recoverable amount ascertained by the management of the subsidiary company under Discounted Cash Flow method based on business projection and valuation assumptions as described in the notes to the audited financial statements of the subsidiary company. C. Discussion of potential changes in key drivers as compared to previous year / actual performance with management of the subsidiary company to verify the inputs and assumptions used in the cash flow forecasts. 4. We performed sensitivity analysis to determine the impact of changes in the key assumptions. 5. We read and assessed the disclosures made in the consolidated Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and its joint ventures 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 of joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of the Group and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and its joint ventures are also responsible for overseeing the financial reporting process of the Group and its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of thirteen (13) subsidiaries (including six step down subsidiaries) whose Ind AS financial statements include total assets of ₹812.95 crores as at March 31, 2020, and total revenues of ₹719.43 crores and net cash outflows of ₹1.30 crores for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹6.15 crores and total comprehensive income of ₹6.12 crores for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of two joint ventures (including a joint venture of a step down subsidiary), whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of such other auditors.

Certain of these subsidiaries and joint ventures 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 under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report 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 purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating in 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, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under

Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies and its joint ventures incorporated in India is disqualified as on March 31, 2020 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 with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration to their Directors for the year ended March 31, 2020 have been paid/provided by the Holding Company, its subsidiaries and joint ventures incorporated in India is in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, incorporated in India as noted in the 'Other Matters' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated Ind AS financial statements – Refer Note 31 to the Consolidated Ind AS financial statements;
 - ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint ventures incorporated in India during the year ended March 31, 2020.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership No.: 055596

UDIN: 20055596AAAABS6125

Place of Signature: Kolkata

Date: June 23, 2020

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS 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 Ind AS financial statements of Berger Paints India Limited as of and for the year ended March 31, 2020, 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 joint ventures, 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 joint ventures, 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 Holding Company's, its subsidiaries and joint ventures, which are incorporated in India, internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements 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 with reference to these consolidated Ind AS financial statements 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 over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 with reference to these consolidated Ind AS financial statements 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 With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, 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 with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to these 4 subsidiary companies and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint venture incorporated in India.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN: 20055596AAAABS6125

Place of Signature: Kolkata

Date: June 23, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

	Notes	As at March 31, 2020	As at March 31, 2019 (As restated)	₹ in Crores As at April 1, 2018 (As restated)
ASSETS				
Non-current assets				
Property plant and equipment	4	1,320.82	1,037.07	977.52
Capital work-in-progress	4	178.49	169.89	97.16
Goodwill	4	278.96	269.25	264.57
Other intangible assets	4	7.99	8.10	4.77
Right to use asset	32	307.80	268.23	188.81
Investments in joint ventures	5a	135.82	144.12	105.54
Financial assets				
(a) Investments*	5b	0.00	0.00	0.00
(b) Loans and deposits	5c	19.19	16.91	20.43
(c) Other financial assets	5d	2.35	5.68	2.53
Deferred tax assets (net)	13a	5.51	10.32	0.74
Income tax assets (net)	13b	33.96	20.37	46.53
Other non-current assets	6	27.67	34.46	31.47
		2,318.56	1,984.40	1,740.07
Current Assets				
Inventories	7	1,278.46	1,233.53	1,007.34
Financial assets				
(a) Investments	8a	179.35	250.80	227.59
(b) Trade receivables	8b	714.11	671.48	692.40
(c) Cash and cash equivalents	8c	78.92	57.07	83.59
(d) Bank balances other than (c) above	8d	141.01	181.41	121.38
(e) Loans and deposits	5c	9.84	7.98	1.96
(f) Other financial assets	5d	8.03	3.14	3.81
Other current assets	6	176.73	177.18	220.49
		2,586.45	2,582.59	2,358.56
TOTAL ASSETS		4,905.01	4,566.99	4,098.63
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	97.12	97.11	97.10
Other equity	10	2,563.01	2,346.70	2,073.91
Equity attributable to equity holders of the parent		2,660.13	2,443.81	2,171.01
Non-controlling interest	10	7.11	3.45	-
Total Equity		2,667.24	2,447.26	2,171.01
Liabilities				
Non-Current Liabilities				
Financial liabilities				
(a) Borrowings	14a	243.38	238.92	249.47
(b) Lease liabilities	32	189.02	192.89	149.73
(c) Other financial liabilities	11	30.36	15.94	7.27
Provisions	12	9.87	6.96	4.56
Deferred tax liabilities (net)	13a	53.76	87.81	75.48
Other non-current liabilities	15	4.79	3.85	1.72
		531.18	546.37	488.23
Current Liabilities				
Financial liabilities				
(a) Borrowings	14a	292.51	245.01	172.70
(b) Lease Liabilities	32	41.99	40.00	36.73
(c) Trade payables	14b			
i) Total outstanding dues of micro enterprises and small enterprises		56.05	46.82	17.84
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,009.76	952.51	937.41
(d) Other financial liabilities	11	192.22	193.30	144.70
Other current liabilities	15	64.17	60.12	93.88
Provisions	12	46.35	31.97	30.88
Current tax liabilities (net)	13c	3.54	3.63	5.25
		1,706.59	1,573.36	1,439.39
Total Liabilities		2,237.77	2,119.73	1,927.62
TOTAL EQUITY AND LIABILITIES		4,905.01	4,566.99	4,098.63
Summary of Significant accounting policies	3			

* Refer Note 40

The accompanying notes are an integral part of the Consolidated Ind AS financial statements.
As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
Firm Registration Number 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman
Gurbachan Singh Dhingra – Vice - Chairman
Abhijit Roy – Managing Director & CEO
Srijit Dasgupta – Director - Finance & CFO
Arunoto Ganguly – VP & Company Secretary

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Notes	Year Ended March 31, 2020	₹ in Crores Year Ended March 31, 2019 (As restated)
Income			
Revenue from operations	18	6,365.82	6,061.86
Other income	19	68.52	60.03
Total Income		6,434.34	6,121.89
Expenses			
Cost of materials consumed	20	3,227.95	3,416.50
Purchases of traded goods		516.66	457.06
(Increase) in inventories of finished goods, work-in-progress and traded goods	21	(18.80)	(173.95)
Employee benefits expenses	22	452.50	408.51
Finance costs	23	47.04	47.24
Depreciation and amortisation expenses	24	191.01	182.27
Other expenses	25	1,126.52	1,018.20
Total Expenses		5,542.88	5,355.83
Profit before share of joint ventures and tax		891.46	766.06
Share of profit/(loss) in joint ventures	5a	(8.30)	(0.90)
Profit before tax		883.16	765.16
Tax Expense			
Current tax		248.14	267.62
Deferred tax/(credit)	13a,13b	(21.08)	3.65
		227.06	271.27
Profit for the year (I)		656.10	493.89
Other Comprehensive income:			
(i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains and (losses) on defined benefit obligations (net)		(9.14)	(3.33)
Income tax effect thereof		2.30	1.14
Share of Other comprehensive income in Joint Venture (net of tax)		(0.10)	0.01
(ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(12.06)	(8.55)
Other comprehensive income/(loss) for the year, net of tax (II)		(19.00)	(10.73)
Total comprehensive income for the year, net of tax (I + II)		637.10	483.16
Profit attributable to:			
– Owners of the Company		657.81	494.30
– Non-controlling interest		(1.71)	(0.41)
		656.10	493.89
Other comprehensive income/(loss) for the year attributable to			
– Owners of the Company		(18.96)	(10.73)
– Non-controlling interest		(0.04)	0.00
		(19.00)	(10.73)
Total Comprehensive income/(loss) for the year attributable to			
– Owners of the Company		638.85	483.57
– Non-controlling interest		(1.75)	(0.41)
		637.10	483.16
Earnings per equity share of ₹1 each	26		
Basic (rounded off upto two decimal places)		6.76	5.09
Diluted (rounded off upto two decimal places)		6.75	5.09

Summary of Significant accounting policies

The accompanying notes are an integral part of the Consolidated Ind AS financial statements.
As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
Firm Registration Number 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman
Gurbachan Singh Dhingra – Vice – Chairman
Abhijit Roy – Managing Director & CEO
Srijit Dasgupta – Director - Finance & CFO
Arunito Ganguly – VP & Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020
a. Equity Share Capital:

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity shares of ₹1 each issued, subscribed and fully paid				
At the beginning of the year	97,11,29,711	97.11	97,10,31,428	97.10
Add: Issue of Shares on exercise of Stock Options (Note 30)	90,069	0.01	98,283	0.01
At the end of the year	97,12,19,780	97.12	97,11,29,711	97.11

b. Other equity

For the year ended March 31, 2020

Particulars	Reserves & Surplus (refer Note 10)						Foreign Currency Translation Reserve	Foreign currency monetary item translation difference account	Equity attributable to equity holders of the parent	Non-Controlling Interest	Total Equity
	Securities Premium	Share based payment Reserve	Retained earnings	Capital Reserve	General Reserve	Capital Redemption Reserve					
As at April 1, 2019 (As Restated)	114.62	2.38	1,943.85	0.19	302.87	0.04	(6.51)	(10.74)	2,346.70	3.45	2,350.15
Profit for the year	-	-	657.81	-	-	-	-	-	657.81	(1.71)	656.10
Other comprehensive income for the year (net of tax)	-	-	(6.90)	-	-	-	(12.06)	-	(18.96)	(0.04)	(19.00)
Total Comprehensive Income for the year	-	-	650.91	-	-	-	(12.06)	-	638.85	(1.75)	637.10
Acquisition of a subsidiary (Note 41)	-	-	-	-	-	-	-	-	-	5.41	5.41
Share based payments (Note 30)	-	2.04	-	-	-	-	-	-	2.04	-	2.04
Exercise of share options (Note 30)	2.15	(2.15)	-	-	-	-	-	-	-	-	-
Cost of Share based payments (Note 30)	-	(0.02)	-	-	-	-	-	-	(0.02)	-	(0.02)
Transfer to housing reserves (Note 12)	-	-	(0.40)	-	-	-	-	-	(0.40)	-	(0.40)
Foreign currency monetary item translation difference account	-	-	-	-	-	-	-	0.15	0.15	-	0.15
Dividends (Note 17)	-	-	(369.04)	-	-	-	-	-	(369.04)	-	(369.04)
Dividend distribution tax on dividend (Note 17)	-	-	(55.27)	-	-	-	-	-	(55.27)	-	(55.27)
As at March 31, 2020	116.77	2.25	2,170.05	0.19	302.87	0.04	(18.57)	(10.59)	2,563.01	7.11	2,570.12

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

b. Other equity (Contd.)

For the year ended March 31, 2019

Particulars	Reserves & Surplus (refer note 10)						Foreign Currency Translation Reserve	Foreign currency monetary item translation difference account	Equity attributable to equity holders of the parent	Non-Controlling Interest	Total Equity
	Securities premium	Share based payment reserve	Retained earnings	Capital Reserve	General Reserve	Capital Redemption reserve					
As at April 1, 2018	112.34	2.20	1,677.73	0.19	302.87	0.04	2.04	(8.91)	2,088.50	-	2,088.50
Changes on Account of Ind AS 116 (Refer Note - 3.25)	-	-	(14.59)	-	-	-	-	-	(14.59)	-	(14.59)
As at April 1, 2018 **	112.34	2.20	1,663.14	0.19	302.87	0.04	2.04	(8.91)	2,073.91	-	2,073.91
Profit for the year (As Restated)	-	-	494.30	-	-	-	-	-	494.30	(0.41)	493.89
Other comprehensive income for the year (net of tax)	-	-	(2.18)	-	-	-	(8.55)	-	(10.73)	-	(10.73)
Total Comprehensive Income for the year	-	-	492.12	-	-	-	(8.55)	-	483.57	(0.41)	483.16
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	3.86	3.86
Exercise of share options (Note 30)	2.28	(2.28)	-	-	-	-	-	-	-	-	-
Share based payments (Note 30)	-	2.51	-	-	-	-	-	-	2.51	-	2.51
Share options forfeited/ lapsed (Note 30)	-	(0.05)	-	-	-	-	-	-	(0.05)	-	(0.05)
Transfer to housing reserves (Note 12)	-	-	(0.70)	-	-	-	-	-	(0.70)	-	(0.70)
Foreign currency monetary item translation difference account	-	-	-	-	-	-	-	(1.83)	(1.83)	-	(1.83)
Dividends (Note 17)	-	-	(174.78)	-	-	-	-	-	(174.78)	-	(174.78)
Dividend distribution tax on Dividend (Note 17)	-	-	(35.93)	-	-	-	-	-	(35.93)	-	(35.93)
As at March 31, 2019 (As Restated)	114.62	2.38	1,943.85	0.19	302.87	0.04	(6.51)	(10.74)	2,346.70	3.45	2,350.15

** Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer Note - 32)

Summary of Significant accounting policies

3

The accompanying notes are an integral part of the Consolidated Ind AS financial statements.
As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
Firm Registration Number 301003E/E300005

For and on behalf of Board of Directors of Berger Paints India Limited

per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated: June 23, 2020

Kuldip Singh Dhingra – Chairman
Gurbachan Singh Dhingra – Vice - Chairman
Abhijit Roy – Managing Director & CEO
Srijit Dasgupta – Director - Finance & CFO
Arunito Ganguly – VP & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	₹ in Crores	
	2019-20	2018-19 (Restated)*
A. Cash flows from operating activities:		
Profit before tax	883.16	765.16
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortisation expense	191.01	182.27
Loss on sale/discard of Property, plant and equipment	0.12	1.77
Employee stock option plan	2.19	2.46
Foreign Currency Translation	(12.21)	(12.90)
Unrealised foreign exchange (gain)/loss	3.38	(1.79)
Net gain on sale of mutual fund investments measured at FVTPL	(16.28)	(13.87)
Fair value gain on mutual fund investments measured at FVTPL	(0.83)	(6.22)
Share of (profit)/loss in joint ventures	8.30	0.90
Finance costs	47.04	47.24
Interest income	(18.81)	(18.80)
Operating profit before working capital changes	1,087.07	946.22
Adjustments for :		
Increase in trade payables	63.49	45.55
Increase/(decrease) in other financial liabilities	(32.74)	51.40
Increase/(decrease) in other liabilities	4.99	(31.63)
Increase in provisions	17.04	3.25
Increase in loans, deposits and other financial assets	(4.76)	(1.20)
(Increase)/decrease in other assets	(60.32)	45.61
(Increase)/decrease in trade receivables	(42.63)	20.91
Increase in inventories	(44.93)	(226.19)
Cash generated from operations	987.21	853.92
Direct taxes paid (net of refunds)	(262.57)	(243.08)
Net cash flows from operating activities (A)	724.64	610.84
B. Cash flows from investing activities:		
Purchase of Property plant and equipment and intangible assets including capital work in progress	(434.95)	(292.77)
Proceeds from sale of Property, plant and equipment and intangible assets	3.98	1.61
Investment in joint venture and subsidiaries	-	(41.18)
Proceeds from sale of current investments	3,296.60	2,126.38
Purchase of current investments	(3,208.04)	(2,129.50)
Proceeds from maturity of fixed deposits with banks	208.35	150.50
Investment in fixed deposits with banks	(106.72)	(211.80)
Interest received	17.41	18.17
Net cash flows used in investing activities (B)	(223.37)	(378.59)
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital	0.01	0.01
Net movement in cash credit and buyer's credit	(49.42)	(57.30)
Proceeds from short term borrowings	3,538.43	3,242.17
Repayment of short term borrowings	(3,437.05)	(3,123.02)
Payment of lease liabilities	(118.35)	(79.64)
Interest paid	(31.41)	(30.47)
Dividend paid (including net dividend distribution tax)	(381.63)	(210.52)
Net cash flow used in financing activities (C)	(479.42)	(258.77)
Net increase in cash and cash equivalents [A+B+C]	21.85	(26.52)
Cash and cash equivalents as at the beginning of the year	57.07	83.59
Cash and cash equivalents as at end of the year	78.92	57.07
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	59.29	41.52
- Deposits with original maturity of less than three months	18.72	0.54
Cheques/ drafts on hand	-	14.24
Cash on hand	0.91	0.77
Total cash and cash equivalents	78.92	57.07

* Restated pursuant to retrospective adoption of Ind AS 116, Leases (refer no 3.25 and 32)

Summary of significant accounting policies

3

The accompanying notes are an integral part of the Consolidated Ind AS financial statements.
As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
Firm Registration Number 301003E/E300005
per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman
Gurbachan Singh Dhingra – Vice - Chairman
Abhijit Roy – Managing Director & CEO
Srijit Dasgupta – Director - Finance & CFO
Arunito Ganguly – VP & Company Secretary

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

1. Corporate Information

The consolidated Ind AS financial statements comprise financial statements of Berger Paints India Limited ('BPIL' or 'the Holding Company' or 'the Company') and its subsidiaries (collectively, the Group) and includes share of profit/loss of the joint ventures for the year ended 31 March 2020. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on three recognised stock exchanges in India. The registered office of the Company is located at Berger House, 129 Park Street, Kolkata-700 017.

The Group is principally engaged in the manufacturing and selling of paints. The Company caters primarily to domestic market. Information on the Group's structure is provided in Note 28. Information on other related party relationships of the Group is provided in Note 33.

The consolidated Ind AS financial statements were authorised for issue in accordance with a resolution of the directors on June 23, 2020.

2. Significant Accounting Policies

2.1 Basis of preparation

The consolidated Ind AS financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS. The consolidated Ind AS financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values. (refer accounting policy regarding financial instruments)

The consolidated Ind AS financial statements are presented in INR and all values are rounded-off to the nearest crores, except when otherwise indicated. These consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements. An additional balance sheet as at 1 April 2018 is presented in these consolidated Ind AS financial statements due to the retrospective application of accounting policies as a result of the adoption of Ind AS 116 Leases. See Note no. 31.

2.2 Basis of consolidation

The consolidated Ind AS financial statements comprise the financial statements of the Holding Company, its subsidiaries and joint ventures as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Ind AS financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Ind AS financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated Ind AS financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated Ind AS financial statements to ensure conformity with the group's accounting policies.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- (d) The translation of the functional currencies into Indian Rupees (functional and presentation currency) of foreign subsidiaries is performed for assets and liabilities using closing exchange rates at the Balance Sheet date, for revenues, costs, and expenses using average rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of Other Comprehensive Income as Foreign Currency Translation Reserve by the Holding Company until the disposal of Investment.
- (e) Joint Ventures are entities over which the Group has joint control along with third parties. Investments in Joint Ventures are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the acquisition date.
- (f) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- (g) Accounting period of the subsidiaries and joint ventures are disclosed in note 28 of the consolidated Ind AS financial statements.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3. Summary of significant accounting policies

3.1. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

3.2. Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The Statement of Profit and Loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the Statement of Profit and Loss.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Statement of Profit and Loss.

3.3. Current and Non-Current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3.4. Foreign Currencies

The Group's consolidated Ind AS financial statements are presented in INR, which is also the Holding Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

The functional currency of Berger Paints India Limited, Beppee Coatings Private Limited, STP Ltd, SBL Specialty Coatings Pvt Ltd, Berger Hesse Wood Coatings Pvt Ltd, Berger Rock Paints Private Limited, Berger Becker Coatings Private Limited (Joint Venture) and Berger Nippon Paint Automotive Coatings Private Limited (Joint Venture) is Indian rupee. The functional currency of other subsidiaries including step down subsidiaries and step-down joint venture included within the Group are the respective local currencies.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Statements of Profit and Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in Statement of Profit and Loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2016), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the Holding Company and no further translation differences occur.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**3.5. Fair Value Measurement**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated Ind AS financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.6. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of Goods

Revenue from sale of goods is recognised on transfer of control in the goods to customers at a point of time by performance of obligation towards delivery or as per customers' instruction. The normal credit term is 30 to 90 days upon delivery. The

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

revenue is based on the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, rights to return or other contractual reductions. As the period between the date on which the Group transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are considered. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

The Group provides volume rebates to certain customers once the quantity of products purchased by the customers during the period exceeds a threshold specified in the contract. Generally, rebates are offset against the amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the expected value method.

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS on constraining estimates of variable consideration to are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section "Financial instruments – initial recognition and subsequent measurement".

3.7. Government Grants

Government grants and subsidies are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy relates to revenue and is not relatable to the corresponding costs, it is recognised as income on a systematic basis in the Statement of Profit and Loss, under Other Operating Revenue. Over the periods necessary to match them with the related costs, which they are intended to compensate. When the grant or subsidy relates to an asset, it is deducted from the carrying amount of the asset. The grant is recognised in the Statement of Profit and Loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.8. Taxes

Current Income Tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation 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.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**Deferred Tax**

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated Ind AS financial statements at the reporting date. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income (OCI) or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

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 temporary 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 temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary 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 temporary differences which originate first are considered to reverse first.

Goods and Service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and Service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3.9. Property, Plant and Equipment

Property, plant and equipment and Capital work in progress are carried at cost of acquisition, 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. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 27 regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

Depreciation is provided on Straight line method over the useful lives of property, plant and equipment 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 property, plant and equipment 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: 3 years to 21.05 years
- Motor Vehicles: 6.67 years
- Tinting Machines: Based on useful lives of 60 months
- No depreciation is provided on freehold land

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.10. Intangible Assets

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 any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**3.11. Research and Development**

Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Expenditure incurred on research of an internal project is recognised as an expense in Statement of Profit and Loss, when it is incurred.

Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use. An intangible asset arising from development is recognised if, and only if, the following criteria are met:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale.
- (b) the Group intends to complete the intangible asset and use or sell it.
- (c) the Group has ability to use or sell the intangible asset.
- (d) the Group can demonstrate how the intangible asset will generate probable future economic benefits.
- (e) the Group has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) the Group has ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

3.12. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing Costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs. Discount on Commercial papers is amortised over the tenor of the underlying instrument. Borrowing Costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date the asset is ready for its intended use is added to the cost of the assets. Capitalisation of Borrowing Costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

3.13. Leases

Ind AS 116, Leases, replaces the existing standard on accounting for leases, Ind AS 17, with effect from April 01, 2019.

The Group has elected to apply the full retrospective approach on transition, and accordingly the comparative numbers for all years presented in accordance with the requirements of IND AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors have been restated. Refer note 3.25 for details.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the present value of lease payments to be made over the lease term initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 2 years to 15 years
- Leasehold Land 20 years to 99 years

If ownership of the leased asset transfers to the group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3.22 Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments. (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Note 31.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of properties taken on rent (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to properties that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**As a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.14. Inventories

Raw materials, stores and spares and packing materials are valued at lower of cost and estimated net realisable value. Cost is determined on weighted average basis. 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.

Finished goods and Work-in-process 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.

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.

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

3.15. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group 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.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3.16. Provisions and Contingencies

A provision is recognized when the Group has a present obligation (legal or constructive) 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. The expense relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Group records a provision for decommissioning costs for its certain manufacturing facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

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. The Group does not recognize a contingent liability but discloses its existence in the consolidated Ind AS financial statements.

3.17. Employee Benefits

I. Defined Contribution Plan

a. Superannuation

Contribution made to Superannuation Fund for certain of employees of the Holding Company are recognised in the Statement of Profit and Loss as and when services are rendered by employees. The Holding Company has no liability for future Superannuation Fund benefits other than its contribution.

b. Provident Fund

Contributions in respect of Employees of Holding Company who are not covered by Holding Company's Employees Provident Fund Trust and in respect of other employees of the Group are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to Statement of Profit and Loss as and when services are rendered by employees. The Group has no obligation other than the contribution payable to the Regional Provident Fund.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**II. Defined Benefit Plan****a. Gratuity**

Every employee who has completed five years or more of service is entitled to Gratuity as per the provisions of The Payment of Gratuity Act, 1972. Retirement Gratuity for employees of the Holding Company, 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/losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to Statement of Profit and Loss in subsequent periods. 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. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

b. Provident Fund

In respect of the employees covered by the Holding Company's Employee Provident Fund Trust in Point I b above, contributions to the Holding Company's Employees Provident Fund Trust (administered by the Holding Company as per the provisions of Employees' Provident Fund and Misc. Provisions Act, 1952) are made in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contribution to the Trust, the Holding Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and recognizes such obligation, if any, determined based on an actuarial valuation as at the balance sheet date, as an expense.

III. Long Term Compensated Absences

The Group 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 Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

3.18. Employees Stock Option

Stock options are granted to the employees under the stock option scheme. The cost of stock options granted to the employees (equity-settled awards) of the Holding Company is the difference between fair value of equity instruments granted and the price at which options may be exercised by concerned employees. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Holding Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

Aforesaid cost of stock options is recognised, together with a corresponding increase in Employee Stock Options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Holding Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

3.19. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.20. Forward Currency Contracts

The Group uses forward currency contracts to hedge its foreign currency risks. Such forward currency contracts are initially measured at fair value on the date on which a forward currency contract is entered into and are subsequently re-measured at fair value. Forward currency contracts are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in the fair value of forward contracts are recognized in the Statement of Profit and Loss as they arise.

3.21. Earnings Per Share

Basic Earnings Per Share is 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 is adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

3.22. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Debt instruments at amortised cost
- Equity instruments measured at fair value through other comprehensive income FVTOCI

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Debt instruments at amortised cost other than derivative contracts

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost on first time adoption of Ind AS. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowing or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3.23. Cash dividend to equity holders of the Holding Company

The Holding Company recognises a liability to make cash distributions to equity holders of the Holding Company when the distribution is authorised and the distribution is no longer at the discretion of the Holding Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.24. Operating Segments

The Business process and Risk Management Committee of the Holding Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Group. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Holding Company has identified that Chief Operating Decision Maker function is being performed by the Business process and Risk Management Committee. The financial information presented to the Business process and Risk Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Group. As the Group's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the consolidated Ind AS financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

3.25. Changes in accounting policies and disclosures

New and amended standards –

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the full retrospective method of adoption, with the date of initial application on April 1, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The effect of adoption of Ind AS 116 is as follows;

Impact on consolidated balance sheet [increase/(decrease)]:

₹ in Crores

	March 31, 2020	March 31, 2019	April 01, 2018
Assets			
Right-of-use assets	307.80	268.23	188.81
Property, plant and equipment	(102.99)	(57.71)	(20.31)
Prepayments	(5.51)	(5.18)	(4.35)
Total assets	199.30	205.34	164.15
Equity			
Retained earnings	(23.62)	(17.94)	(14.59)
Total equity	(23.62)	(17.94)	(14.59)
Liabilities			
Lease liabilities	231.01	232.89	186.46
Deferred tax liabilities (net)	(8.09)	(9.61)	(7.72)
Total liabilities	222.92	223.28	178.74

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the full retrospective method of adoption, the Group applied Ind AS 116 at the date of initial application as if it had already been effective at the commencement date of existing lease contracts.

As at April 1, 2018, March 31, 2019 and March 31, 2020:

- 'Right-of-use assets' were recognised and presented separately in the balance sheet. Lease assets recognised previously under finance leases, which were included under 'Property, plant and equipment', were derecognised.
- 'Prepayments' related to previous operating leases were derecognised.
- 'Deferred tax liabilities' decreased because of the deferred tax impact of the changes in recognised lease related assets and liabilities.
- 'Retained earnings' decreased due to the net impact of these adjustments.

For the year ended March 31, 2020:

- Depreciation expense increased because of depreciation charged on right of use assets recognised on adoption of Ind AS 116 (net of the decrease in 'Property, plant and equipment' consequent to derecognition of leasehold assets). This resulted in increases additional depreciation charge of ₹47.26 crores (March 31, 2019: ₹44.50 crores) for the year.
- Rent expense included in 'Other expenses', relating to previous operating leases, reduced by ₹59.48 crores (March 31, 2019: ₹53.97 crores)
- 'Finance costs' increased by ₹14.31 crores (March 31, 2019: ₹14.90 crores) relating to the interest expense on additional lease liabilities recognised.
- 'Income tax expense' decreased by ₹0.84 crores (March 31, 2019: ₹1.89 crores) relating to the net tax effect of the aforesaid adjustments.
- Cash outflows from operating activities decreased by ₹118.35 crores (March 31, 2019: ₹79.64 crores) and cash outflows from financing activities increased by the same amount, relating to decrease in operating lease payments and increases in principal and interest payments of lease liabilities.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 4(a) - Property, plant and equipment

₹ in Crores

Particulars	Gross Block at Cost					Accumulated Depreciation					Net Block	
	As at April 1, 2019 (As Restated) (Refer Note 32)	Additions **	Deletions	Translation Difference	As at March 31, 2020	As at April 1, 2019 (As Restated) (Refer Note 32)	For the Year	Deletions (Accumulated upto the date of sale)	Translation Difference	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019 (As Restated)
Freehold Land	16.05	79.22	-	0.04	95.31	-	-	-	-	-	95.31	16.05
Freehold Building	432.52	153.33	1.16	2.76	587.45	59.28	18.91	0.08	2.32	80.43	507.02	373.24
Plant & Machinery ##	834.61	178.09	4.53	3.32	1,011.49	262.11	96.92	2.52	8.39	364.90	646.59	572.50
Furniture and Fixtures	39.97	5.09	0.93	0.20	44.33	15.95	5.54	0.76	0.36	21.09	23.24	24.02
Computer ##	49.30	6.47	0.18	-	55.59	24.11	9.78	0.13	0.45	34.21	21.38	25.19
Office Equipment	14.72	5.01	0.60	-	19.13	7.04	2.72	0.60	0.52	9.68	9.45	7.68
Vehicles	23.63	6.21	3.47	0.28	26.65	5.24	5.65	2.65	0.58	8.82	17.83	18.39
TOTAL	1,410.80	433.42	10.87	6.60	1,839.95	373.73	139.52	6.74	12.62	519.13	1,320.82	1,037.07

** Includes assets acquired from STP Ltd after close of business hours on October 31, 2019, which are disclosed as below:

₹ in Crores

Particulars	Amount
Freehold Land	79.00
Freehold Building	16.54
Plant & Equipment	12.98
Furniture and Fixtures	0.54
Computer	0.21
Office Equipment	0.24
Vehicles	0.93
Total	110.44

(i) Included followings assets (together constituting color bank) given under operating lease to the dealers

₹ in Crores

Particulars	Gross Block at Cost				Accumulated Depreciation				Net Block	
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the Year	Deletions (Accumulated upto the date of sale)	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Plant & Machinery	227.46	37.94	0.43	264.97	115.59	40.86	0.41	156.04	108.93	111.87
Computer	21.51	1.56	-	23.07	12.17	3.68	-	15.85	7.22	9.34
Total	248.97	39.50	0.43	288.04	127.76	44.54	0.41	171.89	116.15	121.21

(ii) For charge created on Property, plant and equipment refer note 31(b)(iii).

(iii) Nil amount of borrowing cost is capitalised during the current and comparative period.

(iv) Nil amount of impairment loss is recognised during the current and comparative period.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Note 4(a)(v)

Title deeds of immovable properties set out in Note 4(a) are in the name of the Company except those mentioned below which was transferred to and vested in the Holding Company pursuant to the respective Schemes of Arrangement in earlier years.

₹ in Crores

Particulars	No. of title deeds	Gross Carrying Amount		Net Carrying Amount		Held in the name of
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	
Freehold land at Rishra, West Bengal	1	1.36	1.36	1.36	1.36	Berger Auto & Industrial Coatings Limited

Note 4(b) - Goodwill
₹ in Crores

Particulars	Gross Block at Cost				Accumulated Amortisation					Net Block		
	As at April 1, 2019	Additions **	Deletions	Translation Difference	As at March 31, 2020 *	As at April 1, 2019	For the Year	Deletions (Accumulated upto the date of sale)	Translation Difference	As at March 31, 2020	As at March 31, 2020 *	As at March 31, 2019
Goodwill	269.25	7.16	-	2.55	278.96	-	-	-	-	-	278.96	269.25
TOTAL	269.25	7.16	-	2.55	278.96	-	-	-	-	-	278.96	269.25

* Includes Goodwill on consolidation ₹74.30 Crores (2018-19 ₹67.14 Crores).

** On account of acquisition, refer Note 41.

Note 4(c) - Other Intangible Assets
₹ in Crores

Particulars	Gross Block at Cost				Accumulated Amortisation					Net Block		
	As at April 1, 2019	Additions **	Deletions	Translation Difference	As at March 31, 2020	As at April 1, 2019	For the Year	Deletions (Accumulated upto the date of sale)	Translation Difference	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computer Software	22.57	2.17	0.04	0.25	24.95	14.47	2.61	0.07	0.10	17.11	7.84	8.10
Trademark	-	0.15	-	-	0.15	-	-	-	-	-	0.15	-
TOTAL	22.57	2.32	0.04	0.25	25.10	14.47	2.61	0.07	0.10	17.11	7.99	8.10

** Includes computer software of ₹0.06 crore and trademark of ₹0.15 Crore acquired on account of acquisition, refer note 41.

Note 4(d) - Capital work-in-progress
₹ in Crores

Particulars	Gross Block at Cost			
	As at April 1, 2019	Additions **	Capitalisation	As at March 31, 2020
Buildings	89.15	94.96	147.83	36.28
Plant & Equipment	80.51	229.97	173.08	137.04
Other assets	0.23	9.66	5.08	4.81
TOTAL	169.89	334.59	325.99	178.49

** Includes capital work in progress of ₹1.00 Crore acquired on account of acquisition, refer Note 41.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 4(e) - Property, plant and equipment

₹ in Crores

Particulars	Gross Block at Cost					Accumulated Depreciation					Net Block	
	As at April 1, 2018 (As Restated) (Refer note 32)	Additions	Deletions	Translation Difference	As at March 31, 2019 (As Restated)	As at April 1, 2018 (As Restated) (Refer Note 32)	For the Year	Deletions (Accumulated upto the date of sale)	Translation Difference	As at March 31, 2019 (As Restated)	As at March 31, 2019 (As Restated)	As at April 1, 2018 (As Restated)
Freehold Land	13.35	2.66	-	0.04	16.05	-	-	-	-	-	16.05	13.35
Freehold Building	397.76	35.10	-	(0.34)	432.52	42.19	17.15	-	(0.06)	59.28	373.24	355.57
Plant & Machinery ##	742.23	132.39	39.94	(0.07)	834.61	207.45	91.67	37.28	0.27	262.11	572.50	534.78
Furniture and Fixtures	36.92	6.23	3.32	0.14	39.97	13.19	5.81	3.12	0.07	15.95	24.02	23.73
Computer ##	47.20	8.51	6.41	-	49.30	19.49	10.69	6.07	-	24.11	25.19	27.71
Office Equipment	11.14	3.77	0.19	-	14.72	4.50	2.41	0.02	0.15	7.04	7.68	6.64
Vehicles	18.79	8.05	3.32	0.11	23.63	3.05	4.90	2.74	0.03	5.24	18.39	15.74
TOTAL	1,267.39	196.71	53.18	(0.12)	1,410.80	289.87	132.63	49.23	0.46	373.73	1,037.07	977.52

Also refer note 4(a)(v)

(i) Included followings assets (together constituting color bank) given under operating lease to the dealers.

₹ in Crores

Particulars	Gross Block at Cost				Accumulated Depreciation				Net Block	
	As at April 1, 2018	Additions	Deletions	As at March 31, 2019	As at April 1, 2018	For the Year	Deletions (Accumulated upto the date of sale)	As at March 31, 2019	As at March 31, 2019	As at April 1, 2018
Plant & Machinery	218.94	44.62	36.10	227.46	107.38	42.60	34.39	115.59	111.87	111.56
Computer	24.62	2.53	5.64	21.51	12.41	5.15	5.39	12.17	9.34	12.21
Total	243.56	47.15	41.74	248.97	119.79	47.75	39.78	127.76	121.21	123.77

(ii) On account of adoption of Ind AS 116, leasehold lands and buildings have been reclassified to Right to use assets. Refer note 32(b) for details.

(iii) For charge created on Property, plant and equipment refer note 33(b)(iii).

(iv) Nil amount of borrowing cost is capitalised during the current and comparative period.

(v) Nil amount of impairment loss is recognised during the current and comparative period.

Note 4(f) - Goodwill

₹ in Crores

Particulars	Gross Block at Cost					Accumulated Amortisation					Net Block	
	As at April 1, 2018	Additions	Deletions	Translation Difference	As at March 31, 2019	As at April 1, 2018	For the Year	Deletions (Accumulated upto the date of sale)	Translation Difference	As at March 31, 2019	As at March 31, 2019	As at April 1, 2018
Goodwill *	264.57	1.90	-	2.78	269.25	-	-	-	-	-	269.25	264.57
TOTAL	264.57	1.90	-	2.78	269.25	-	-	-	-	-	269.25	264.57

* Includes Goodwill on consolidation ₹67.14 crores (2017-18 ₹65.24 crores).

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Note 4(g) - Other Intangible Assets
₹ in Crores

Particulars	Gross Block at Cost					Accumulated Amortisation					Net Block	
	As at April 1, 2018	Additions	Deletions	Translation Difference	As at March 31, 2019	As at April 1, 2018	For the Year	Deletions (Accumulated upto the date of sale)	Translation Difference	As at March 31, 2019	As at March 31, 2019	As at April 1, 2018
Computer Software	15.61	6.91	0.26	0.31	22.57	10.84	3.55	0.22	0.30	14.47	8.10	4.77
TOTAL	15.61	6.91	0.26	0.31	22.57	10.84	3.55	0.22	0.30	14.47	8.10	4.77

Note 4(h) - Capital work-in-progress
₹ in Crores

Particulars	As at April 1, 2018	Additions	Capitalisation	As at March 31, 2019
Buildings	4.31	119.94	35.10	89.15
Plant & Equipment	92.83	120.07	132.39	80.51
Other assets	0.02	7.81	7.60	0.23
TOTAL	97.16	247.82	175.09	169.89

Note 5a. Investment in Joint Ventures

The Group has a 48.98% and 49% interest in Berger Becker Coatings Private Limited and Berger Nippon Paint Automotive Coatings Private Limited respectively (Company's Joint Venture with Becker Industrial Coatings Holding AB - Sweden and Nippon Paints Automotive Coatings Co. Ltd., Japan, which are involved in the manufacture and selling of paints). These joint ventures are private limited companies that are not listed on any public exchange. The Group's interest in joint ventures are accounted for using the equity method in the consolidated Ind AS financial statements. Both the joint ventures are individually immaterial to the reporting entity. Summarised financial information of the joint venture, based on their Ind AS financial statements are set out below:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amount of interest in joint ventures	135.82	144.12
Non-current assets	239.15	240.60
Current Assets	253.57	274.67
Non-Current Liabilities	(3.31)	(2.36)
Current Liabilities	(125.64)	(132.60)
Equity	363.77	380.31

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Total income	421.46	525.91
Total expenses	437.75	522.09
PAT	(16.29)	(2.36)
Total Comprehensive Income	(16.54)	(2.33)
Group's Share of Profit/(Loss) from joint ventures	(8.30)	(0.90)
Group's share of Other Comprehensive Income/(Loss) for the year from joint ventures	(0.10)	0.01
Group's share of total comprehensive income for the year from joint ventures	(8.40)	(0.89)

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 5b. Financial Assets - Investments

Particulars	Non Current				
	Nominal Value per unit	Number of shares		₹ in Crores	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Trade Investment					
At fair value through profit and loss (FVTPL):					
Equity Shares (Fully Paid) - Unquoted					
Shaktikunj Apartments Limited *	1	1,498	1,498	0.00	0.00
Charotar Gas Company *	10	10	10	0.00	0.00
Total*				0.00	0.00
Aggregate book value of Unquoted Investments*				0.00	0.00

Refer Note 35 for fair value determination.

* Refer Note 40.

Note 5c. Financial assets - Loans and deposits

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Security Deposits*	19.19	16.91	9.84	7.98
Total	19.19	16.91	9.84	7.98

* Refer Note 33 for security deposits given to related parties.

Note 5d. Financial assets - Other financial assets

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Bank Deposits with original maturity of more than twelve months #	1.49	1.54	0.04	0.10
Advances for Share Application money (to related parties) (refer Note - 33)	0.86	4.14	-	-
Interest accrued on deposits	-	-	3.80	2.40
Other receivables *	0.00	-	4.19	0.64
Total	2.35	5.68	8.03	3.14

includes deposits pledged against bank guarantees

* includes receivable from related party (refer Note 33. Also refer Note 40.)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Berger Paints (Bangladesh) Limited (fellow subsidiary)	0.42	0.42
	0.42	0.42

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 6. Other assets

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Capital advances	21.75	22.28	0.23	0.27
Advances other than capital advances	0.08	0.54	21.14	15.02
Prepayments *	0.24	0.51	12.09	10.82
Subsidy receivable #	-	-	44.73	51.60
Balances with statutory/government authorities	5.60	11.13	98.54	99.47
Total	27.67	34.46	176.73	177.18

* Restated pursuant to retrospective adoption of Ind AS 116, Leases. Refer Notes 3.25 and 32.

The Holding Company has subsidy receivable under "Scheme of Budgetary Support under GST Regime to the eligible units" located in specified States.

Note 7. Inventories

(at the lower of cost and net realisable value)

₹ in Crores

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
Raw materials [Including in-transit ₹52.96 crores (March 31, 2019 - ₹76.00 crores)]	361.79	354.00
Packing material [Including in-transit ₹0.12 crores (March 31, 2019 - ₹0.14 crores)]	28.60	23.87
Work in progress	71.49	84.94
Finished goods	704.45	673.78
Traded goods [Including in-transit ₹3.87 crores (March 31, 2019 - ₹2.00 crores)]	94.22	78.42
Stores and spares	17.91	18.52
Total	1,278.46	1,233.53

Note 8a. Financial assets - Investments

Particulars	Current				
	Nominal Value ₹ per unit	Number of units		₹ in Crores	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Investments at Fair value through profit and loss (FVTPL):					
<u>Investments in Mutual Funds - Unquoted</u>					
Aditya Birla Sun Life Low Duration Fund - Growth - Direct Plan (formerly known as Aditya Birla Sun Life Cash Manager)	100	77,229	-	3.97	-
Aditya Birla Sunlife Liquid Fund - Growth - Direct Plan (formerly known as Aditya Birla Sun Life cash plus)	100	1,32,033	-	4.22	-
Aditya Birla Sunlife Money Manager Fund - Growth Direct Plan (formerly known as Aditya Birla Sun Life Floating Rate Fund Short Term Plan)	100	9,76,918	-	26.47	-
Axis Ultra Short Term Fund - Direct Growth - USDG	10	1,64,50,588	54,81,550	18.67	5.76
DSP Overnight Fund - Dir - Growth	1,000	50,186	-	5.36	-

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Current				
	Nominal Value ₹ per unit	Number of units		₹ in Crores	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
DSP Savings Fund - Direct Growth Plan	1,000	-	14,39,591	-	5.36
Franklin India Liquid Fund Super Institutional Plan - Direct Growth (formerly known as Franklin India Treasury Management Account - Super Institutional Plan - Direct)	1,000	7,185	27,076	2.14	7.58
Franklin India Short Term Income Plan - Retail Plan - Direct - GROWTH	1,000	-	10,12,506	-	3.56
Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct - GROWTH	10	69,68,257	-	19.27	-
HDFC Low Duration Fund - Direct Plan - Growth Option	10	39,92,044	-	17.64	-
HDFC Ultra Short Term Fund - Direct Growth	10	-	3,18,04,399	-	33.31
ICICI Prudential Ultra Short Term Fund - Direct Growth	10	-	1,60,99,537	-	31.87
Kotak Savings Fund Direct Plan Growth (formerly known as Erstwhile Kotak Treasury Adv)	10	8,27,358	79,00,551	2.72	24.14
UTI Liquid Cash Plan - Direct Growth	1,000	6,182	34,642	2.01	10.60
UTI Ultra Short Term Fund - Direct Growth Plan	10	-	17,674	-	5.55
Kotak Money Market Fund - Direct Plan - Growth (formerly known Erstwhile Kotak Floater ST)	10	10,356	-	3.43	-
Birla Sunlife Savings Fund - Direct Growth	10	-	11,28,744	-	41.96
ICICI Prudential Money Market Fund - Direct Growth	10	-	9,87,595	-	25.69
Birla Sunlife Floating Rate Fund Short term - Direct growth	10	-	7,12,492	-	17.93
Franklin India Short Term Income Plan - Weekly Dividend	10	10,320	10,320	4.18	4.33
Franklin India Ultra Short Term Bond Fund - Direct - Growth	10	-	95,99,250	-	25.33
HDFC Liquid Fund - Direct - Growth	10	-	13,587	-	5.00
UTI Money Market Fund - Institutional - Direct - Growth	10	-	7,477	-	2.83
SBI Savings Fund - Direct Plan - Growth	10	20,973	-	7.56	-
UTI Corporate Bond Fund - Direct Growth Plan	10	48,00,312	-	15.54	-
ICICI Prudential Savings Fund - Direct Plan - Growth	100	25,40,963	-	3.00	-
ICICI Prudential Savings Fund - Direct Plan - Growth	100	11,05,962	-	43.17	-
Aggregate amount of Unquoted Investments				179.35	250.80
Aggregate amount of Repurchase price of Unquoted Investments				179.35	250.80

Refer Note 35 for determination of fair value.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
**Note 8b. Financial assets - Trade receivables
Unsecured**
₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Considered good*	-	-	714.11	671.48
Trade Receivables - Credit impaired	9.50	18.45	-	-
	9.50	18.45	714.11	671.48
Impairment allowance (allowance for bad and doubtful debts)				
Trade receivables - Credit impaired	(9.50)	(18.45)	-	-
Total	-	-	714.11	671.48

* Includes debts due from related parties (Joint Ventures)

Berger Becker Coatings Private Limited 1.72 0.84

Berger Nippon Paint Automotive Coatings Private Ltd.

(Formerly BNB Coatings India Private Limited/BNB Coatings India Limited) 16.79 6.57

Trade receivables are non-interest bearing and generally has credit period from 30 to 90 days

For terms and conditions relating to related party receivables, refer Note 33.

Note 8c. Financial assets - Cash and Cash Equivalents
₹ in Crores

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
– On current accounts	59.29	41.52
– Deposits with original maturity of less than three months #	18.72	0.54
Cheques/drafts on hand	-	14.24
Cash on hand	0.91	0.77
Total	78.92	57.07

Note 8d. Financial assets - Other bank balances
₹ in Crores

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
Other bank balances:		
– Balance with banks in Unpaid Dividend Account	66.48	5.72
– Deposits with original maturity of not less than three months but not more than twelve months #	74.50	175.63
Earmarked balances	0.03	0.06
Total	141.01	181.41
Total Cash and Bank balances	219.93	238.48

Deposits with Banks earn interest between 4.75% to 7.30% (March 31, 2019 - 7.95% to 9.60%) and are made for periods between 7 to 366 days (March 31, 2019 - periods between 61 to 365 days)

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note - 9. Equity Share Capital

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised capital		
1,20,00,00,000 Equity Shares of ₹1 each (March 31, 2019: 1,20,00,00,000 Equity Shares of ₹1 each)	120.00	120.00
Issued capital		
97,13,11,260 Equity Shares of ₹1 each fully paid up (March 31, 2019: 97,12,21,191 Equity Shares of ₹1 each fully paid up)	97.13	97.12
	97.13	97.12
Subscribed and paid-up capital		
At April 1, 2019		
97,11,29,711 Equity Shares of ₹1 each issued, subscribed and fully paid up	97.11	97.10
Add: Issue of Share Capital	0.01	0.01
At March 31, 2020		
97,12,19,780 Equity Shares of ₹1 each issued, subscribed and fully paid up	97.12	97.11

a) The Reconciliation of share capital is given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
At the beginning of the year	97,11,29,711	97.11	97,10,31,428	97.10
Add: Shares issued on exercise of Employee Stock Options (Refer Note 30)	90,069	0.01	98,283	0.01
At the end of the year	97,12,19,780	97.12	97,11,29,711	97.11

b) Terms/Rights attached to class of shares

The Holding Company has only one class of equity shares having a par value of ₹1 each. Holder of each equity share is entitled to one vote per share. The Holding 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, except in case of interim dividend. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Equity Shares held by the Holding Company and/or the subsidiaries/associates of Holding Company

Particulars	As at March 31, 2020	As at March 31, 2019
U K Paints (India) Private Limited (Holding Company)	48,65,45,399	48,65,45,399
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	14,06,56,782
Citland Commercial Credits Limited	3,09,15,659	3,09,15,659
Wang Investment Finance Pvt. Ltd.	2,99,85,580	2,98,10,580
Bigg Investment & Finance Pvt. Ltd.	79,52,420	79,52,420

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

d) Details of Shareholders holding more than 5 percent of Equity Shares in the Holding Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% holding	No. of Shares	% holding
U K Paints (India) Private Limited (Holding Company)	48,65,45,399	50.10%	48,65,45,399	50.11%
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	14.48%	14,06,56,782	14.48%

As per records of the Holding Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares as declared under the relevant provisions of the Companies Act, 2013.

e) Shares reserved for issue under Employee Stock Options:

For movement of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company, refer Note 30.

Note - 10a. Other equity

For the year ended March 31, 2020

₹ in Crores

Particulars	Reserves & Surplus							Foreign currency monetary item translation difference account	Equity attributable to equity holders of the parent	Non- Controlling Interest	Total Equity
	Securities premium	Share based payment reserve	Retained earnings	Capital Reserve	General Reserve	Capital Redemption reserve	Foreign Currency Translation Reserve				
As at April 1, 2019 (As Restated)	114.62	2.38	1,943.85	0.19	302.87	0.04	(6.51)	(10.74)	2,346.70	3.45	2,350.15
Profit for the year	-	-	657.81	-	-	-	-	-	657.81	(1.71)	656.10
Other comprehensive income for the year (net of tax)	-	-	(6.90)	-	-	-	(12.06)	-	(18.96)	(0.04)	(19.00)
Total Comprehensive Income for the year	-	-	650.91	-	-	-	(12.06)	-	638.85	(1.75)	637.10
Acquisition of a subsidiary (Note 41)	-	-	-	-	-	-	-	-	-	5.41	5.41
Share based payments (Note 30)	-	2.04	-	-	-	-	-	-	2.04	-	2.04
Exercise of share options (Note 30)	2.15	(2.15)	-	-	-	-	-	-	-	-	-
Cost of Share based payments (Note 30)	-	(0.02)	-	-	-	-	-	-	(0.02)	-	(0.02)
Transfer to housing reserves (Note 12)	-	-	(0.40)	-	-	-	-	-	(0.40)	-	(0.40)
Foreign currency monetary item translation difference account	-	-	-	-	-	-	-	0.15	0.15	-	0.15
Dividends (Note 17)	-	-	(369.04)	-	-	-	-	-	(369.04)	-	(369.04)
Dividend distribution tax on Dividend (Note 17)	-	-	(55.27)	-	-	-	-	-	(55.27)	-	(55.27)
As at March 31, 2020	116.77	2.25	2,170.05	0.19	302.87	0.04	(18.57)	(10.59)	2,563.01	7.11	2,570.12

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

For the year ended March 31, 2019

₹ in Crores

Particulars	Reserves & Surplus							Foreign currency monetary item translation difference account	Equity attributable to equity holders of the parent	Non-Controlling Interest	Total Equity
	Securities premium	Share based payment reserve	Retained earnings	Capital Reserve	General Reserve	Capital Redemption reserve	Foreign Currency Translation Reserve				
As at April 1, 2018	112.34	2.20	1,677.73	0.19	302.87	0.04	2.04	(8.91)	2,088.50	-	2,088.50
Changes on Account of Ind AS 116 (Refer Note - 3.25)	-	-	(14.59)	-	-	-	-	-	(14.59)	-	(14.59)
As at April 1, 2018 **	112.34	2.20	1,663.14	0.19	302.87	0.04	2.04	(8.91)	2,073.91	-	2,073.91
Profit for the year (As Restated)	-	-	494.30	-	-	-	-	-	494.30	(0.41)	493.89
Other comprehensive income for the year (net of tax)	-	-	(2.18)	-	-	-	(8.55)	-	(10.73)	-	(10.73)
Total Comprehensive Income for the year	-	-	492.12	-	-	-	(8.55)	-	483.57	(0.41)	483.16
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	3.86	3.86
Exercise of share options (Note 30)	2.28	(2.28)	-	-	-	-	-	-	-	-	-
Share based payments (Note 30)	-	2.51	-	-	-	-	-	-	2.51	-	2.51
Share options forfeited/lapsed (Note 30)	-	(0.05)	-	-	-	-	-	-	(0.05)	-	(0.05)
Transfer to housing reserves (Note 12)	-	-	(0.70)	-	-	-	-	-	(0.70)	-	(0.70)
Foreign currency monetary item translation difference account	-	-	-	-	-	-	-	(1.83)	(1.83)	-	(1.83)
Dividends (Note 17)	-	-	(174.78)	-	-	-	-	-	(174.78)	-	(174.78)
Dividend distribution tax on Dividend (Note 17)	-	-	(35.93)	-	-	-	-	-	(35.93)	-	(35.93)
As at March 31, 2019 (As Restated)	114.62	2.38	1,943.85	0.19	302.87	0.04	(6.51)	(10.74)	2,346.70	3.45	2,350.15

** Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer Note - 32)

Notes

Securities Premium - Premium received on equity shares issued including those under Employee Stock Option Plan are recognised in the securities premium account net of utilization for bonus shares issued etc.

Retained Earnings - Retained earnings includes surplus in the Statement of Profit and Loss, Ind-AS related adjustments as on the date of transition, remeasurement gains/ losses on defined benefit plans.

General Reserve - Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

than 10% of the paid capital of the Company for that year, the total dividend distribution is less than the total distributable profits/(losses) for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Share based payment reserve - The Holding Company has one employee stock option plan (ESOP) under which options to subscribe for the Holding Company's shares have been granted to specific employees. The Share based payment reserve is used to recognise the value of equity-settled share-based payments to employees as part of their remuneration. The year end balance is net off options exercised by the concerned employees. Refer to Note 30 for further details of these plans.

Capital redemption reserve - Represents amount equal to the face value of equity shares transferred at the time of buy-back of shares.

Foreign Currency Translation Reserve - Represents exchange difference on translation of financial statements of foreign subsidiaries

Capital Reserve - Includes profit on re-issue of forfeited shares.

Note 11. Other Financial Liabilities

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
At amortized cost				
Interest accrued but not due on borrowings	-	-	0.68	2.51
Current maturity of long term debt	-	-	-	36.12
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	-	-	48.40	5.72
Deposits	30.36	15.94	42.44	44.49
Capital creditors	-	-	42.80	37.58
Accrued employee liabilities	-	-	37.19	52.98
Other payables	-	-	20.71	13.90
Total other financial liabilities	30.36	15.94	192.22	193.30

Note 12. Provisions

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Provision for Employee benefits				
– Provision for Gratuity (Refer Note 29)	3.10	1.97	9.47	2.13
– Provision for Leave encashment	3.36	1.28	30.13	17.63
– Provision for Housing Fund (Refer Note (a) & (b) in the next page)	-	-	6.75	7.22
Provision for Decommissioning (Refer Note (c) in the next page)	3.41	3.16	-	-
Others	-	0.55	-	4.99
Total	9.87	6.96	46.35	31.97

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

(a) Housing Fund

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
At the beginning of the year	6.75	6.05
Arisen during the year	-	0.70
Utilized during the year	-	-
At the end of the year	6.75	6.75

Provision for housing fund cost has been recognised in compliance with Sec 41 of Nepal Labour Act, 2048

(b) Warranty Provision

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
At the beginning of the year	0.47	0.60
Arisen during the year	-	-
Utilized during the year	(0.47)	(0.13)
At the end of the year	-	0.47

A provision for warranty is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighing of all possible outcomes against their associated probabilities.

(c) Provision for Decommissioning Cost*

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
At the beginning of the year	3.16	2.92
Discount unwinding for the year	0.25	0.24
At the end of the year	3.41	3.16

* Recognised towards Provision for decommissioning/dismantling of Property, Plant and Equipment.

Note 13a. Deferred Tax Assets & Liabilities (net)

₹ in Crores

Nature - (Liability) / Asset	Non-Current					
	Balance Sheet - Liability		Balance Sheet - Assets		Statement of Profit and Loss for and Other Comprehensive Income for the year ended	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities						
Arising out of temporary differences between tax and book written down value of depreciable assets	74.15	110.92	7.26	0.29	29.80	9.21
Financial Assets at fair value through profit and loss	0.21	2.16	-	-	1.95	0.62
Total (A)	74.36	113.08	7.26	0.29	31.75	9.83
Deferred tax assets						
Expenses allowable on payment basis for tax purposes	8.11	13.54	3.03	7.03	9.43	3.22

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Nature - (Liability) / Asset	Non-Current					
	Balance Sheet - Liability		Balance Sheet - Assets		Statement of Profit and Loss for and Other Comprehensive Income for the year ended	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Decommissioning liability	0.86	0.58	-	-	(0.28)	0.37
Others through other comprehensive income	3.54	1.54	3.88	3.58	(2.30)	1.17
Arising out of the temporary differences on accounting of lease rentals under Ind AS 116	8.09	9.61	-	-	1.52	2.56
Deferred tax acquired in business combination (refer note 41)	-	-	5.86	-	-	-
Total (B)	20.60	25.27	12.77	10.61	8.37	7.32
Deferred Tax Expenses/(Credit)	-	-	-	-	23.38	(2.51)
Net Deferred Tax (Liabilities)/ Assets (B-A)	(53.76)	(87.81)	5.51	10.32	-	-

Reconciliation of deferred tax liabilities and assets

₹ in Crores

Particulars	Deferred Tax Liabilities		Deferred Tax Assets	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Opening balance	(87.81)	(75.48)	10.32	0.74
Tax income/(expense) during the period recognised in Statement of Profit and Loss	32.05	(13.25)	(10.97)	9.60
Tax income/(expense) during the period recognised in OCI	2.00	1.17	0.30	(0.03)
Deferred tax acquired in business combination (refer Note 41)	-	-	5.86	-
Others	-	(0.25)	-	0.01
Closing balance	(53.76)	(87.81)	5.51	10.32

During the year ended March 31, 2020 and March 31, 2019, the Holding Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Holding Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders.

Note 13b. Income Tax assets (net)

₹ in Crores

Particulars	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Advance payment of income tax [net of provision for tax of ₹1,313.22 crores (March 31, 2019 - ₹1086.75 crores)]	33.96	20.37
Total	33.96	20.37

Note 13c. Current Tax liabilities (net)

₹ in Crores

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
Provision for income tax [net of advance tax of ₹117.42 crores (March 31, 2019 ₹117.42)]	3.54	3.63
Total	3.54	3.63

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 13(d) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019.

₹ in Crores

Particulars	March 31, 2020	March 31, 2019
Accounting Profit before income tax (before share of profit from J/V)	891.46	766.06
Profit before income tax multiplied by standard rate of corporate tax in India of 25.168% (March 31, 2019: 34.944%)	224.36	269.59
Reversal of opening deferred tax liability due to change in tax rate	(13.67)	-
Effects of:		
Additional deduction allowed in respect of R&D activities carried out by the Holding company	(0.41)	(3.51)
Effect of different tax rates in the components	11.05	2.02
Other miscellaneous disallowances	3.43	2.03
Net effective income tax	224.76	270.13
(i) Tax expense reported in the Statement of Profit and Loss		
Current tax	248.14	267.62
Deferred tax /(credit)	(21.08)	3.65
(ii) Income tax credit recognised in Other Comprehensive Income	(2.30)	(1.14)
	224.76	270.13

The tax rate used for reconciliation above is the corporate tax rate of 25.168% (Previous Year 34.944%) payable by corporate entities in India on taxable profits under Indian tax law. During the year, the Parent Company and its subsidiaries in India have opted for lower tax rate under section 115BAA of the Income Tax Act, 1961 inserted vide Taxation Laws (Amendment) Act, 2019.

The Subsidiaries Berger Paints (Cyprus) Limited, Lusako Trading Limited and Berger Rock Paints Private Limited have unabsorbed tax losses which arose on incurrance of business losses under the respective tax loss for which no deferred tax asset has been recognised in the Balance Sheet. Refer table below:

₹ in Crores

Financial Year	Particulars	March 31, 2020	Expiry Date	March 31, 2019	Expiry Date
FY 2013-14	Business Loss	-	-		
FY 2014-15	Business Loss	-	-	5.92	Dec 2019
FY 2015-16	Business Loss	6.46	Dec 2020	5.64	Dec 2020
FY 2016-17	Business Loss	0.99	Dec 2021	0.87	Dec 2021
FY 2017-18	Business Loss	7.90	Dec 2022	6.90	Dec 2022
FY 2018-19	Business Loss	10.41	Dec 2023	9.09	Dec 2023
FY 2019-20	Business Loss	10.14	Dec 2024	-	-
FY 2019-20	Business Loss	3.33	Mar 2028	-	-
FY 2019-20	Depreciation	0.15	N.A.	-	-

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of the subsidiaries for which deferred tax liabilities have not been recognised is ₹279.46 crores (2018-19: ₹212.61 crores). No liability has been recognised in respect of these differences because management controls the distributions of the earnings of the subsidiaries to the holding company and it has no intention to distribute the earnings of the subsidiaries.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 14a. Financial Liabilities- Borrowings

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Secured				
From Banks				
Term Loan (refer note - 1 below)	238.26	230.49	-	-
Cash credit (refer note - 2 below)	-	-	33.99	83.41
Working Capital Demand Loan (refer note - 3 below)	-	-	258.52	76.60
Long term maturity of finance lease obligations	5.12	8.43	-	-
Unsecured				
Commercial Paper	-	-	-	85.00
Total	243.38	238.92	292.51	245.01

Note 1:

Comprises of :

- Term Loan of USD 15.53 million (March 31, 2019: USD 15.52 million) [equivalent ₹110.65 crores (March 31, 2019: ₹108.35 crores)] secured by an unconditional and irrevocable corporate guarantee from the Holding Company and by way of hypothecation and/or mortgage over the fixed assets of the Holding Company ranking pari passu with charges created in favour of other lenders. The loan carries interest at the rate of LIBOR plus 0.87% p.a (March 31, 2019: LIBOR plus 0.87%) and is repayable before June 7, 2021.
- Term Loan of USD 17.50 million (March 31, 2019: USD 17.50 million) [equivalent ₹124.73 crores (March 31, 2019: ₹122.14 crores)] secured by an unconditional and irrevocable corporate guarantee from the Holding Company. The loan carries interest at the rate of LIBOR plus 1% p.a (March 31, 2019: LIBOR plus 1% p.a) and is repayable until April 12, 2021.
- Includes loan taken by STP Ltd of ₹2.88 crores which is secured by way of first charge on certain immovable properties of the STP Ltd. The loan carries a floating interest at the rate of 11.75% and is repayable by May 15, 2029.

Note 2

Cash Credits from banks are secured by way of first charge on book debts and other current assets ranking pari passu between the lenders (first pari passu charge over entire current assets). Cash Credit is repayable on demand and carries interest at per annum 7.95% to 10.30 % per annum (March 31, 2019: 7.30%-12.10% per annum)

Note 3:

Comprises of:

- Working capital demand loans from banks of ₹214.61 crores (March 31, 2019: ₹76.60 crores) which are secured by way of first charge on book debts and other current assets ranking pari passu between the lenders (first pari passu charge over entire current assets). Loans are repayable within April 30, 2020 and carries interest at 8.00 % -9.15% per annum (March 31, 2019: 9.50%-10.25% per annum).
- Working capital demand loans of ₹14 crores is secured by corporate guarantee of the Holding Company. Loans are repayable within March 2, 2021 and carries interest at 7.90% per annum.
- Working capital demand loan of PLN 15.92 million [equivalent ₹29.91 crores] and carries interest at WIBOR 1 Month + Margin. Commercial paper as at March 31, 2019 carried interest at 9.50% per annum.

Amendments to Ind AS 7 Statement of Cash Flows:

The amendments to Ind AS 7 require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Group has provided the

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

information for both the current and the comparative period is as under:

Changes in liabilities arising from financing activities

₹ in Crores

Particulars	April 1, 2019	Cash flows	Exchange difference	March 31, 2020
Non Current Borrowings				
Term Loan	230.49	-	7.77	238.26
Particulars	April 1, 2018	Cash flows	Exchange difference	March 31, 2019
Non Current Borrowings				
Term Loan	244.20	(33.07)	19.36	230.49
Particulars	April 1, 2019	Cash flows	Exchange difference	March 31, 2020
Current Borrowings				
Cash credit	83.41	(49.42)	-	33.99
Commercial paper	85.00	(85.00)	-	-
Other Loans	76.60	181.92	-	258.52
Particulars	April 1, 2018	Cash flows	Exchange difference	March 31, 2019
Current Borrowings				
Bank overdraft	3.02	(3.02)	-	-
Cash credit	140.71	(57.30)	-	83.41
Commercial paper	-	85.00	-	85.00
Other Loans	28.97	47.63	-	76.60

Note 14b. Financial Liabilities- Trade Payables

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
i) Total outstanding dues of micro enterprises and small enterprises (refer note below)	56.05	46.82
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	166.99	146.70
Outstanding dues of creditors other than acceptances	842.77	805.81
	1,009.76	952.51
Total (i+ii)	1,065.81	999.33

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under to the extent the Group has received intimation from the suppliers regarding their status under the Act.		
Principal amount remaining unpaid at the end of the year	53.22	44.68
Interest due thereon remaining unpaid at the end of the year	2.83	2.14
	56.05	46.82
Delayed payment of Principal amount paid beyond appointed date during the entire financial year	129.52	41.67
Interest actually paid under Section 16 of the Act during the entire accounting year		-
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.	0.63	0.24

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
Amount of Interest due and payable for the period (where principal has been paid but interest under the MSMED Act not paid)*	0.00	0.30
Interest accrued and remaining unpaid at the end of the year	0.69	0.63
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	2.83	2.14

Terms and conditions of the above trade payables:

Trade payables are non interest bearing and are normally settled on 45-90 day terms

For terms and conditions with related parties, refer to Note 33

* Refer Note 40

Note 15. Other liabilities

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Advance from customers	0.01	-	16.67	19.12
Statutory liabilities	0.06	-	35.45	39.15
Other liabilities	4.72	3.85	12.05	1.85
Total	4.79	3.85	64.17	60.12

Note 16a. The carrying value and fair value of financial instruments by category as at end of the year are as follows:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Financial Assets - Non Current		
<u>At fair value through profit or loss</u>		
Investments*	0.00	0.00
<u>At amortised cost</u>		
(a) Loans and deposits	19.19	16.91
(b) Other financial assets	2.35	5.68
	21.54	22.59
<u>At cost</u>		
Investments in joint ventures	135.82	144.12
Total non current financial assets (a)	157.36	166.71
Financial Assets - Current		
<u>At fair value through profit or loss</u>		
(a) Investments	179.35	250.80
<u>At amortised cost</u>		
(a) Loans and deposits	9.84	7.98
(b) Cash and cash equivalents	78.92	57.07
(c) Bank balances other than (b) above	141.01	181.41
(b) Trade receivables	714.11	671.48
(e) Other financial assets	8.03	3.14
Total current financial assets (b)	1,131.26	1,171.88
Total financial assets (a + b)	1,288.62	1,338.59

* Refer Note 40

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 16b. Financial Liabilities

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Financial Liabilities - Non Current		
<u>At Amortised Cost</u>		
(a) Borrowings	243.38	238.92
(b) Lease Liabilities	189.02	192.89
(c) Other Financial Liabilities	30.36	15.94
Total Non current financial liabilities (a)	462.76	447.75
Financial liabilities - current		
<u>At amortised cost</u>		
(a) Borrowings	292.51	245.01
(b) Lease Liabilities	41.99	40.00
(c) Trade payables		
i) Total outstanding dues of micro enterprises and small enterprises	56.05	46.82
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,009.76	952.51
(d) Other financial liabilities		
Interest accrued but not due on borrowings	0.68	2.51
Current maturity of long term debt	-	36.12
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	48.40	5.72
Others		
Deposits	42.44	44.49
Capital creditors	42.80	37.58
Accrued employee liabilities	37.19	52.98
Other payables	20.71	13.90
Total current financial liabilities (b)	1,592.53	1,477.64
Total financial liabilities (a + b)	2,055.29	1,925.39

Also refer note 35 for fair value hierarchy

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 17. Distribution made and proposed

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Cash dividends on Equity shares declared and paid:		
Final dividend for March 31, 2019- ₹1.90 per share (March 31, 2018 - ₹1.80 per share)	184.51	174.78
Dividend Distribution Tax on final dividend	25.07	35.93
Interim dividend paid during the year 19-20 - ₹1.90 per share (2018-19 - nil)	184.53	-
Dividend Distribution Tax on interim dividend	30.20	-
	424.31	210.71
Proposed dividends on equity shares:		
Final dividend for March 31, 2020- ₹0.30 per share (March 31, 2019 - ₹1.90 per share)	29.14	184.51
Dividend Distribution Tax on proposed dividend	7.33	37.93
	36.47	222.44

As at March 31, 2020, proposed dividend on equity shares are subject to approval in the ensuing Annual General Meeting. Pending such approval proposed dividend and dividend distribution tax thereon have not been recognised in these Consolidated Ind AS financial statements.

Note 18. Revenue from Operations

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from sale of products (net off rebates and discounts)	6,274.77	6,001.28
Revenue from the sale of services	20.58	3.35
Other Operating revenue		
Scrap Sales	11.31	12.12
Income from Government Grant	32.25	25.63
Others	26.91	19.48
Total	6,365.82	6,061.86

Note 19.1 Disaggregation of revenue from contracts with customers

The Group derives revenue from following major segments:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. Revenue from contracts with customers disaggregated based on nature of product or services		
(i) Revenue from contracts with customers		
Revenue from sale of paints and allied products (net of rebates and discounts)*	6,274.77	6,001.28
Revenue from sale of services (supply apply contracts) **	20.58	3.35
	6,295.35	6,004.63
(ii) Other operating revenues		
Sale of Scrap	11.31	12.12
Income from Government grant	32.25	25.63
Others	26.91	19.48
	70.47	57.23
Total	6,365.82	6,061.86

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
B. Revenue from contracts with customers disaggregated based on geography		
India	6,062.58	5,785.62
Outside India	303.24	276.24
Total	6,365.82	6,061.86

* Revenue from sale of goods is recognised on transfer of control in the goods to customers at a point of time by performance of obligation towards delivery or as per customers' instruction.

** Revenue from the sale of service is recognised over a period of time.

Note 19. Other Income

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income		
Investment in deposits with banks carried at amortized cost	14.69	12.86
Others	4.12	5.94
Other non operating income	0.04	-
Net gain on sale of mutual fund investments measured at FVTPL	16.28	13.87
Fair value gain on mutual fund investments measured at FVTPL	0.83	6.22
Miscellaneous Income	32.56	21.14
Total	68.52	60.03

Note 20. Cost of materials consumed

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Raw materials Consumed		
Opening Stock	354.00	304.34
Purchases	2,783.99	3,018.69
Add: Adjustment arising from acquisition (Refer Note 41)	12.25	-
Closing stock	(360.25)	(354.00)
	2,789.99	2,969.03
Packing material Consumed		
Opening Stock	23.87	23.30
Purchases	442.70	448.04
Closing stock	(28.61)	(23.87)
	437.96	447.47
Cost of materials consumed*	3,227.95	3,416.50

*Also refer Note 38 for expenses on research and development.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 21. (Increase) in inventories of finished goods, work-in-progress and traded goods

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock		
Work-in-Progress	84.94	68.54
Finished Goods	673.78	517.78
Traded goods	78.42	76.87
	837.14	663.19
Add: Adjustment arising from acquisition (Refer Note 41)	9.57	-
Add: Stock Adjustment	3.47	-
Closing Stock		
Work-in-Progress	71.44	84.94
Finished Goods	687.99	673.78
Traded goods	109.55	78.42
	868.98	837.14
(Increase) in inventories of finished goods, work-in-progress and traded goods	(18.80)	(173.95)

Note 22. Employee benefits expense

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries, wages and bonus	383.78	352.64
Contribution to provident and other funds (Refer Note 29)	35.34	25.43
Expense on employee stock option plan (Refer Note 30)	2.19	2.46
Staff welfare expenses	31.19	27.98
Total	452.50	408.51

Also refer note 38 for expenses on research and development.

Note 23. Finance costs

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on debts and borrowings	31.53	32.10
Interest on Lease Liabilities *	14.31	14.90
Unwinding of discount on provisions (Refer Note 12)	1.20	0.24
Total	47.04	47.24

* Restated pursuant to retrospective adoption of Ind AS 116, Leases. Refer note 3.25 and 32.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 24. Depreciation and amortisation expense

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation of tangible assets (refer Note 4) *	139.52	132.63
Amortisation of intangible assets (refer Note 4)	2.61	3.55
Depreciation of right-of-use assets *	48.88	46.09
Total	191.01	182.27

* Restated pursuant to retrospective adoption of Ind AS 116, Leases. Refer Notes 3.25 and 32.

Note 25. Other Expenses

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Freight and forwarding Charges	402.81	383.39
Power and fuel (also refer Note 38 for expenses on research and development)	58.54	59.13
Consumption of stores and spare parts	10.08	11.42
Repairs		
– Plant and machinery	21.72	21.31
– Building	2.03	0.52
– Others	9.09	7.71
Rent (Refer Note 32)	7.27	4.42
Rates and taxes	7.53	7.84
Travelling	55.42	54.34
Advertisement and sales promotion expenses	261.56	201.75
Insurance	9.28	3.88
Processing charges	21.92	25.01
Foreign Exchange loss (net)	7.58	18.82
Commission to Non-Executive Directors	0.61	0.45
Payments to Auditors (Refer Note 25.1)	1.22	1.22
CSR expenditure (Refer Note 25.2)	17.42	14.06
Miscellaneous expenses # (Refer Note 38)	232.44	202.93
Total	1,126.52	1,018.20

* Restated pursuant to retrospective adoption of Ind AS 116, Leases. Refer Notes 3.25 and 32.

Note 25.1 Auditor's Remuneration

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
As Auditor:		
Audit fees and limited review fees	0.99	1.01
Tax audit fee	0.07	0.07
In other capacity:		
Miscellaneous certificates and other matters	0.14	0.08
Reimbursement of expenses	0.02	0.06
Total	1.22	1.22

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 25.2 Details of CSR expenditure:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
a) Gross amount required to be spent by the group during the year	14.11	12.19
b) Amount spent during the year:		
(i) Construction/Acquisition of an asset	-	-
(ii) Purposes other than (i) above	17.42	14.06
Total	17.42	14.06

Corporate Social Responsibility expensed ₹16.79 Crores (March 31, 2019: ₹13.47 Crores) includes programme run by the Holding Company for promoting employment enhancing vocational skill programme named 'iTrain'.

Note 26. (i) Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and earning per share data used in the basic and diluted EPS computations:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net Profit after tax for calculation of Basic and Diluted Earnings Per Share (₹ in Crores) (I)	656.10	494.30
Weighted average number of shares (II)		
- Basic	97,11,65,394	97,10,61,301
- Diluted (refer note below)	97,13,05,114	97,12,01,378
Earning per equity share [nominal value of ₹1 per share] [(I)/(II)]		
- Basic	6.76	5.09
- Diluted	6.75	5.09
<u>Note: Effect of dilution:</u>		
Weighted average number of equity shares in calculating Basic Earnings Per Share	97,11,65,394	97,10,61,301
Dilution - Stock options granted under Employee stock option plan	1,39,720	1,40,077
Weighted average number of equity shares in calculating diluted EPS	97,13,05,114	97,12,01,378

Note 27. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated Ind AS financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated Ind AS financial statements were prepared.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. In the process of applying the Group's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the consolidated Ind AS financial statements.

Defined Employee Benefit Plans

The cost and the present value of the defined benefit gratuity plan and other post-employment leave encashment benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of appropriate discount rate, estimating future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. For further details refer Note 29.

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

Depreciation on Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Impairment allowance on trade receivables

The Group makes loss allowances for credit impaired debts based on an assessment of the recoverability of trade and other receivables. The identification of credit impaired debts enquires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and credit impaired debts expenses in the period in which such estimate has been changed.

Decommissioning Liability

Decommissioning Liability has been recognised for items of property plant and equipment built or installed on specified leasehold land the terms of which includes decommissioning of such assets on expiry of the lease prior to handing over to the lessor. The decommissioning costs as at the end of the lease period have been estimated based on current costs by the Holding Company's own technical experts and have been escalated to the end of the leasehold period using suitable inflation factors. The said escalated cost as at the end of the lease period is now discounted to the present value of such liability by applying Holding Company's weighted average cost of capital.

Impairment test for Goodwill

(a) Bolix SA

Goodwill of ₹202.11 crores had arisen on acquisition of Bolix SA, a wholly owned step down subsidiary of the Company in an earlier year. The Group assesses the goodwill for any indication of impairment at annual basis. Based on such assessment the impairment for goodwill has not been recognized.

The Group treats Bolix SA as one cash generating unit and goodwill relating to that business is tested annually for impairment. This testing is done by computing the value in use by using cash flow projections based on approved budget for 2020 (Previous Year: 2019)

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

and financial forecast for the years 2021 – 2024 (Previous Year: 2020-2023). Based on such assessment the impairment for goodwill has not been recognized.

Key Assumptions used for value in use calculations are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Average annual increase in cash flows during the forecast period (i.e. five years)	6.30%	1.70%
Growth rate used for extrapolation of cash flow projections beyond the five-year period (Previous year - five year)	0.00%	0.00%
Discount rate	9.30%	9.30%

(b) Others

The Group has Goodwill on acquisition from STP Ltd, Berger Hesse Wood Coatings Private Limited (formerly Saboo Hesse Wood Coatings Private Limited) and SBL Specialty Coatings Private Limited (formerly Saboo Coatings Private Limited). Based on assessment carried out impairment for goodwill has not been recognized.

Note 28. Information related to subsidiaries and joint ventures

The subsidiaries considered in the Ind AS consolidated financial statements are as follows:

Name of Company	Country of Incorporation	% voting power as at March 31, 2020	% voting power as at March 31, 2019	Accounting period
Direct subsidiaries				
Berger Jenson & Nicholson (Nepal) Private Limited	Nepal	100%	100%	15th March - 14th March
Beepee Coatings Private Limited	India	100%	100%	1st April - 31st March
Berger Paints (Cyprus) Limited	Cyprus	100%	100%	1st January - 31st December
Lusako Trading Limited	Cyprus	100%	100%	1st January - 31st December
SBL Specialty Coatings Private Limited (Formerly known as Saboo Coatings Private Limited)	India	100%	100%	1st April - 31st March
Indirect subsidiaries				
Berger Paints Overseas Limited [100% Subsidiary of Berger Paints (Cyprus) Limited]	Russia	100%	100%	1st January - 31st December
Bolix S.A. (100% Subsidiary of Lusako Trading Limited)	Poland	100%	100%	1st January - 31st December
Build-Trade BIS sp. z.o.o. (100% Subsidiary of Bolix S.A.)	Poland	100%	100%	1st January - 31st December
Bolix UKRAINA sp. z.o.o. (100% Subsidiary of Bolix S.A.)	Ukraine	99%	99%	1st January - 31st December
Soltherm External Insulations Limited (100% Subsidiary of Bolix S.A.)	United Kingdom	100%	100%	1st January - 31st December
Soltherm Insulations Thermique Exterieur SAS (100% Subsidiary of Bolix S.A.)	France	100%	100%	1st January - 31st December
Berger Hesse Wood Coatings Private Limited	India	51%	51%	1st April - 31st March
Berger Rock Paints Private Limited	India	51%	51%	1st April - 31st March
STP Ltd	India	95.53%	NA	1st November, 2019, - 31st March, 2020
Joint Ventures				
Berger Becker Coatings Private Limited	India	48.98%	48.98%	1st April - 31st March
Berger Nippon Paint Automotive Coatings Private Limited (Formerly known as BNB Coatings Private Limited)	India	49.00%	49.00%	1st April - 31st March
Surefire Management Services Ltd (“SMS”).	United Kingdom	75.00%	75.00%	1st January - 31st December

There are no material transactions/events that have occurred between December 31/March 14 and March 31 which might have a material impact on the profitability or financial position on these consolidated financial statements.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Note 29. Gratuity and other post-employment benefit plans

(I) Defined benefit plans

(a) Gratuity

- (i) The following table summarizes the components of net defined benefit expense towards gratuity recognised in the Statement of Profit and Loss and OCI and the funded status and amounts recognised in the Balance Sheet.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Changes in the present value of defined benefit obligation		
Present value of defined benefit obligation as at year beginning	44.18	37.96
Current service cost	4.33	3.14
Interest cost	3.08	2.80
Remeasurements (gains)/losses		
– Actuarial (gains)/losses arising from changes in demographic assumptions*	0.00	0.01
– Actuarial (gains)/losses arising from changes in financial assumptions	4.51	0.46
– Actuarial (gains)/losses arising from changes in experience adjustments	1.73	2.92
Benefits paid	(3.92)	(3.11)
Present value of defined benefit obligation as at year end	53.91	44.18
Changes in fair value of plan assets		
Fair value of plan assets as at year beginning	40.08	33.12
Interest income	2.84	2.69
Remeasurements (gains)/losses		
– Return on plan assets (excluding amount included in net Interest expense)	(1.19)	0.09
– Actuarial (gains)/losses arising from changes in financial assumptions*	0.00	(0.03)
Employer's contribution	2.64	7.32
Benefits paid	(3.03)	(3.11)
Fair value of plan assets as at year end	41.34	40.08

* Refer Note 40

Amounts Recognised in the Balance sheet		
Present value of defined benefit obligation at the year end	53.91	44.18
Fair value of plan assets at the year end	41.34	40.08
(Liability)/Asset recognised in the Balance sheet	(12.57)	(4.10)

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Expense recognised in the Statement of Profit and Loss:		
Current service cost	4.33	3.14
Net interest cost/(income)	0.24	0.11
Net cost recognised in the Statement of Profit and Loss	4.57	3.25
Expense recognised in other comprehensive income:		
Remeasurements (gains)/losses	9.14	3.33
Net cost recognised in other comprehensive income:	9.14	3.33

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

(ii) The principal assumptions used in determining gratuity obligations for the Group's plans are shown below

Significant actuarial assumptions	As at March 31, 2020	As at March 31, 2019
Discount rate	6.70%	7.50%
Withdrawal Rate	3.00%	3.00%
Salary increase	6.00%	5.00%
Mortality rate	Indian Assured Lives (Mortality 2006-08 modified) Ult	Indian Assured Lives (Mortality 2006-08 modified) Ult

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.

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Actuary.

The discount rate is based on the government securities yield.

The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

(iii) Major category of Plan Assets of the fair value of the total plan assets are as follows:-

	As at March 31, 2020	As at March 31, 2019
Assets under scheme of insurance	100%	100%

(iv) A quantitative sensitivity analysis for significant assumptions are as shown below

Assumptions	As at March 31, 2020		As at March 31, 2019	
	Discount rate		Discount rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
	(₹ Crores)	(₹ Crores)	(₹ Crores)	(₹ Crores)
Impact on defined benefit obligation	(4.03)	4.66	(3.02)	3.46

Assumptions	As at March 31, 2020		As at March 31, 2019	
	Future Salary increase		Future Salary increase	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
	(₹ Crores)	(₹ Crores)	(₹ Crores)	(₹ Crores)
Impact on defined benefit obligation	4.49	(3.98)	3.41	(3.04)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk exposure

Since the employees gratuity fund is a defined benefit plan the liability to be provided will be subject to interest rate risk since the future valuation of benefit depends upon the yield of government bonds for matching maturities

(vi) Defined benefit liability and employer contributions

Since the employees gratuity fund is a defined benefit plan maintained by the Life Insurance Corporation of India the return is generated from a pool of assets invested by them and any deficit in the liability and return on plan assets is funded by the Group on a yearly basis.

(vii) The Company expects to contribute ₹9.30 crores (March 31, 2019: ₹4.10 crores) to gratuity.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

(viii) Maturity profile of the defined benefit obligation

₹ in Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Weighted Average duration of the defined benefit obligation	9-12 Years	9-12 Years
Within the next 12 months (next annual reporting period)	3.48	2.61
Between 2 and 5 years	20.59	18.82
Between 5 and 10 years	34.62	29.19

(b) Provident Fund

Provident Fund for certain eligible employees is administered by the Holding Company through "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, any shortfall in the rate of interest on member contributions as compared to the relevant rate of interest declared by the Government of India for this purpose will have to be met by the employer. Such provident fund would in effect be a defined benefit plan in accordance with the requirement of Ind AS 19 - Employee Benefits.

The Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Professional Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regards to interest rate guarantee obligation of the Company as at the balance sheet date. Further during the year, the Company's contribution of ₹6.57 crores (March 31, 2019: ₹ 5.76 crores) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.70%	7.50%
Expected rate of return on Plan Assets	8.50%	8.65%

(II) Defined contribution plans

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

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Provident and Family Pension Fund (applicable for eligible employees whose provident fund accounts are maintained with the Regional Provident Fund Commissioner)	2.13	3.19
Superannuation Fund	2.28	2.11

(III) COVID - 19 Assessment

The operations of the Group were impacted in the month of March 2020 due to temporary shutdown of all manufacturing units and depots on account of the lockdown announced by the Government of India because of the COVID-19 pandemic. The Holding Company has resumed its operations in a phased manner from the month of May 2020. The Management has made an initial assessment of the Company's liquidity and recoverability of its assets as at the balance sheet date and the likely impact of the lockdown on overall economic environment and paint industry, in particular, based on the current situation. Arising out of such assessment, the Holding Company does not expect a material impact of COVID-19 on the Company's liquidity and future performance, as of the date of this statement. The Holding Company has made detailed disclosure as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and will continue to monitor any material changes to future economic conditions.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Note 30. Employee Stock Option Plan
Berger Paints India Limited Employee Stock Option Plan 2016

The Berger Paints India Limited – Employee Stock Option Plan 2016 [‘the Plan’] was approved at the Annual General Meeting of the Company held on 3rd August, 2016. The objective of the plan is to:

- 1) Attract, retain and motivate Employees,
- 2) Create and share wealth with the Employees,
- 3) Recognise and reward employee performance with shares and
- 4) Encourage employees to align individual performance with the objective of the Company. The terms and conditions of the Plan is reproduced below:
 - a) “Vesting Date” means the date on and from which the Option vests with the Participant and thereby becomes exercisable.
 - b) “Exercise Date “means the date on which the Participant exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant exercises part of his Vested Options.
 - c) “Vesting Period” means the period during which the Vesting of the Option granted to the Participant in pursuance of the Plan takes place.
 - d) “Exercise Period” means a period of 3 years from the Vesting Date as defined above of the Plan within which the Vested Options can be exercised in pursuance of the Plan.
 - e) The Exercise Price of an Option shall be the face value of ₹1/- per Share
 - f) Cashless exercise of the Options are not permitted under the Plan. Participants to pay full Aggregate Exercise Price upon the Exercise of the Vested Options.
 - g) Subject to Participant’s continued employment as defined in Clause 14 of the Plan the Unvested Options shall vest with the Participant automatically in accordance with the following schedule : a) 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the first anniversary of the Grant Date; b) further 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the second anniversary of the Grant Date and c)balance 34% of the total Options granted, rounded up to the whole number such that the total number of Options vested shall add up to 100%, shall vest on the third anniversary of the Grant Date.
 - h) The Date of grant of options: 9th November, 2016.

	Particulars	As at March 31, 2020	As at March 31, 2019
a.	Number of Stock Options outstanding (ESOP Plan 2016: Grant I)	-	42,163
	Number of Stock Options outstanding (ESOP Plan 2016: Grant II)	47,968	98,496
		47,968	1,40,659
b.	Number of Options granted during the year		
	ESOP Plan 2016: Grant III	94,224	-
c.	Number of Options vested (ESOP Plan 2016: Grant I)	41,701	43,472
	Number of Options vested (ESOP Plan 2016: Grant II)	48,368	50,608
		90,069	94,080
d.	Number of Options exercised (ESOP Plan 2010 : Grant III)	-	1,390
	Number of Options exercised (ESOP Plan 2010 : Grant IV)	-	1,172
	Number of Additional Grant Options exercised in lieu of bonus issues from ESOP Plan 2010 balances on 21.11.2016	-	1,025
	Number of Options exercised (ESOP Plan 2016: Grant I) [Number of ESOP exercised from vested options on 09.11.2017 : 616 and Number of ESOP exercised from vested options on 09.11.2018 : 43,472]	41,701	44,088
	Number of Options exercised (ESOP Plan 2016: Grant II)	48,368	50,608
		90,069	98,283

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

	Particulars	As at March 31, 2020	As at March 31, 2019
e.	Number of Shares arising on exercise (ESOP Plan 2010 : Grant III)	-	1,390
	Number of Shares arising on exercise (ESOP Plan 2010 : Grant IV)	-	1,172
	Number of Additional Shares arising as result on exercise from ESOP Plan 2010 balances on 21.11.2016	-	1,025
	Number of Shares arising on exercise (ESOP Plan 2016: Grant I)	41,701	44,088
	Number of Shares arising on exercise (ESOP Plan 2016: Grant II)	48,368	50,608
		90,069	98,283
f.	Number of Options lapsed (ESOP Plan 2016: Grant I)	462	1,771
	Number of Options lapsed (ESOP Plan 2016: Grant II)	2,160	7,280
	Number of Options lapsed (ESOP Plan 2016: Grant III)	2,086	-
		4,708	9,051
g.	Variation of terms of Option	None during the period	None during the period
h.	Total Number of Options in force (ESOP Plan 2016: Grant I)	-	42,163
	Total Number of Options in force (ESOP Plan 2016: Grant II)	47,968	98,496
	Total Number of Options in force (ESOP Plan 2016: Grant III)	92,138	-
		1,40,106	1,40,659
i.	Weighted Average exercise price of the Share Options		
	Outstanding at the beginning of the year	1	1
	Granted during the year	1	1
	Forfeited during the year	-	-
	Exercised during the year	1	1
	Expired during the year	1	1
	Outstanding at the end of the year	1	1
	Exercisable at the end of the period	1	1
j.	Weighted Average share price of options exercised during the year on the date of exercise	₹1	₹1
k.	Weighted Average fair value of the Options granted during the year		
	i. ESOP Plan 2016 Grant I (Fair value as on 31.03.2019)	NA	NA
	ii. ESOP Plan 2016 Grant II (Fair value as on 31.03.2019)	NA	NA

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

	Particulars	As at March 31, 2020	As at March 31, 2019
i.	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. Date of grant		
	a. ESOP Plan 2016	09.11.2019	NA
	ii. Weighted average share price	₹497.95	323.75
	iii. Exercise Price	₹1	₹1
	iv. Risk Free Interest rate	6.14%	7.35%
	v. Expected Life:		
	a. For options vested on 01.08.2016	-	0.33 years
	b. For options vested on 09.11.2017	0.61 years	1.61 years
	c. For options vested on 09.11.2018	1.61 years	2.61 years
	d. For options yet to be vested	3 years from the vesting day	-
	vi. Expected Volatility	22%	22%
	vii. Expected dividend yield	0.34%	0.47%
	viii. Weighted Average fair value as on grant date		
	a. ESOP Plan 2016 (Grant date 09.11.2016)	₹229.10	₹229.10
	b. Additional grant in lieu of bonus issues from ESOP Plan 2010 balances (Grant date 21.11.2016)	-	₹218.21
	c. ESOP Plan 2016 (Grant II)- 09.11.2017	₹247.75	₹247.75
	d. ESOP Plan 2016: Grant III - 09.11.2019	₹479.59	-
	ix. The price of the underlying share in the market at the time of option grant:		
	a. Additional grant on 21.11.2016 in lieu of bonus issues from ESOP Plan 2010 balances- 18.11.2016	-	₹187.10
	b. ESOP Plan 2016 Grant I - 08.11.2016	₹234.85	₹234.85
	c. ESOP Plan 2016: Grant II - 09.11.2017	₹253.70	₹253.70
	d. ESOP Plan 2016: Grant III - 09.11.2019	₹479.59	-
	x. Time to maturity		
	a. Additional grants vested on 21.11.2016	-	NA
	b. ESOP 2016 Plan Grant I vested on 09.11.2017	0.61 years	1.61 years
	c. ESOP 2016 Plan Grant II vested on 09.11.2018	1.61 years	2.61 years
	d. ESOP 2016 Plan Grant III (yet to be vested)	3 years from the vesting day	NA

Expected volatility during the expected term of the ESOP is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the ESOP.

The fair values of our ESOP are based on the market value of our stock on the date of grant.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

m. The following table summarizes information about Share Options outstanding as at year end:-

Range of exercise prices per option (₹)	As at March 31, 2020		
	No. of options outstanding	Weighted average remaining contractual life	Weighted average exercise price (₹)
1	-	0.61 years	1
1	47,968	1.61 years	1
1	92,138	Yet to vested	1

Range of exercise prices per option (₹)	As at March 31, 2019		
	No. of options outstanding	Weighted average remaining contractual life	Weighted average exercise price (₹)
1	42,163	1.61 years	1
1	98,486	2.61 years	1

Note 31. Commitment and Contingencies

₹ in Crores

Particulars		As at March 31, 2020	As at March 31, 2019
a.	Commitment		
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	47.71	86.14
b.	Contingent Liabilities		
	(i) Claims against the Group not acknowledged as debts:		
	Legal claim contingency		
	Sales Tax	42.11	28.53
	Excise Duty, Service Tax, Customs	22.80	21.05
	Income Tax	4.49	-
		69.40	49.58

The Group has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums. No reimbursements is expected to arise to the Company in respect of above cases.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Guarantees excluding financial guarantees		
(ii) Outstanding Bank guarantees	95.43	30.23
Financial Guarantees		
(iii) Corporate guarantees issued by the Holding Company to a bank for loan taken by a joint venture. Total value of guarantee provided by the Holding Company is ₹25 crores (March 31, 2019: ₹25 crores) and the outstanding balance of loan in the books of the joint venture is ₹4.45 crores (March 31, 2019: ₹4.63 crores) which has been disclosed under contingent liabilities. [Refer note (a) below]	4.45	4.63

a) The loans are utilised by the subsidiaries and joint venture for its business purposes. Also refer Notes 12 and 34.

(iv) Other

The Holding Company continues to provide such support as may be necessary to its joint venture (Berger Nippon Paint Automotive Coatings Pvt. Ltd.) to enable it to continue with their present scale of operations and meet its commitments.

Note 32. Group as a lessee

The Group has lease contracts for various depots, head office and leasehold land used in its operations. Leases of building generally have lease terms between 2 and 15 years, while leasehold land generally have lease terms between 20 and 99 years.

The Group also has certain leases of buildings with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

(i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

₹ in Crores

Particulars	Buildings	Leasehold lands	Total
As at April 1, 2018 (restated)	180.84	7.97	188.81
Additions	89.97	37.94	127.91
Deletions/Termination	2.40	-	2.40
Depreciation charge	45.04	1.05	46.09
As at March 31, 2019 (restated)	223.37	44.86	268.23
Additions	58.52	44.82	103.34
Add: Adjustment arising from acquisition (Refer Note 41)	3.66	1.52	5.18
Deletions/Termination	20.07	-	20.07
Depreciation charge	47.53	1.35	48.88
As at March 31, 2020	217.95	89.85	307.80

Title deeds of immovable properties mentioned above, are in the name of the Holding Company except those mentioned below which were transferred to and vested in the Holding Company pursuant to the respective Schemes of Arrangement in earlier years.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

₹ in Crores

Particulars	No. of title deeds	Gross Carrying Amount		Net Carrying Amount		Held in the name of
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	
Leasehold land at Panaji, Goa	1	0.35	0.35	0.27	0.28	Berger Auto & Industrial Coatings Limited
Leasehold land at Sikandrabad, Uttar Pradesh	1	0.27	0.27	0.14	0.14	Rajdoot Paints Private Limited
Leasehold land at Chandigarh	1	0.05	0.05	0.03	0.03	Rajdoot Paints Private Limited

(ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 Restated
As at April 1	232.89	186.46
Additions	111.96	109.17
Add: Adjustment arising from acquisition (Refer Note 41)	2.99	-
Accretion of interest	14.31	14.90
Deletions/termination	20.05	2.42
Payments	111.08	75.22
As at March 31	231.01	232.89
Current	41.99	40.00
Non-current	189.02	192.89

The maturity analysis of lease liabilities are disclosed in Note 36.

The effective interest rate for lease liabilities is 10%, with maturity between 2020-2031

The following are the amounts recognised in the Statement of Profit or Loss:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 Restated
Depreciation expense of right-of-use assets	48.88	46.09
Interest expense on lease liabilities	14.31	14.90
Expense relating to leases of low-value assets (included in other expenses)	7.27	4.42
Total amount recognised in Statement of profit or loss	70.46	65.41

The Group had total cash outflows for leases of ₹118.35 crores (March 31, 2019: ₹79.64 crores).

The Group does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligation related to the lease liabilities as and when they fall due.

Rental Expenses recorded for the short term leases is ₹7.27 crores (March 31,2019: ₹4.42 crores).

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The table below provides details regarding the contractual maturities of lease liabilities as on undiscounted basis:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Less than one year	57.92	55.11
More than one year but less than five years	161.95	161.89
More than five years	65.80	62.27

b. Group as a lessor

The Holding Company has given Color bank (tinting machines) on operating lease to its dealers. The Company enters into 3- 5 years cancellable lease agreements. However the corresponding lease rentals may be receivable for a shorter period or may be waived off/ refunded on achievement of certain sales targets by the concerned dealers. The minimum aggregate lease payments to be received in future is considered as ₹Nil. Accordingly the disclosure of the minimum lease payments receivable at the Balance sheet date is not made. The amounts received from customers pending to be refunded back are recognised as liabilities and are included in "Deposits" under "Other financial liabilities" in Note 12. Also refer Note 4.

33a. Related Party Transactions

List of Related Parties

I. Parent and Subsidiary Companies:

Name of related parties	Nature of relationship	Principal Place of business
U K Paints (India) Private Limited *	Holding Company	India

II. Other related parties with whom transactions have taken place during the year:

a) Key Management Personnel

Name of related parties	Nature of relationship
Mr Kuldeep Singh Dhingra	Director
Mr Gurbachan Singh Dhingra	Director
Mr Kanwardip Singh Dhingra	Executive director and relative of Mr Gurbachan Singh Dhingra
Ms Rishma Kaur	Executive director and relative of Mr Kuldeep Singh Dhingra
Mr Abhijit Roy	Managing Director & CEO
Mr Srijit Dasgupta	Director - Finance & Chief Financial Officer
Mr Aniruddha Sen	Senior Vice President & Company Secretary
Mr Kamal Ranjan Das	Independent Director
Mr Naresh Gujral	Independent Director
Mr Dharendra Swarup	Independent Director
Mr Gopal Krishna Pillai	Independent Director
Mrs Sonu Halan Bhasin	Independent Director w.e.f from February 1, 2019
Mr Anoop Hoon	Independent Director w.e.f from February 1, 2019
Dr Anoop Kumar Mittal	Independent Director w.e.f March 19, 2020

*The parties hold more than 10% of the equity shares in the Company (refer Note 9d).

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

b) Others

Name of related parties	Nature of relationship
Berger Becker Coatings Private Limited	Joint Venture of the Company
Berger Nippon Paint Automotive Coatings Private Limited	Joint Venture of the Company
Jenson & Nicholson (Asia) Limited *	Fellow Subsidiary
Berger Paints (Bangladesh) Limited	Fellow Subsidiary
Citland Commercial Credits Limited	Fellow Subsidiary
Wang Investment Finance Private Limited	Fellow Subsidiary
Kanwar Properties Private Limited	Fellow Subsidiary
Berger Paints Provident Fund (Covered)	Post-employment benefit plan of the Company
Berger Paints Officers (Non-Management Category) Superannuation Fund	Post-employment benefit plan of the Company
Berger Paints Management Staff Superannuation Fund	Post-employment benefit plan of the Company
BAICL Employees Superannuation Fund	Post-employment benefit plan of the Company
BAICL Employees Gratuity Fund	Post-employment benefit plan of the Company
Seaward Packaging Private Limited	Entity controlled by Key Managerial Personnel
Flex Properties Private Limited	Entity controlled by Key Managerial Personnel
Wazir Estates Private Limited	Entity controlled by Key Managerial Personnel
Bigg Investment & Finance Private Limited	Entity controlled by Key Managerial Personnel
KSD Family Trust	Mr Kuldip Singh Dhingra - Settlor Trustee
GBS Dhingra Family Trust	Mr Gurbachan Singh Dhingra - Settlor Trustee
Mrs Meeta Dhingra	Spouse of Mr Kuldip Singh Dhingra
Mrs Vinu Dhingra	Spouse of Mr Gurbachan Singh Dhingra
Mrs Jessima Kumar	Daughter of Mr Kuldip Singh Dhingra
Ms Dipti Dhingra	Daughter of Mr Kuldip Singh Dhingra
Mrs Sunaina Kohli	Daughter of Mr Gurbachan Singh Dhingra
Mrs Anshna Sawhney	Daughter of Mr Gurbachan Singh Dhingra

*The parties hold more than 10% of the equity shares in the Company (refer Note 9d).

33b. Disclosure in respect of Related Parties pursuant to Ind AS 24

A. During the year the following transactions were carried out with the related parties in the ordinary course of business:

₹ in Crores

Transaction	Related Party	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Goods (includes sale of raw materials, packing materials, intermediates, traded goods and stores)	Berger Becker Coatings Private Limited	2.22	0.70
	Berger Nippon Paint Automotive Coatings Private Limited	24.44	21.23
	Berger Paints (Bangladesh) Limited	0.06	0.07
	U K Paints (India) Private Limited	0.26	0.37
	Mr Kuldip Singh Dhingra	0.07	0.03
	Mr Gurbachan Singh Dhingra *	0.01	0.00
	Seaward Packaging Private Limited	0.05	-
Consultancy Income	Berger Paints (Bangladesh) Limited	-	0.21

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

Transaction	Related Party	Year ended March 31, 2020	Year ended March 31, 2019
Software License Income	Berger Nippon Paint Automotive Coatings Private Limited	-	2.53
Purchase of Goods (includes purchase of raw materials, packing materials and traded goods)	U K Paints (India) Private Limited	82.16	73.56
	Berger Becker Coatings Private Limited	0.42	0.05
	Seaward Packaging Private Limited	51.73	45.99
	Berger Nippon Paint Automotive Coatings Private Limited	2.27	1.84
	Processing Charges	U K Paints (India) Private Limited	21.31
Rent Expenses	U K Paints (India) Private Limited	1.68	2.45
	Flex Properties Private Limited	0.16	0.15
	Kanwar Properties Private Limited	0.61	0.55
	Berger Nippon Paint Automotive Coatings Private Limited	0.06	0.06
	Mrs Meeta Dhingra	0.05	-
	Mrs Vinu Dhingra	0.05	-
	Mr Kuldeep Singh Dhingra	0.19	0.21
	Mr Gurbachan Singh Dhingra	0.19	0.21
Security Deposit Refunded	U K Paints (India) Private Limited	-	0.11
Processing Income	Berger Nippon Paint Automotive Coatings Private Limited	3.82	3.09
Rendering of Manpower Services	U K Paints (India) Private Limited	0.16	0.02
	Berger Becker Coatings Private Limited	0.17	0.17
Contribution to Provident Fund	Berger Paints Provident Fund (Covered)	17.17	15.21
Contribution to Gratuity Fund	BAICL Employees Gratuity Fund	0.17	0.06
Contribution to Superannuation Fund	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.61	0.64
	Berger Paints Management Staff Superannuation Fund	1.64	1.61
	BAICL Employees Superannuation Fund	0.06	0.08
Directors Commission & Fees	Mr Kuldeep Singh Dhingra	0.20	0.10
	Mr Gurbachan Singh Dhingra	0.12	0.10
	Mr Kamal Ranjan Das	0.04	0.03
	Mr Naresh Gujral	0.08	0.07
	Mr Dharendra Swarup	0.01	0.07
	Mrs Sonu Halan Bhasin	0.09	-
	Mr Anoop Hoon	0.09	-
	Mr Gopal Krishna Pillai	0.01	0.07
Equity Contribution	Berger Nippon Paint Automotive Coatings Private Limited	-	39.20
Key Management Personnel Compensation	Mr Abhijit Roy	4.03	3.08
	Mr Srijit Dasgupta	1.74	1.54
	Mr Aniruddha Sen	1.27	1.11
	Mr Kanwardip Singh Dhingra	0.50	0.45
	Ms Rishma Kaur	0.50	0.45
Dividend Payment	U K Paints (India) Private Limited	184.89	87.58
	Jenson & Nicholson (Asia) Limited	53.45	25.32
	Others	38.52	18.22

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

B. Balances outstanding at the year end (including commitments):

₹ in Crores

Outstanding	Related Party	As at March 31, 2020	As at March 31, 2019	
Payable	U K Paints (India) Private Limited	24.31	25.22	
	Seaward Packaging Private Limited	14.48	12.93	
	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.05	0.05	
	Berger Paints Management Staff Superannuation Fund	0.14	0.12	
	BAICL Employees Superannuation Fund	0.01	0.01	
	Flex Properties Private Limited *	-	0.01	
	Wazir Estates Private Limited *	0.00	0.00	
	Mr Abhijit Roy	0.57	0.62	
	Mr Srijit Dasgupta	0.08	0.04	
	Mr Aniruddha Sen	0.04	0.04	
	Mr Kanwardip Singh Dhingra	0.01	0.03	
	Ms Rishma Kaur	0.01	0.02	
	Mr Kamal Ranjan Das	0.03	-	
	Mr Naresh Gujral	0.07	-	
	Mr Anoop Hoon	0.07	-	
	Mrs Sonu Halan Bhasin	0.07	-	
	Mr Kuldip Singh Dhingra *	0.18	0.00	
	Mr Gurbachan Singh Dhingra	0.10	0.01	
	Receivable	Berger Becker Coatings Private Limited	1.72	0.84
		Berger Nippon Paint Automotive Coatings Private Limited	16.79	6.57
Berger Paints (Bangladesh) Limited		0.42	0.42	
Security Deposit Receivable	U K Paints (India) Private Limited	0.22	0.22	
	Kanwar Properties Private Limited	0.08	0.08	
	Mr Kuldip Singh Dhingra	0.01	0.01	
	Mr. Gurbachan Singh Dhingra	0.01	0.01	
Corporate Guarantee outstanding (Also Refer Note 33 for details of security given)	Berger Becker Coatings Private Limited	4.45	4.63	

C. Details of remuneration to Key Managerial Personnel is given below

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
– Short-term employee benefits	7.05	5.87
– Post employment benefits	0.73	0.61
– Share based payment	0.27	0.17
	8.05	6.65

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to Note 30 for further details of the scheme.

*Refer Note 40

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Notes:

Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except as otherwise mentioned.

34(a) Disclosure of additional information pertaining to the Holding Company, Subsidiaries and Joint Ventures
₹ in Crores

Entity Name	As at March 31, 2020		March 31, 2020		March 31, 2020		March 31, 2020	
	Net assets		Share of Profit/Loss		OCI		TCI	
	% of consolidated assets	Amount	% of consolidated profit and loss	Amount	% of consolidated OCI	Amount	% of consolidated TCI	Amount
Holding								
Berger Paints India Limited	96.29	2,565.34	90.70	595.10	34.32	(6.52)	92.38	588.58
Indian Subsidiaries								
1) Beepee Coatings Private Limited	0.54	14.31	0.24	1.59	0.27	(0.05)	0.24	1.54
2) SBL Specialty Coatings Private Limited	1.29	34.24	2.40	15.73	1.21	(0.23)	2.43	15.50
3) Berger Rock Paints Private Limited	(0.17)	(4.41)	(0.14)	(0.95)	-	-	(0.15)	(0.95)
4) Saboo Hesse Wood Coatings Private Limited	(0.07)	(1.83)	0.02	0.11	0.42	(0.08)	0.00	0.03
5) STP Ltd	3.90	103.82	0.23	1.48	(0.23)	0.04	0.24	1.52
Foreign Subsidiaries								
1) Berger Jenson & Nicholson (Nepal) Private Limited	4.77	127.09	7.39	48.48	-	-	7.61	48.48
2) Berger Paints (Cyprus) Limited consolidated with Berger Paints Overseas Limited	(2.26)	(60.17)	(0.80)	(5.29)	-	-	(0.83)	(5.29)
3) Lusako Trading Limited consolidated with Bolix S.A. & Group *	(3.86)	(102.76)	1.24	8.14	-	-	1.28	8.14
Joint Ventures								
1) Berger Becker Coatings Private Limited	-	-	0.92	6.03	-	-	0.95	6.03
2) Berger Nippon Paints Coatings India Limited	-	-	(2.20)	(14.43)	-	-	(2.26)	(14.43)
3) Surefire Management Services Ltd ("SMS"). #	-	-	0.02	0.11	-	-	0.02	0.11
Non controlling Interest	0.27	7.11	-	-	0.53	(0.10)	(0.02)	(0.10)
Foreign Currency Translation Reserve	(0.70)	(18.57)	-	-	63.49	(12.06)	(1.89)	(12.06)
	100.00	2,664.17	100.00	656.10	100.00	(19.00)	100.00	637.10

* Group includes Build-Trade sp. z.o.o., Bolix UKRAINA sp. z.o.o. , Soltherm External Insulations Limited and Soltherm Insolutions Thermique Exterieur SAS.

On 9 January 2018, purchase of shares in Surefire Management Services Ltd. was finalised. Bolix holds 75% of shares in Surefire Management Services Ltd.

Note: The above figures are after eliminating intra group transactions and intra group balances as on March 31, 2020.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

34(a) Disclosure of additional information pertaining to the Holding Company, Subsidiaries and Joint Ventures

₹ in Crores

Entity Name	As at March 31, 2019		March 31, 2019		March 31, 2019		March 31, 2019	
	Net assets		Share of Profit/Loss		OCI		TCI	
	% of consolidated assets	Amount	% of consolidated profit and loss	Amount	% of consolidated OCI	Amount	% of consolidated TCI	Amount
Holding								
Berger Paints India Limited	99.45	2,462.62	93.69	466.06	19.11	(2.05)	95.35	464.01
Indian Subsidiaries								
1) Beepee Coatings Private Limited	0.52	12.76	0.55	2.73	(0.78)	0.08	0.58	2.81
2) SBL Specialty Coatings Private Limited (formerly known as Saboo Coatings Private Limited)	1.13	28.06	1.87	9.32	0.93	(0.10)	1.89	9.22
3) Berger Rock Paints Private Limited	(0.04)	(0.94)	(0.19)	(0.94)	-	-	(0.19)	(0.94)
4) Saboo Hesse Wood Coatings Private Limited	(0.08)	(2.01)	0.02	0.11	-	-	0.02	0.11
Foreign Subsidiaries								
1) Berger Jenson & Nicholson (Nepal) Private Limited	6.94	171.79	8.11	40.32	1.12	(0.12)	8.26	40.20
2) Berger Paints (Cyprus) Limited consolidated with Berger Paints Overseas Limited	(1.96)	(48.42)	(3.58)	(17.81)	-	-	(3.66)	(17.81)
3) Lusako Trading Limited consolidated with Bolix S.A. & Group *	(5.84)	(144.65)	(0.27)	(1.34)	-	-	(0.28)	(1.34)
Joint Ventures								
1) Berger Becker Coatings Private Limited	-	-	1.16	5.75	(0.09)	0.01	1.18	5.76
2) Berger Nippon Paints Coatings India Limited	-	-	(1.39)	(6.91)	-	-	(1.42)	(6.91)
3) Surefire Management Services Ltd ("SMS"). #	-	-	0.03	0.16	-	-	0.03	0.16
Non controlling Interest	0.14	3.45						
Foreign Currency Translation Reserve	(0.26)	(6.51)	-	-	79.71	(8.55)	(1.76)	(8.55)
	100.00	2,476.15	100.00	497.45	100.00	(10.73)	100.00	486.72

* Group includes Build-Trade sp. z.o.o., Bolix UKRAINA sp. z.o.o. , Soltherm External Insulations Limited and Soltherm Insulations Thermique Exterieur SAS

On 9 January 2018, purchase of shares in Surefire Management Services Ltd. was finalised. Bolix holds 75% of shares in Surefire Management Services Ltd.

Note: The above figures are after eliminating intra group transactions and intra group balances as on March 31, 2019.

Note 35 Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

a) Financial assets and liabilities measured at fair value through profit and loss at March 31, 2020

₹ in Crores

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	-	179.35	-	179.35
Investment in unquoted equity instruments *	-	-	0.00	-

Financial assets and liabilities measured at fair value through profit and loss at March 31, 2019

₹ in Crores

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	-	250.80	-	250.80
Investment in unquoted equity instruments *	-	-	0.00	-

(b) Financial instruments at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the consolidated Ind AS financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(c) During the year there has been no transfer from one level to another.

(d) Also refer Notes 16a & 16b

(e) *Refer note 40

Note 36. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Group's working capital requirements. The Group has various financial assets such as trade receivables, loans, investments, short-term deposits and cash & cash equivalents, which arise directly from its operations. The Group also holds 'Fair Value Through Other comprehensive Income' (FVTOCI) investments and enters into derivative transactions by way of forward exchange contracts to hedge its payables.

The Group is exposed to market risk, credit risk and liquidity risk. The Holding Company's Board of Directors oversees the management of these risks. The Board of Directors is supported by the Business Process and Risk Management Committee (BPRMC) that advises on financial risks and the appropriate financial risk governance framework for the Group. The BPRMC provides assurance to the Board of Directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by personnels that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Risk Management Framework

The Group is exposed to market risk, credit risk and liquidity risk. The Holding Company's Board of Directors oversees the management of these risks. The Board of Directors is supported by the Business Process and Risk Management Committee (BPRMC) that advises on financial risks and the appropriate financial risk governance framework for the Group. The BPRMC provides assurance to the Board

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

of Directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by personnels that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board has been monitoring the risks that the Group is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk, liquidity risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and financial derivative.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant at March 31, 2020.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations.

The following assumptions have been made in calculating the sensitivity analysis:

- ▶ The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.
- ▶ The sensitivity of equity is calculated as at March 31, 2020 for the effects of the assumed changes of the underlying risk

Interest rate risk

The Group has incurred short term debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Group to interest rate risk. Borrowing issued at fixed rates expose the Group to fair value interest rate risk. The Group's interest rate risk management policy includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt through evaluation of various bank loans and money market instruments.

The Group has incurred long term debt to finance acquisition, which exposes it to interest rate risk. Some of the Group's borrowings are index linked, that is their cost is linked to changes in the London inter-bank offer rate (LIBOR).

Although the Group has significant variable rate interest bearing liabilities at March 31, 2020, there would not be any material impact on pretax profit and pretax equity of the Group on account of any anticipated fluctuations in interest

Foreign currency risk

The Group has a policy of entering into foreign exchange forward contracts to manage risk of foreign exchange fluctuations on borrowings and payables. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss. Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates of any currency. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities by way of direct imports or financing of imports through foreign currency instruments.

The Group proactively hedged its currency exposures in case of a significant movement in exchange rates for imports and in case the hedged cost of foreign currency instrument is lower than the domestic cost of borrowing in case of short term import financing. There are no outstanding derivative contracts as at March 31, 2020 and March 31, 2019.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Commodity price risk

The Group doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

Equity price risk

The Group does not have any investments in listed securities or in Equity Mutual Funds and thereby is not exposed to any Equity price risk..

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

The concentration of Credit Risk is limited as the customer base is large. There is no customer representing more than 5% of the total balance of trade receivable. As a practical expedient, the Group computes credit loss allowances based on a provision matrix. The provision matrix is prepared based on historically observed default rates over expected life of trade receivable and is adjusted for forward looking estimates. Additionally, considering the COVID 19 situation, the Group has also assessed the performance and recoverability of trade receivables. The Group believes that the current value of trade receivables reflects the fair value/ recoverable values.

Movement in expected credit loss allowance on trade receivable	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	18.45	8.74
Loss allowance measured at lifetime expected credit losses (net of bad debts)	(8.95)	9.71
Balance at the end of the year	9.50	18.45

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored by BPRMC and corrective actions taken.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in Note 11.

Liquidity risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

₹ in Crores

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2020						
Financial Liabilities						
Borrowings	33.99	258.52	-	243.38	-	535.89
Lease liabilities		9.88	32.10	166.89	22.13	231.00
Other financial liabilities	48.40	143.82	-	30.36	-	222.58
Trade payables	2.83	1,062.98	-	-	-	1,065.81
Financial Guarantee	4.45	-	-	-	-	4.45
	89.67	1,475.20	32.10	440.63	22.13	2,059.73
Year ended March 31, 2019						
Financial Liabilities						
Borrowings	83.41	161.60	-	238.92	-	483.93
Lease liabilities		9.67	30.33	159.37	33.52	232.89
Other financial liabilities	5.72	151.46	36.12	15.94	-	209.24
Trade payables	2.14	996.86	-	-	-	999.00
Financial Guarantee	4.63	-	-	-	-	4.63
	95.90	1,319.59	66.45	414.23	33.52	1,929.69

Note 37. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Holding. The primary objective of the Holding Company's capital management is to maximise the shareholder value.

The Group only avails short term and long term borrowings to bridge its working capital gap and finances its capital expenditure through internal generation of funds.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings (refer note 14a)	535.89	483.93
Less: cash and cash equivalents (refer Note 8c)	(78.92)	(57.07)
Net debt	456.97	426.86
Total capital	2,667.24	2,447.26
Capital and net debt	3,124.21	2,874.12
Gearing ratio	15%	15%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Note 38. Expenditure on Research & Development

- a. Details of Research & Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss is given below:

Particulars	₹ in Crores	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Employee benefits expense	12.47	10.96
Cost of materials consumed	1.11	1.20
Power and fuel	0.40	0.39
Depreciation of tangible assets	2.32	2.04
Miscellaneous expenses	1.01	1.14
	17.31	15.73

- b. Details of Capital expenditures incurred for Research & Development are given below:

Capital Expenditures	1.61	3.75
	1.61	3.75
Total	18.92	19.48

Above includes allowable expenditure under section 35(2AB) of the Income Tax Act for a research & development unit situated in Howrah, Kolkata which focuses on research on new and existing paint products, reformulation for cost optimization, environment friendly products etc.

Details are mentioned below :

Capital expenditure	₹ Nil	(March 31, 2019 ₹2.20 crores)
Revenue expenditure	₹ Nil	(March 31, 2019 ₹10.41 crores)

Note 39. Segment Information

The Group is engaged in the business of manufacturing and selling paints. Based on the nature of products, production process, regulatory environment, customers and distribution methods there are no reportable segment(s) other than "Paints".

The Business Process and Risk Management Committee of the Holding Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Group. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Group has identified that Chief Operating Decision Maker function is being performed by the Business Process and Risk Management Committee. The financial information presented to the Business Process and Risk Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Group. As the group's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the Ind AS financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

Note 40. All figures are in Rupees Crores. Figures marked with (*) are below the rounding off norm adopted by the Holding Company.

Note 41. Business Combinations
Acquisition of STP Ltd

At the close of business on 31 October 2019, the Holding Company (the Acquirer) acquired 95.53% of the paid up equity share capital of STP Ltd (the Acquiree) for a total consideration of ₹125.20 crores. The business combination has been recognised by applying the acquisition method prescribed by IndAS 103 - Business Combination.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The primary objective of the business combination is to enhance the Groups existing construction chemicals, waterproofing and protective chemicals business and to obtain synergies in manufacturing, selling, distribution, procurement, technology etc. for the overall benefit of the Group.

As at the date of acquisition, the acquirer has recognised identified assets acquired and liabilities assumed based on their fair values, fair values of Property, plant, equipment, and trade marks have been ascertained by an independent valuer. All other assets acquired and liabilities assumed have been recognised at their book values on date of acquisition which, management believes, represent their respective fair values. The difference between the total consideration and net fair value of assets acquired and liabilities assumed have been recognised as goodwill that represents aforesaid benefits expected from the acquisition.

The Group has elected to measure the non-controlling interests in the acquiree at fair value of ₹5.41 crores.

The following table summarises the acquisition date fair value of major class of consideration transferred

₹ in Crores

Particulars	Amount
Cash	125.20
Total Consideration	125.20

There are no contingent consideration pending to be payable.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of STP Ltd as at the date of acquisition were:

₹ in Crores

Particulars	Fair value recognised on acquisition
Property Plant and Equipment	110.44
Capital Work in Progress	1.00
Trademarks	0.15
Other Intangible Assets	0.06
Right to use assets	5.18
Investments in mutual funds	0.01
Loans and advances (security deposits)	1.44
Other Financial Assets (Bank deposits)	0.80
Deferred Tax Assets	5.86
Other Assets	4.87
Inventory	21.82
Trade Receivables	28.26
Cash and Bank	1.76
Income Tax Assets	1.30
Borrowings	(38.70)
Other Financial Liabilities	(0.14)
Lease Liabilities	(2.99)
Provisions	(2.13)
Trade and Other payables	(11.39)
Other Liabilities	(4.07)
Total Identifiable Net Assets	123.53
Total Identifiable Net Assets acquired by the Group	118.04
Purchase Consideration	125.20
Goodwill	7.16

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The fair value and the gross amount of trade receivables is ₹28.26 crores. None of the trade receivables is credit impaired and it is expected that the full contractual amounts can be collected. The fair value and gross amount of other receivables mentioned above are same and are expected to be fully realisable.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities less depreciation till the date of acquisition.

The deferred tax assets mainly comprises the tax effect of the unabsorbed tax losses.

The Goodwill of ₹7.16 crores comprises the value of expected synergies arising from the acquisition and is not deductible for tax purposes.

The fair value of the assets have been determined based on market comparison method technique and cost technique, wherever applicable.

Revenue from operations, net loss after tax and total comprehensive loss of STP Ltd are ₹173.57 crores, ₹2.18 crores and ₹2.23 crores respectively for financial year ended March 31, 2020.

Revenue from operations, net profit after tax and total comprehensive income since acquisition (i.e. from November 1, 2019 till March 31, 2020) are ₹77.75 crores, ₹1.48 crores and ₹1.51 crores respectively.

Note 42 - The figures of previous year have been regrouped/rearranged wherever considered necessary.

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

Chartered Accountants

Firm Registration Number 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number : 055596

Place: Kolkata

Dated: June 23, 2020

For and on behalf of Board of Directors of Berger Paints India Limited

Kuldip Singh Dhingra – Chairman

Gurbachan Singh Dhingra – Vice - Chairman

Abhijit Roy – Managing Director & CEO

Srijit Dasgupta – Director - Finance & CFO

Arunito Ganguly – VP & Company Secretary

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

₹ Crores

	2019-20 #	2018-19 #	2017-18 * #	2016-17 *	2015-16 *
Gross Revenue	6,365.82	6,061.86	5,282.12	5,050.45	4,683.85
Revenue from Operations (Net of Excise Duty)	6,365.82	6,061.86	5,165.73	4,552.25	4,223.10
% Growth	5.01	17.35	13.48	7.79	(2.29)
Other Income	68.52	60.03	45.87	54.54	34.68
Materials Consumed	3,725.81	3,699.61	3,009.96	2,592.30	2,470.19
Employee Benefits Expense	452.50	408.51	356.58	306.72	273.50
Other Expenses	1,126.52	1,018.20	992.20	934.67	834.67
Operating Profit - EBITDA	1,129.51	995.57	852.86	773.10	679.42
% to Net Revenue	17.74	16.42	16.51	16.98	16.09
Depreciation/Amortization	191.01	182.27	124.21	108.05	98.65
Finance Cost	47.04	47.24	24.55	16.22	27.28
Profit Before Tax & Exceptional Item	891.46	766.06	704.10	648.83	553.49
Share in Profit of Joint Ventures	(8.30)	(0.90)	0.64	10.05	5.69
Profit Before exceptional Items and tax	883.16	765.16	704.74	658.88	559.18
Exceptional Item	-	-	-	44.20	-
Profit Before Tax	883.16	765.16	704.74	703.08	559.18
Tax Expense	227.06	271.27	243.91	229.42	188.62
Profit After Tax	656.10	493.89	460.83	473.66	370.56
Return On Net Worth (%) *	24.60	20.18	21.23	24.91	23.72
Shareholders' Funds:					
Share Capital	97.12	97.11	97.10	97.10	69.35
Reserves and Surplus	2,563.01	2,346.70	2,073.91	1,804.46	1,492.74
Non-controlling interest	7.11	3.45	-	-	-
Total	2,667.24	2,447.26	2,171.01	1,901.56	1,562.09
Other current and non-current liabilities	2237.77	2,119.73	1,927.62	1,538.77	1,315.23
EQUITY AND LIABILITIES	4,905.01	4,566.99	4,098.63	3,440.33	2,877.32
Fixed Assets	2094.06	1,752.53	1,532.83	1,198.17	1,013.97
Investments	315.17	394.92	333.13	472.13	347.54
Other current and non-current assets	1685.78	2,419.54	2,232.67	1,770.03	1,515.81
ASSETS	4,095.01	4,566.99	4,098.63	3,440.33	2,877.32
Cash Earnings Per Share (₹)	8.72	6.96	6.02	5.99	4.83
Earnings Per Share - Basic (₹)	6.76	5.09	4.74	4.88	3.82
Earnings Per Share - Diluted (₹)	6.75	5.09	4.74	4.88	3.82
Book Value Per Share (₹)	27.46	25.20	22.35	19.58	16.09
Wt Avg No. of Shares	971,305,114	971,201,378	971,247,574.26	971,059,627	970,868,054
Cash Profit	847.11	676.16	585.04	581.71	469.20

* Figures for these years are as per new accounting standard (Ind AS 115) and Schedule III of Companies Act, 2013. However, Revenue from operations in periods prior to GST implementation have been adjusted suitably for Excise duty on sale of goods, to enable comparability of Revenue from operations for these years.

Figures for these years are as per new accounting standard (Ind AS 116) and Schedule III of Companies Act, 2013. Profit and Loss and Balance Sheet have been adjusted suitably for considering the impact of this new accounting standard. Hence the numbers are not comparable with previous years.

BERGER PAINTS INDIA LIMITED SALES DEPOTS & OFFICES

EAST – 1

DURGAPUR

G. T. Road, Khairasole, Durgapur – 713 212
Phone: 0343 645158/159/160/136

HOWRAH**

Jalan Complex, NH-6, Near Brickfield
Bipparnapara, Begri, Howrah – 711 411
Mobile: 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. 4A, 4B & 5C, C/o. Central Warehousing Corporation
1B, Kishore Mohan Banerjee Road, Panihati, Kolkata – 700 114
Phone: 033 6500 9700 to 9723

KOLKATA – 4

Apeejay Industries Limited Complex
47, Hide Road, P.S. Taratolla, Kolkata – 700 088
Phone: 033 6500 1693/1352/1665/1433

KOLKATA – 5 & 6

C/o Shriram Warehousing Pvt. Ltd., NH6, Bombay Road
Chamrail, Liluah, Howrah – 711 114
Phone: 033 6499 3292/85/84

PANIHATI**

Godown No. 2B & 2C, C/o Central Warehousing Corporation
1B, Kishore Mohan Banerjee Road, Panihati, Kolkata – 700 114
Phone: 033 6499 0773/706

CHANDANNAGAR (HOOGHLY)*

Bagbazar, Talpukur, MGM Sarani, Chandannagar
Dist.: Hooghly – 712 136

BARRACKPORE*

68/56, Ghosh Para Road
Near Lalkuthi, Opp. Railway Overhead Maintenance Office
24 - Parganas (North), Kolkata - 700 120

PATNA – 1

TPS Compound, Exide Battery Campus, Near Sonali Mahendra
Showroom, New By Pass Road, Near Anisabad, Patna – 800 002
Phone: 0612 645 5370 to 645 5385

PATNA - 2

Mauza - Simli Murarpur
P.S. Malsalami, Survey Thana Patna city
Pargana Azimabad, NH 30, Near PB Toll Plaza
Police Station : Malsalami Tuzi - Govt. of Bihar, Patna - 800 008
Jamabandi No.1600 and 2075, Khata No.295, 515, 516 & 517
Khesra (Plot No.538, 705, 709, 707)
Phone : 7463886880

PATNA (OFFICE ONLY)

Nirmala Complex, 1st floor, Plot No.693 (P), Opp. Amit Hotel
Vishnupuri, New Bye Pass Road, Annisabad, Patna – 800 002
Phone: 97714 89400

BHAGALPUR

Netaji Subhash Chandra Bose Marg
(Central Jail Road), P.S.: Tilakamanjhi, Bhagalpur – 812 001
Phone: 74638 86880

MUZAFFARPUR

Kolhua Paigamberpur, Purani Motihari Road, Baria
P.S.: Ahiyapur, P.O.: Kolhua Paigamberpur, Dist.: Muzaffarpur
Muzaffarpur – 843 108
Phone: 92644 49124/25

RAIPUR

G D Warehousing, Warehouse No.10
Behind Raika Rolling Mill, Ring Road
No. 2, Gondwara, Raipur – 493 221, Chattisgarh
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,
Beside Hotel Cindrella, Dist. Jalpaiguri – 734 008
Mobile: 092333 33455/092334 70002

MALDA

Kamla Bari, Jadupur, (Sadhlapur), Gabgacchi
Malda – 732 101
Phone: 0759 5094 284/286/287

ALIPURDUAR*

11, Hat Kalibari, New Town
P.O. & P.S. Alipurduar - 736 121, West Bengal

EAST – 2

AGARTALA

Chanpur, Near Saw Mill, Khayerpur
Agartala, Tripura (West), Pin: 799 008
Phone: 94364 59549/705640509

BHUBANESWAR

Plot No.187, Kesura, P.O. Bankul
Police Station: Saheed Nagar, District : Khorda
Bhubaneswar - 751 001, Orissa

CUTTACK

Plot No.527, Chaudhury Complex, At-Manguli Square,
P.O. Choudwar, Dist. Cuttack, Odisha – 754 025
Phone: 0671 239 2584/239 2616

PURI*

"Opposite SCS", College, Chandan Hajuri Road
Under Municipality Ward No.18, Holding No.625, Puri - 752 001

GUWAHATI – 1

Honuram Boro Path, Kachari Basti, Dispur, Guwahati – 781 005
Phone: 0361 234 8381/3026/28

GUWAHATI – 2

C/o East India Technosys Pvt. Ltd., A. K. Dev Road
Opposite Bethany High School, Behind Gorchuk
Police Station, Guwahati – 781 035
Phone: 0361 227 6289/6288/213 3467/3524

GUWAHATI – 3

Holding Number 901, (11705750) Ward No.13
N.H. 37, Lokhra, Guwahati – 781 034
Phone: 0361 223 6606

GUWAHATI**

C/o: Vishal Estate, P.O. Gauripur, Mouza Silasindurighopa
Amingaon, Kamrup (Rural) – 781 031, Assam
Landmark - Near Bramputra Industrial Estate
Phone: 9207081456

JORHAT

Dag No. 2143/2565 of P P No.335/652 Charangia Gaon Porbatia
Mouza, Jorhat West Circle, Dist.: Jorhat, Assam

TEZPUR**

C/o Om Tulshi Warehouse, Nagar Basti, Teen Mile – Tezpur
Teen Mile, Tezpur, Assam (additionally, there is a Raw material
godown here)

JAMSHEDPUR

Near Military Camp, Sundernagar, Tatanagar
Jamshedpur, Jharkand – 832 107
Phone: 0763 509 3823

RANCHI

Martin Baken, Village Kharsidag, P.O: Tetri, Ring Road
Ranchi, Jharkhand – 834 010
Mobile: 07070097309

SAMBALPUR

Global Warehouse, Remed, Sambalpur – 768 006, Odisha
Phone : 0789 446 9691

SHILLONG

Near Chief Engineer Office (MES), Lower Nongrim Hills
East Khasi Hills, Dist.: Shillong – 793 003, Meghalaya
Phone: 0364 253 4901/4903

SOUTH – 1

BENGALURU (OFFICE ONLY)

22, Fort "A", K R Road, Opposite Vani Vilas Hospital
Bengaluru - 560 002
Phone: 080 2670 1315/1815, Fax: 080 2670 9641

BENGALURU – 1

Survey No.43, New CMC No.7/43 & 43/1
Kechenahalli Gramma R. V. Niketan Post
8th Mile, Kengeri Hobli Road, Bengaluru – 560 059
Phone: 080 2848 4433/34/2670 3311

BENGALURU – 3

Plot No.32, Peenya III Phase Industrial Area
Bengaluru – 560 058
Phone: 080 283 77778/283 77668

BENGALURU**

Survey No.250, Huchhegowdanapalya, T. Begur Grama
Panchayat & Post, Nelamangala Taluq, Bengaluru Rural District
Karnataka – 562 123
Phone: 080 2773 3557

GUNTUR

Sridhar & Sridhar Estates, 8-227/3, Bonthapadu Road
Etukur, Guntur - 522 003, Andhra Pradesh
Mobile: 81063 91671 / 99483 47147

HUBLI

Bembaigi Farms, Next to Jain Mandir
P. B. Road, Gabbur, Hubli – 580 028
Phone: 0836 221 8027/28

HYDERABAD – 1

Plot No.5, Opposite IDPL Company, Lane Beside Tibcon Capacitor
Balanagar, Hyderabad – 500 037
Phone: 040 2980 4277/88/99

*(Proposed to be shifted to: 8-84/11/2, Survey No.688 & 689,
Near Sai Geetha Ashramam, Devar Yamjal, Medchal, Malkajgiri,
Telangana – 500 047.)*

HYDERABAD – 2

Door No.10-10/21, New Gayatri Nagar, Opposite SBH Bank
Jillelaguda, Hyderabad – 500 079
Phone: 040 2409 7334/2409 4334

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

KURNOOL*

Nandyal (A. P.)
125-15-1C, Bye Pass Road, Balaji Complex,
Nandyal - 518 501, Kurnool District, Andhra Pradesh

* Shop

** Raw Material Godown

** Regional Distribution Centre

Proposed New Depots

MANGALORE

Plot No - 409 & 410, Industrial Area
Baikampady, Mangalore - 575 011
Mobile: 092431 82073

MANGALORE*

No.S1, Door No.1-S-24/1982/2, Ground floor
"Vasundhara", 90B, Boloor Village
Mangalore

MYSORE

145/A, Belagola Industrial Area, Near Wipro Ltd.
Metagalli, Mysore - 570 016
Phone: 0821 249 6633/77

VIJAYAPURA#

Plot No.35/36/37 & 38, KIADB Industrial Area,
Aliyabad Block, Vijayapura - 586 104

TIRUPATI

No.14-39, Opp. G.D.R. Cylinders,
Renigunta Industrial Estate, Renigunta - 517 520
Mobile: 08772 239395/200

TIRUPATI*

18-2-15, Korlagunta Main Road, Tirupati - 517 501

VIJAYAWADA

R.S. No.73/2, Kanuru Donka Road, Prasadampadu
Vijayawada Rural - 521 108
Phone: 0866 284 3641/42
Mobile: 09246494620

VISAKHAPATNAM

Plot No. 188, D-Block, IDA, Autonagar
Visakhapatnam - 530 012, Andhra Pradesh
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
(Proposed to be shifted to: *Tharayil Parambu, Eramalloor -
Ezhupurna Road, Ezhupurna Panchayat, Ward No.12/36, Eramalloor -
P.O., Charthala Taluk, Alleppey - 688 537*)

CALICUT

Door No. III/102 D, (New No XV/517 B), Ground Floor, Parammal
Junction, Near ALPB School, Parammal, N H Bypass Road
Azhinhilam, Malapuram - 673 632 Calicut, Kerala
Phone: 0483 283 2144/2244

CHENNAI - 1

99/5, MGR Road, Nagalkeni, Chrompet, Chennai - 600 044
Phone: 044 669 14000

CHENNAI - 2

Door No.14, M.T.H. Road
Ambattur, Chennai - 600 098
Phone: 044 26357835 to 38

COIMBATORE

S.F. No. 9/1A2, Rangavale Compound, Metupalayam Road
Thudiyalur Post, Coimbatore - 641 034, Tamilnadu
Phone: 0422 2644 508/2644 132/2644 271/436 8288

HOSUR

C -13, Sidoe Industrial Estate, Hosur - 635 126, Tamil Nadu
Phone: 04344 274 939/274 929

KANNUR

C/o. Western India Cottons Godown, PPXIII/66, P.O.: Pappinisseri
Dist.: Kannur, Kerala - 670 591
Phone: 0497 278 6556

KOCHI (OFFICE ONLY)

Door No. III/835 C, Vallyara Chambers, K.K. Road
Chembumukku, Ernakulam - 682 021
Phone: 0484 242 6312/18

KOLLAM

K.P. 1/293, 294, 295, 296, Najeem Cashew Industry Building
T.K.M.C., P.O. Karikode, Dist. Kollam - 691 005
Phone: 0474 270 7063/68/770

KOTTAYAM

Vijayapuram Panchayath, Door No. XI/12A, At 47/4, Block-23
Vijayapuram Village, Manganam Kara, Kottayam - 686 010
Phone: 0481 257 6481/82

MADURAI

"Sundara Bhavanam", Door No.175, Kamarajar Salai
Madurai - 625 009
Phone: 0452 262 8274/8312
Fax: 0452 262 9023

TUTICORIN*

19A, VVD Road, Toovipuram
Tuticorin - 628 002
Tamilnadu

PUDUCHERRY

8, Main Road, Gnanapragasam Nagar, Puducherry - 605 008
Phone: 0413 224 9035/8098
Fax: 0413 224 8098

THRISSUR

Building No. XVI 564 B, 564 C, 564 D, Ponganamkad Centre
P.O. Kurichikkara, Thrisur - 680 028
Phone: 0487 269 5003/5001
Fax: 0487 269 5003

THRISSUR**

Building No. XVI 564 E, 564 F, 564 G, 564 H, Ponganamkad
Centre, P.O. Kurichikkara, Trissur - 680 028
Phone: 0487 269 5001/5003/7800, Fax : 0487 269 5003

TIRUNELVELI

200-E/2/1, Tiruchendur Road, Samathanapuram
Palayamkottai, Tirunelveli - 627 002
Phone: 0462 257 3315/16

TRICHY

249/2B, Opposite SIT Hostel, Tanjavur Main Road
Ariyamangalam, Trichy - 620 010
Phone: 0431 244 1476/71
Fax: 0431 244 0104

TRIVANDRUM

G.H. Auditorium, Vazhuthoorakonam, Malayinkeezhu
P.O. Machel, 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. 63/66, Indian Corporation, Opposite Gajanand Petrol
Pump, Mankoli Naka, Dapode, Dist. Bhiwandi, Thane - 421 302
Mobile: 092722 35567/092233 10818

BHIWANDI

Gala No. 64/65, Indian Corporation, Opposite Gajanand Petrol
Pump, Mankoli Naka, Dapode, Dist. Bhiwandi, Thane - 421 302
Phone: 0252 265 0211/0212
Moile: 092233 10818

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 279 1758/1959
Fax: 0832 2791 960

GOA*

Shop No.3/SH-8, Ground floor, Building No.3, Models
Avalon, Taleigao Village, Taleigao Panchayat, Ilhas
North Goa - 403 002

KALYAN

Survey No. 202, Water Supply Road, Navi Koliwada
At Post - Kongaon, Kalyan - Bhiwandi Road
Dist. Bhiwandi, Thane - 421 301
Phone: 02522 280 607/281 145
Fax: 02522 280 667

VASAI

Shed No.4-A, Silver Compound, Waken Pada Survey No.161
Hissa No.A -1/2, Next to Vasai Phata Masjid, Village Pelhar
Pelhar H. No.8, Vasai (East), Dist. Palghar - 401 202

KOLHAPUR

345/16A, Hupari Road, Opposite Gudmudshing MSEP Power
Station, Gudmudshing, Taluka 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

R K Warehousing & Leasing, Khasra No.99, Nagpur-Katol Road
Village: Fetri, Tah & Dist.: Nagpur (Rural) - 441 501

NASHIK

Baphana Warehousing Gate No.2, Godown No.L1, Mumbai Agra
Highway, Village Jaulke, Taluka: Dindori, Dist.: Nashik - 422 202
Phone : 9607982101/02

PUNE

C/o Khutwad Warehouse, Sr. No. 164, Fursungi Village Road
Fursungi, Taluka Haveli, Dist.: Pune - 412 308
Phone: 020 6478 4010 to 25, Fax: 020 2698 0338

THANE**

C/o Total Logistics Pvt. Ltd., F7, Shree Rajlaxmi Logistics Park
Bhiwandi - Nasik Highway, (Opposite Vadpe Police Chowki)
Vadpe Village, Dist.: Thane, Bhiwandi - 421 302

SOLAPUR

"Lonawat Arcade", Gate No.301/2B, Pune Road, At Post: Kondi
Taluka - North Solapur, Solapur - Pune Highway
Dist.: Solapur - 413 006
Phone: 0217 235 7214

WEST - 2**AHMEDABAD**

Survey No. 298 and 300, Near Khodiyar Mata Temple
(Landmark-Concept Jeep Workshop), Sanathal Cross
Road, SP Ring Road, Village Sanathal, Taluka - Sanand
Dist: Ahmedabad - 382 210
Phone: 92272 54514/92272 54515

* Shop

** Raw Material Godown

** Regional Distribution Centre

Proposed New Depots

RAJKOT

Shreenathi Warehouse, Survey No.129,
Near Prayag Industrial Estate, Rajkot Jamnagar Bypass
150, Ft. Ring Road, Navagam Anandpar, Rajkot-360 006
Phone: 90330 01757

SURAT

Survey No.8/A and 8/B, Next to Saraswati Vidyalay
School, Gram Saniya Hemad, Surat
Gujarat - 394 210

VADODARA

12 & 13 V P Industrial Estate, Survey No.225
Behind F. G. Patel Estate, Opposite L & T Niro, N. H. No.8
Padamala, Dist.: Vadodara - 390 002
Phone: 0265 224 3070/1/2

ANAND*

Ground floor & First floor, Tika No.3, City Survey No.6A
Purani No. Khanchhd, Near Prabhudas Tower
Landmark - Gamdivad Char Rasta, Nehru Road, Anand
Gujarat - 388 001

NORTH - 1

BHATINDA

MCB-Z-8/02464, Gill Complex, Mansa Road
Near ITI Chowk, Bhatinda - 151 001
Phone: 0164 224 0239/1239

CHANDIGARH

Plot No. 823, Industrial Area, Phase-II, Chandigarh - 160 002
Phone: 0172 263 7181/467 0401

JALANDHAR

Vakiya Abadi, Near Nakodar Road, Village: Khambra
Dist.: Jalandhar - 144 026
Phone: 0181 279 1466/1467

JALANDHAR*

Malsian Road, Near Dana Mandi
Opp. Markfed Godown, Shahkot
Jalandhar - 144 702

KAPURTHALA*

Ground floor, Satnampura, Adjoining Royal Guest House
Phagwara-Jandiala Highway
Landmark-Near Gupta book store, Phagwara, Kapurthala
Punjab - 144 401

JAMMU

Krystal Ice Factory, Kunjwani Bye Pass Crossing, Jammu - 180 010
Phone: 0191 248 3334/895

JAMMU*

Ward No.1, Miran Sahib Road, Bishnah, Jammu - 181 132

LUDHIANA

Plot No. 658, Industrial Area-A, Shiv Chowk, G. T. Road
Ludhiana - 141 008
Phone: 0161 458 7658/438 1231

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 234 164/235 164

SRINAGAR

Sutho Kathair Bagh, Tehsil-Chadoora, Dist.-Budgam, Srinagar - 15
Phone: 0194 231 5050/5051

NORTH - 2

AMBALA

Khasra No. 18/18, 24, 28/4/1, Kuldeep Nagar
Opposite Asa Ram Public School, Village - Shahpur
Dist. & Tehsil: Ambala, Haryana - 133 004
Phone: 0171 261 1060/80/653 0142

BIKANER

Plot Nos. F-210 and F-211, Karmi Industrial Area, Phase-2nd
Near Pugal Road Flyover, Bikaner, Rajasthan - 334 004
Phone: 0151 297 0034/37 & 225 0085

FARIDABAD

Plot No. 40, Sector-6, Faridabad - 121 006
Phone: 78388 38148/75960 03970

PALWAL*

Shyam Nagar, Palwal, Haryana - 121 102.

GURGAON

Kataria Complex, Khasra No.10947/7283/2918/1 & 2
Daultabad Road, Industrial Area, Gurgaon - 122 001
Phone: 0124 225 5471/72/73

JAIPUR - 1

Plot No. 114A-115A, Jhotwara Industrial Area
Jhotwara, Jaipur - 302 012
Phone: 0141 234 4054/4213/4162
Fax: 0141 234 4054

JAIPUR - 2

E-103, Road No.7, VKIA, Jaipur, Rajasthan - 302 103

JODHPUR

Plot No. G-121, (A, E & F), M. I. A. Basni II Phase
Near Poorva Hospital, Jodhpur - 342 003
Phone: 0291 274 4262/4792/0499

PALI*

Sumerpur Road, Near New Bus Stand
Landmark - Opposite to Reliance Mall, Pali
Rajasthan - 306 401

KOTA

A-263(C), Indraprastha Industrial Area, Kota, Rajasthan
Phone: 0744 2490168

UDAIPUR

Plot No.-1, NH-8, Near Amberi Flyover
Amber, Udaipur - 313 004
Phone: 0294 244 1790/0506

CENTRAL - 1

DELHI (OFFICE ONLY)

Office No. 29, 1st floor, "C" Block, DDA Market
Yojana Vihar, Delhi - 110 092
Phone: 011 2215 9010/11/25

JANAKPURI

Plot No. B-2 & B-3, A-1B Market, Block A-1, Pankha Road,
Janakpuri, New Delhi - 110 058
Phone: 011 2562 3741/3742
Fax: 011 2554 8654

MANDOLI

Godown No. JR-2 & JR-10, JR Complex,
Gate No.1, Sewadham Road, Mandoli, Delhi - 110 093
Phone: 011 2234 1422/2255

MUNDKA INDUSTRIAL

Khasra No. 87/22, Opposite Metro Pillar, No. 617, Vodafone
Gali No.12, Near Hiran Kudna Mode, Mundka, New Delhi - 110 041
Mobile: 092124 07446/092124 03585

MUNDKA**

Khasra No.36/22, 36/19/1, Behind Mirage Garden, Mundka
Village, New Rohtak Road, Delhi - 110 041
Phone: 011 2834 5623

OKHLA

A-99/3, Okhla Industrial Area, Phase-II, New Delhi - 110 020
Phone: 011 2638 4714/4796/7256
Fax: 011 2638 5644
D-14/2, Okhla Industrial Area, Phase-II, New Delhi - 110 020
Phone: 011 2638 3772/6008/3258

PUNJABI BAGH

102 & 103 DDA Transport Centre, New Rohtak Road, Punjabi
Bagh, New Delhi - 110 035
Phone: 011 2831 2460/2461/6922/6933
Fax: 011 2831 3880

RITHALA

Khasra No. 915-916, Guleria Complex
Rithala Village, New Delhi - 110 085
Phone: 011 2705 6582/584/585

CENTRAL - 2

AGRA

C-9, Site-C, UPSIDC, Industrial Area,
Sikandra, Agra - 282 007

BAREILLY

Clutter Buck Ganj, Opp. GTI 7th Km. Stone
Bareilly - 243 502, Uttar Pradesh
Phone: 0581 256 0340/0940

DEVLA**

Khasra No. 09, Gulistanpur, Surajpur Dadri Road / I.C.D.
Dadri Gulistanpur Road, Near IOC Petrol Pump Devla,
Greater Noida - 201 306
Phone: 98732 97507

GHAZIABAD

Cloud-9 Resort, Opposite Uttam Toyota Meerut Road
Ghaziabad - 201 003
Phone: 0120 640 2043/44

GHAZIABAD*

Shop No.03, Plot No.50/1, Shakti Khand - III
Indrapuram, Ghaziabad - 201 010

MORADABAD

Lakri Fazalpur Industrial Area, Delhi Mini Bye Pass
Gata # 2485/2, Lakri Fazalpur, Moradabad - 244 001
Phone: 095680 03094/95/96

NOIDA

C-43, Phase-2, Sector-81, Noida - 201 301
Phone: 0120 640 2311-25

MEERUT

44/257, Rithani, Delhi Road, Meerut - 250 103

CENTRAL - 3

ALLAHABAD

Khasra No.54, Chakrana Tiwari, Arail, Tehsil - Karchana
Near Chaka Block Hospital, CO Road, Allahabad - 211 008
Mobile: 075230 84888

ALLAHABAD*

21 B/1/12A, Cooper Road, Civil Lines, Allahabad
Uttar Pradesh - 211 001

DEHRADUN

Khasra No.891, Vill.: Majra, Opp. Transport Nagar,
Near Himalayan Drugs Factory, Dehradun - 248 001
Phone: 0135 654 5014/15/17

* Shop

** Regional Distribution Centre

Proposed New Depots

GORAKHPUR

Behind Essar Petrol Pump, Ekdanga, Vill. Harraya
P.O: Balrampur, Dist. Gorakhpur, Uttar Pradesh – 273 016
Phone: 0551 232 0027/52/69/71

(Proposed to be shifted to: Jungle Ramgarh URF Chauri, Deoria Road, Near Forest Club, Gorakhpur.)

HALDWANI

Motinagar, Bareilly Road, Haldwani – 263 139
Phone: 05946 232 011-14

(Proposed to be shifted to: Jeetpurnegi, Rampur Road, Haldwani – 263 139)

HARIDWAR

Kharsa No.11, Village Sultanpur Majri
Bahadradabad, Haridwar – 249 402
Mobile: 070600 05163/070600 07153

JHANSI

Kharsa No.467, Mauja-Bijauli, Rajgarh Lalitpur Road
Opp. PAC, HQ - Gate No.3, Jhansi, Uttar Pradesh – 284 135
Phone: 7525037038

SITAPUR

C/o: Singhania Agro Industries Pvt. Ltd
Village Ram Nagar, Sitapur - Hardoi Road
Sitapur - 261 001, Uttar Pradesh
Phone: 9519978333/9519973444

* Shop

** Regional Distribution Centre

Proposed New Depots

KANPUR

Plot No.418, 419 & 420, Bhaunti Station Road
Tahsil: Bhimsen, Kanpur Nagar, Uttar Pradesh – 209 305
Phone: 75250 37037

LUCKNOW

C-518 & C-519 Transport Nagar
Opposite Parking No.9, Lucknow – 226 012
Phone: 0522 232 0431/34/428/419/243 1052/9790
(Proposed to be shifted to: 389, Vill. Ahmedpur Urf Kamalapur, Post Mati, Bijnore - Sisendi Road, Lucknow – 226 002)

LUCKNOW (OFFICE ONLY)

Ground, 1st & 2nd floor, B-22, Sector-B, Aliganj
Lucknow – 226 024
Phone: 0522 232 0431/434/419

RUDRAPUR

Industrial Plot No. 46, Land No.453 & 454, PO: Bhagwara
Kicha Road, Rudrapur - Udham Singh Nagar
Tehsil Rudrapur, Dist: Udham Singh Nagar, Uttarakhand – 263 153
Phone: 82181 37211

VARANASI

Pama Complex, DLW Road,
Shivadaspur, Lehartara, Varanasi – 221 002
Phone: 0542 237 1041/42

FAIZABAD#

C 13, 14 & 15, Industrial Area, Site No.1, Haripur Jalalabad
LKO Road, Faizabad, Ayodhya – 224 001

CENTRAL – 4**BHOPAL**

Khasra No 111/1/1/2/5, Landmark – Reshumrao Hotel
PH No 21, RI No 2, Village Aadampur Chawni
Gram – Aadampur, Tehsil Huzur
Dist.: Bhopal – 462 021, Madhya Pradesh
Mobile: 0992600 11445/078699 29587

GWALIOR

Survey No. 1610, Beside Saroj Fuel Shoppe (BPCL Petrol Pump), Near Vicky Factory Cross Road
Jhansi Road, Gwalior – 474 001
Mobile: 73548 81101/92356 00341

INDORE

Sunidhi Warehouse,
Near New Sunidhi Petrol Pump, Nemawar Road
Palda, Indore, Madhya Pradesh – 452 020
Phone: 073 165 5210/06/07

INDORE (DEWAS)*

16, Jawahar Nagar, A. B. Road, Dewas – 455 001

JABALPUR

C/o Shiv Smriti Marketing, Matani Warehouse
Patan Bypass, Chouraha, Patan Road, Gram Sukha
Jabalpur – 482 002, Madhya Pradesh
Phone: 078690 01276/72

iTrains**KOLKATA**

Vocational Training Centre, Room No.101 & 102, 1st floor
Karigori Bhawan, Plot No. B-7, AA – 111, Rajarhat
New Town, Kolkata – 700 160

GUWAHATI

Dag No.215 of K P Patta No.118, Village Basisthapur
Mouza - Beltola, Dist. Kamrup, Guwahati – 781 028, Assam

PATNA

Tauji No.5243, Khata No.190, Khesra No.693
Vishnupuri, New Bypass Road, Anishabad
Police Station – Gardani Bazar, Patna – 800 002

BHUBANESWAR

1582/5964, Pandara, Rasulgarh, Bhubaneswar – 751 010

INDORE

Sunidhi Warehouse, Near New Sunidhi Petrol Pump
Nemawar Road, Palda, Indore – 452 020

DEHRADUN

Khasra No.914 (Old Khasra No.756), 1st Floor
Doon Guest House, Near Transport Nagar, Dist. Dehradun

GURGAON

Khasra No.10947/7283/2918/2, Daultabad Road
Industrial Area, Gurgaon

LUCKNOW

Ground Floor, Sector – B, House No.A1/18
Aliganj, Lucknow – 24

GHAZIABAD

Khasra No.1038, 1039, 1041 & 1042
Meerut Road, Ghaziabad

LUDHIANA

658, Industrial Area – A
Shiv Chowk, G T Road, Ludhiana – 141 008

FARIDABAD

Plot No.40, Sector 6, Faridabad – 122 006

DELHI

102 & 103, DDA Transport Centre
New Rohtak Road, Punjabi Bagh, New Delhi – 110 035

JAIPUR

114-115, Jhotwara Industrial Area, Jaipur – 302 012

SURAT

Block No.1 & 2, Gayatri Ganga Nagar, Near Makanij Park
Adajan Road, Adajan, Surat – 395 009

PUNE

C/o: Khutwad Warehouse, Sr.No.164, Fursungi Village Road
Fursungi, Taluka - Haveli, Dist. Pune – 412 308

MUMBAI

Pattanwala Glass Works, Chirag Nagar, LBS Marg
Ghatkopar (West), Mumbai – 400 086

AHMEDABAD

Block No.A, 5th Floor, Office No.503 & 504
Krishna Complex, Opp. Devashish Business Park
Near Dev Ashish School, Ahmedabad – 380 015

VIJAYAWADA

House No.7-151, Ward No.7, R.S. No.119/8, Ramavarapadu
Vijayawada Rural – 521 108

HYDERABAD

10-10/21, New Gayatri Nagar, Opp. SBH Bank, Jillelguda
R R District, Telengana – 500 079

CHENNAI

2nd Floor, Ambattur Govt. ITI Boys' Campus
Near Ambattur Telephone Exchange Bus Stop, Ambattur
Chennai – 600 098

TIRUNELVELI

Plot No.1, 2nd Floor, Vijay Tower, Shankar Colony
Thiruchendur Road, Palayamkottai, Tirunelveli – 672 002

BANGALORE

Survey No.43, New CMC No.7/43 & 43/1
Kechenahalli Gramma, R.V. Niketan Post, 8th Mile
Kengeri Hobli, Mysore Road, Bangalore – 560 059

TRISSUR

Building No.4/291/3, 1st Floor, Trinity Building, Paravatti
Sy. No.839/3, Ollukkara Village, Kaalathode
Trissur – 680 655

KOCHI

Door No.III/835D, Valiayara Chambers, K K Road
Chembumukku, Kochi – 682 021

CALICUT

Door No.III/102 D, (New No.XV/517B), Ground Floor
Parammal Junction, NH Bypass Road, Near ALPB School
Parammal, Vazhayur Village, P.O. Azhinjilam
Calicut – 673 632

KOTTAYAM

M. C. Road, Cement Junction, Nattakam P.O
Opp. Vision Honda Showroom, Kottayam – 686 013

TRIVANDRUM

SFS Krishna, T. C. 4/13 (69)
Near Jal Vijnana Bhavan & SFS Carlton Apartments
Ambalamukku – Muttada Road, Kowdiar P.O.
Trivandrum – 695 003

BRITISH PAINTS DIVISION SALES DEPOTS

WEST DELHI

Khasra No. 87/20,
Village – Ghevra, Mundka
Delhi – 110 041
Phone: 9015554160

CENTRAL DELHI

3976/80, Ajmeri Gate Corner,
Ajmeri Gate,
Delhi – 110 006
Phone: 23216792/9015554108

SOUTH DELHI

Khasra No 47,
Near Raja Poltry Farm,
Sultanpur, New Delhi – 110 030
Phone: 9015554164

MANDOLI

Godown No. MJ-11, J.R.Complex
Mandoli, Delhi – 110 093

GHAZIABAD

C-213,site-1, Lal Quan-Ghaziabad (UP)
Oppsite Sliver City Cinema.
Phone: 0120- 4164110/4295722/9313307815

NOIDA

H-102 & 103 Sec-9, Noida – 201 301
Phone: 0120-2532251, 9015554437

KANPUR

84/1-B, Fazalganj,
Industrial Area, Kanpur – 208 012
Phone: 0766807491

ALLAHABAD

623-624 ,
Transport Nagar
Allahabad – 211 011
Phone: 0512-2230014/7668074987

AGRA

Khasra No. 1294, Village Baipur; Near Sabzi
Mandi, Sikandra, AGRA,
U.P – 282 007
Phone: 888 184 8830

GORAKHPUR

Hariya (Nausad) Near Gaurav Petrol Pump
Khajini Road , Bahrapur
Gorakhpur – 273 001,U.P
Phone: 766 8074844

VARANASI

Pama Complex, Near Vishal Auto Agency
Lahartara DLW Road,
Lahartara, Varanasi – 221 103,U.P
Phone: 0542-2372278/7668074578

FARIDABAD

SSI Plot No.-20, NH-5 NIT
Faridabad – 121 001
Phone: 0129-4037440, 2426440

GURGAON

2nd Milestone, Killa No, 6/25, Basai Road,
Krishan Nagar Gurgaon (HR) – 122 001
Phone: 0124-3295330/2300061

PANIPAT

New Risalu Road Behind M.J.R.Public School
Adjoining Annapurna Banquet Hall
Plot No. 02, Panipat – 132 103, Haryana
Phone: 9541209805/8199000961

HALDWANI

Opp-Kattha Factory,
Devalchaur Kham,
Rampur Road, Haldwani-263 139
Distt:-Nainital – Uttrakhand
Phone: 05946-234126

DEHRADUN

238-Mohabewala Saharanpur Road
Near Sai Baba Mandir
Dehradun – 248 001
Phone: 766913 8409

ZIRAKPUR

Khata No. 205/208,Khasra No. 15/2/1,
Hadbast No. 234, Chandigarh Zirakpur
Highway, Opp. Jai Mata Marble Zirakpur,
Near Ramada Hotel, Tehasil-Dera Bassi,
Dist. S.A.S. Nagar, Mohali – 140 603.
Phone: 01762-527112/13

AMRITSAR

Khasra No. 1301,
Opp – Chatwal Petrol Pump
G.T Road, Sultanwind
Near – Tarawala Pull - Amritsar
Phone: 9569360416

LUDHIANA

B-23-2581/10, Industrial Area-A, R.K. Road,
Ludhiana – 141 003
Phone: 0161-2220270, 95697-54425

JALANDHAR

Asiatic Compound,Usha Dharma Kanta,
Basti Bawa Khel, KPT Road, Jalandhar
Phone: 0181-2651096;9569652492

JAMMU

Ground Floor, Phase 3, Near Nidra Showroom
Industrial Area, Gangyal, Jammu – 180 010
Phone: 019122 63896

SRINAGAR

Ground Floor, Khasra No. 1578, Khevat No 44
Shiekh Complex, Opp Shuhul Automobiles
Pharoo Road, Nr- NH-1A, Nowgam Bye Pass,
Srinagar – 190 015
Phone: 0194 231 5258-60

GUWAHATI

Sky World Developers LLP , Near Lokhra
Charali, Opp. B.P Petrol Pump, N.N-37, Post
Office-Sakuchi, Guwahati – 781 034

AGARTALA

Dhaleswar Road No.1, Agartala
Tripura (W) – 799 007
Phone: 0381 230 2244/98620 28281

SILCHAR

C/O: Kay Dee Cold Storage Pvt. Ltd
Ramnagar, Opp: ISBT, Silchar, Cachar
Assam – 788 003
Phone: 03842 268 268

PATNA

Plot No. 369, Patel Colony Road,
West Transport Nagar, Patna – 800 026
Phone: 99991 16827 & 99991 16830

RANCHI

Garkhantga, Near Tonko Bridge
Beside Vashnavi Car Cell & Service
Hatia, Ring Road, Ranchi – 834 003
(Jharkhand)
Phone: 9304173252 & 7061384653

PUNE

GAT No.1100 Near Vatika Ashram, Pune
Saswad Road Vadki, Pune – 412 308
Phone: 7620653711, Mobile: 9325181849

NASIK

Baphana Warehousing Pvt Ltd, Gate No 103 ,
Ambe Hills, At-Post-Jaulke-Dindori – 422 206

MUMBAI

Plot No – A 784 TTC Industrial Area Khairane
Khairane Belapur Road
Navimumbai – 400 709
Phone: 9320933850/9324134327

GOA

No: 56/C, Vivenda Gaurish Nirboga
Camurlin Village, Post- Loutulim, Salcette,
Goa – 403 718
Phone: 0832 285 8815/285 8550

AHMEDABAD

Godown No.7, Jamnagar Estate
Behind Alfa Hotel, N.H. No.8, Aslali,
Ahmedabad – 382 427
Phone: 83478 16350, 93768 57169

BARODA

Industrial Casting Block No. 4/26,
BIDC Industrial Estate, Gorwa Road
Baroda – 390 016
Phone: 0265 228 2050, 228 2044 &
WLL: 093779 85634

SURAT

Plot No.182,183, Road No.6F,
New Funcation Estate, Udhna Udhhyog Nagar
Surat – 394 210
Phone: 0261 227 2734

INDORE

Dewas Naka, Behind Agarwal Tolkata
Lasudia Mori, Indore
Pin – 452 010
Phone: 0731 408 8473

BHOPAL

C/o Adhish Industries,11A, J.K Road
Industrial Area, Govindpura, Bhopal
M.P – 462 021
Phone: 0755 408 3274 70603 17060

KATNI

Maihar Road, N.H. 7, Chaka
Satguru Dharamkata Premises
Katni (MP) – 483 501

RAIPUR

GD Warehousing, Ring Road No.2
Opp. Reliance Petrol Pump
Gondwara, Raipur (CG) – 493 221
Phone: 0771 400 0640, 400 0641

BILASPUR

Kharsa No-487/1, 487/2, Raipur Main Road,
Near High Court, Bodri Bilaspur, C.G
Phone: 9109108570, 9109108571

HYDERABAD

Door No.14/1/96, Road No. 01
Beside Kingfisher Godown (UBL)
IDA Nacharam, Hyderabad – 500 076

THIRUPATI

11-15, 3rd Main Road Extension
Industrial Estate, Opp: CRS Gate
Renigunta – 517 506
Phone: 08772 237249

VIJAYWADA

Plot No.77, Jawajar Auto Nagar
Vijayawada – 520 007, Andhra Pradesh
Phone: 0866 254 4355

ANANTAPUR

SR No. 42-2, Beside Prajashakthi Publishers
Old VRL Godown,Bellary Road, Papampeta
Anantapur – 515 001

COCHIN

3/569/ B&C, VKA Tower, Kalamassery,
P.O.: South Kalamassery, Cochin – 683 104.
Phone: 0484 253 2464
Mobile: 85900 59083, 93492 70295

THRISSUR

3/293, Near Jerusalem Retreat Center, Thalor
P.O: Thrissur – 680 306, Kerala
Phone: 99991 16832/0487 243 0172

CALICUT

Building No. 17/678 (Old No.9/156/D)
Olavanna Bazar, Olavanna, P.O
Calicut – 673 019
Phone: 0495 243 0492, 85900 59084

BANGALORE

219, 11th Main, 2nd Cross, 3rd Phase,
Peenya Indutrial Estate, Bangalore – 560 058
Phone: 8088640704

HUBLI

Shine Industries, Plot No. N/13, IInd Cross,
Industrial Estate, Gokul Road
Hubballi – 580 030
Phone: 0836 220 0855

JAIPUR

145-A, Jagdamba Nagar
Behind Herapura Power House
Near Dasshera Maidan,
Jaipur – 302 021
Phone: 0141 315 3943

KOTA

M/S S.S. Industries
E-28, Industrial Area
Opp. Multimetals
Kota – 324 007 (Rajasthan)
Phone: 9024431493



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