

ANNUAL REPORT 2015

BERGER PAINTS BANGLADESH LIMITED

BERGER
Trusted Worldwide

AMAR STOCK

BERGER

Trusted Worldwide

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BERGER PAINTS BANGLADESH LIMITED

This Annual Report has been designed around the central idea that 'colors give life' to the world around us. Colors have the power to transform the monochromatic premise of nature into a dynamically sculpted work of art. Colors inspire evolution by creating diversity in species. Color enhances the beauty of creations in the eye of beholders. To celebrate the role of color in life, the annual report has taken moments of nature and life to showcase the beauty of color.

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Vision

To be the most preferred brand in the industry ensuring consumer delight.



Mission

We shall increase our turnover by 100 percent in every five years. We shall remain socially committed ethical company.



Our Spirit

Our customers are our partners. Our people are our strength. Our shareholders are our foundations. We proudly bring inspiration, strength and colour to communities through affiliation with our customers.



Our Corporate Objective

Our aim is to add value to life, to outperform the peers in terms of longevity, customer service, revenue growth, earnings and cash generation. We will be the employer of choice for all existing and future employees.



Our Strategy

Our strategy is to build long-term partnerships with the customers/consumers. With their support, we aim to maximize the potential of our business- through a combination of enhanced quality of product, service, creative marketing, competitive pricing and cost efficiency.



Our Values

Respect	:	Show an attitude of courtesy, admiration or esteem
Integrity	:	Act consistently with Berger's mission, being honest and transparent in what we do and say and accept responsibility for our collective and individual actions
Commitment	:	Be sincere and steadfast to protect Berger's interest and achieve goals
Excellence	:	Never be satisfied with simply meeting expectations; always try to exceed them significantly




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The Company

Berger is one of the oldest names in the paint industry and the country's major specialty paints business with products and ingredients dating back more than 250 years. Louis Berger, a German national, founded dye and pigment making business in England in 1760. Louis Berger & Sons Limited grew rapidly with a strong reputation for innovation and entrepreneurship, culminating in perfecting the process of making Prussian Blue, a deep blue dye– a color widely used for the uniforms of many European armies. Production of dyes and pigments evolved into production of paints and coatings, which till today, remains the core business of Berger. The company grew rapidly by establishing branches all over the world and through mergers and acquisitions with other leading paint and coating manufacturing companies.

Berger has been involved in the paint business in this part of the world since 1950, when paints were first imported from Berger UK and subsequently, from Berger Pakistan. In 1970, Berger Paints Bangladesh Limited (BPBL), erstwhile Jenson & Nicholson, had set up its paint factory in Chittagong. The shareholders were Jenson & Nicholson (J & N), Duncan Macneil & Co. Limited and Dada Group. Duncan Macneil subsequently sold their shares to the majority shareholder J & N Group. The Dada Group's share was ultimately vested with the Government of the Peoples' Republic of Bangladesh after the independence of the country in 1971. The name of the company was changed from J & N (Bangladesh) Limited to Berger Paints Bangladesh Limited on January 1, 1980. In August 2000, J & N Investments (Asia) Limited purchased the Government shareholding. In December 2005, the company issued 5% shares to the public and listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

With the entry of Berger Paints into the Bangladesh market, the country has been able to benefit from more than 250 years of global paint industry experience. Over the decades, Berger has evolved to become the leading paint solutions provider in this country and has diversified into every sphere of the industry– from Decorative Paints to Industrial, Marine and Powder Coatings.

Berger has invested more in technology and Research & Development (R&D) than any other manufacturer in this market. It sources raw materials from some of the best known names in the world: ExxonMobil, DuPont, BASF, BYK, Cristal and Shell to name a few. The superior quality of Berger's products has been possible because of its advanced plants and strict quality controls equal to the best international standards. Investment in technology and plant capacity is even more evident from the establishment of Powder Coating and Emulsion plants at the Dhaka factory. The state-of-the-art Dhaka factory is an addition to Berger's capacity, making it the paint giant in Bangladesh.

With its strong distribution network, Berger has reached almost every corner of Bangladesh. The nationwide dealer network, supported by sales depots strategically located at Dhaka, Chittagong, Rajshahi, Khulna, Bogra, Sylhet, Comilla, Mymensingh, Barisal, Rangpur, Feni and Brahman Baria has enabled them to strategically cater to all parts of the country.

The product range includes all types of Decorative Paints, specialized outdoor paints to protect against adverse weather conditions, Color Bank, Superior Marine Paints, Textured Coatings, Heat Resistant Paints, Roofing Compounds, Epoxies and Powder Coatings. In each of these product categories, Berger has been the pioneer. Berger also provides customer support; connecting consumers to technology through specialized Home Decor service; giving free technical advice on surface preparation, color consultancy, special color schemes etc. To bolster customer satisfaction, Berger launched Breathe Easy- the first odourless paint solution in Bangladesh. The company also maintained Innova Wood Coating, PowerBond adhesive, Vehicle Refinish and TexBond textile chemicals to cater to the needs of the customers.

As part of the company's endeavor for excellence and better service, Berger has expanded its operations to manufacture coil coatings through its joint venture with Becker Industrial Coatings Holding AB, Sweden named- Berger Becker Bangladesh Limited.

Apart from business, being a responsible corporate citizen, Berger Paints Bangladesh Limited has been promoting the young and creative talents of the country through Berger Young Painters' Art Competition (BYPAC), Berger Award for Excellence in Architecture (BAEA), Berger Awards Programme for Students of Architecture of BUET (BASAB), Khulna University Architecture Department-Berger (KUAD-BERGER) Award etc. Berger Paints has added another dimension to its social responsibilities by contributing to the wellbeing of autistic children in Bangladesh.

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Locations

REGISTERED & CORPORATE OFFICE

Berger House, House No. 8, Road No. 2
Sector No. 3, Uttara Model Town, Dhaka-1230
Phone: 02-48953665 (Hunting), Fax : 880-2-48951350
E-mail: info@bergerbd.com, Web Site: www.bergerbd.com

FACTORIES & PLANTS

Dhaka Factory
102, Mouja-Taksur, Nabinagar, Savar, Dhaka
Phone: +880 (2) 7791964, 02-7791620
Fax: +880 (2) 7791894, E-mail: dhakafactory@bergerbd.com

Chittagong Factory
27-D, FIDC Road, Kalurghat Heavy Industrial Area, Chittagong-4212
Phone: +880 (31) 670472 , Fax: +880 (31) 671639
E-mail: chittagongfactory@bergerbd.com

Powder Coating Plant
102, Mouja-Taksur, Nabinagar, Savar, Dhaka
Phone: +880 (2) 7791964, Fax: +880 (2) 7791894

Emulsion Plant
102, Mouja-Taksur, Nabinagar, Savar, Dhaka
Phone: +880 (2) 7791964, Fax: +880 (2) 7791894

SALES OFFICES

Dhaka Sales Office (Central & North Region)
123, Tejgaon Industrial Area, Dhaka-1208
Phone: 02-8870232-43, Fax: 8870244
E-mail: dhksales@bergerbd.com

Dhaka Sales Office (South Region)
Paiti, Matuail, Demra, [Dhaka-Demra highway], Dhaka
Phone: 02-7500525, E-mail: dhksouth@bergerbd.com

Chittagong Sales Office
43/3, Chatteswari Road, GPO Box No. 353, Chittagong-4000
Phone: 031- 615893-4,031-620960, Fax: 031-620507
E-mail: chittagongsales@bergerbd.com

Sylhet Sales Office
70, Antarango, Shahi Eidgah (Supply Road), Kazitulla, Sylhet-3100
Phone: 0821-2831237, E-mail: sylhetdepot@bergerbd.com

Khulna Sales Office
2, KDA Approach Road, Sonadanga, Khulna-9000
Phone: 041-722262, E-mail: khulnadepot@bergerbd.com

Bogra Sales Office
House No. 2996/3, Ward-15, Tinmatha Railgate
Dhaka-Rangpur Highway, Puran Bogra, Bogra-5800
Phone: 051-63319, E-mail:bogradepot@bergerbd.com

Comilla Sales Office
214, Ashrafpur, EPZ Road, Comilla-3500
Phone: 081-63403, 72940, E-mail:comilladepot@bergerbd.com

Rajshahi Sales Office
520, Talaimari, Ghoramara, Boalia, Rajshahi
Phone: 0721-750990, E-mail:rajshahidepot@bergerbd.com

Mymensingh Sales Office
291/2/2, Mashkanda BSCIC, Mymensingh
Phone: 091-51754, E-mail:mymensinghdepot@bergerbd.com

Barisal Sales Office
2157, South Shagordi, Hazi Bari Road, Barisal
Phone: 0431-72030, E-mail: barisaldepot@bergerbd.com

Rangpur Sales Office
House-120, Road-1, New Adarshapara Ershad More, Rangpur
Phone: 052155529

Feni Sales Office
Moddho Charipur, North Hazari Road, Mohipal More, Feni

Brahman Baria Sales Office
Harez Kazi Bari, Ghatura, Ghatura, Brahmanbaria Sadar,
Brahmanbaria-3400, Phone: 0851-61332

Berger Home Decor (Banani)
House-24, Road-11, Block-F, Banani, Dhaka-1213
Phone: 9872087, 01938888775, E-mail: decor@bergerbd.com

Berger Home Decor (Dhanmondi)
House-39/B (New), Road-16 (New), Dhanmondi, Dhaka-1207
Phone: 01971453666, E-mail: decor_dra@bergerbd.com

Berger Home Decor (Uttara)
8, Garib E Newaz Avenue, Sector # 13, Uttara, Dhaka-1230
Phone: 01977294166, E-mail: decor_uttara@bergerbd.com

Berger Home Decor (Cox's Bazar)
Korenthian House, Holding-089, Kolatoli Road, Cox's Bazar
Phone: 0341-51880, 01844147450

SUBSIDIARY COMPANY

Jenson & Nicholson (Bangladesh) Limited
70, East Nasirabad I/A, Baizid Bostami Road, Chittagong-4000
Phone: 031-682462, E-mail: jnblinfo@bergerbd.com

ASSOCIATE COMPANY

Berger Becker Bangladesh Ltd.
Building-3, Plot-102, Mouja-Taksur, Nabinagar, Savar, Dhaka
Phone: +880 (2) 7791964, Fax: +880 (2) 7708091
E-mail: bbbl@bergerbd.com



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Board of Directors & Executive Management Team

BOARD OF DIRECTORS

Mr. Gerald K Adams	Chairman
Ms. Rupali Chowdhury	Managing Director
Mr. K. R. Das	Non-Executive Director
Mr. Anil Bhalla	Non-Executive Independent Director
Mr. Jean-Claude Loutreuil	Non-Executive Director
Ms. Rishma Kaur	Non-Executive Director
Mr. Abhijit Roy	Non-Executive Director
Mr. Abdul Khalek	Executive Director

EXECUTIVE MANAGEMENT TEAM

Ms. Rupali Chowdhury	Managing Director
Mr. Abdul Khalek	Director & CFO
Mr. Md. Mohsin Habib Chowdhury	Senior GM- Sales & Marketing
Mr. Mohammad Nazimuddin Helali	GM- Projects and COO- J&NBL
Mr. Mohammad Ahsun Ullah	GM- Treasury & Financial Accounting
Mr. H. M. Rakib Ullah Bashar	GM- Financial Planning & Monitoring
Mr. Rashedul Haque	GM- Supply Chain
Mr. Sabbir Ahmed	GM- Business Process, Risk & Compliance
Mr. Mohammad Abu Nader Al Mokaddes	GM- Information Technology
Dr. A. S. M. Obaidullah Mahmud	GM- Research & Development
Mr. Mushfequr Rahman	GM- Human Resource & Administration
Mr. Anupam Paul	GM- Works, Dhaka Factory
Mr. Abul Kasem Md. Sadeque Nawaj	GM- Marketing
Mr. Syed Salahuddin Abu Naser	GM- Sales- Trade
Mr. Muhammad Kawsar Hasan	GM- Works, Chittagong Factory
Mr. Mohammad Azizul Hoque	GSM- Project, Prolink & Home Décor
Mr. Imranul Kabir	GSM- Industrial, Marine & Special Coating
Mr. Syed Mizanur Rahman	Manager- Human Resources
Mr. A. M. M. Sajjad	Manager- Admin & Labor Relations
Mr. Md. Abdus Sabur Khan	Head- Value Added Tax
Mr. Md. Mohammad Khasru Meah	Head- Cost Accounting
Mr. Sarkar Md. Ali Shahnawaz Fatmi	Head- Planning & Purchasing
Mr. Jamil Ahmed	Manager-Compensation & HR Operations
Mr. Nazrul Islam	Regional Sales Manager- Chittagong
Mr. Shamim Ahmed Chowdhury	Regional Sales Manager- Dhaka North
Mr. A N M Hamidur Rahman Chowdhury	Manager- Technical Services
Ms. Fatema Baqui	Manager- Décor
Mr. Golam Mohammad Moinuddin	Head- Production
Mr. Iftekhar Ahmed Ronnie	Head- Legal Affairs
Mr. Ata-I-Muneer	Regional Sales Manager- Central

COMPANY SECRETARIAT

Mr. Khandker Abu Jafar Sadique	Company Secretary

AUDITORS

Hoda Vasi Chowdhury & Co.
Chartered Accountants

PRINCIPAL BANKERS

Standard Chartered Bank
Citibank N. A.
Commercial Bank of Ceylon

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Biography of the Directors



Mr. Gerald K Adams

Chairman since 2004

Mr. Jerry Adams is a professional company director. His directorships include: Chairman, Berger Paints Bangladesh Ltd.; Chairman, Bolix SA [a building materials company in Poland]; Chairman, Advisory Board, La Casa del Formaggio [an Australian cheese manufacturer]; the University of Adelaide Business School Advisory Board; and the Royal Society for the Prevention of Cruelty to Animals, South Australia. His previous directorships include Axiom Energy Ltd; the Joint State of South Australia and Carnegie Mellon University Advisory Board; and Sundrop Farms Advisory Board [greenhouse technology and horticulture]. His previous executive roles include: Managing Director of Orica Consumer Products (Australia and New Zealand); President and CEO of Box USA (USA); Chief Executive of Amcor Fibre Packaging (Australia); Vice President and Director, Business Development, of Kraft Foods, (Asia-Pacific); and consultant, the Boston Consulting Group (USA). He has also served as the interim Dean of the University of Adelaide Business School and the interim CEO of the RSPCA SA. He was educated at the Harvard Business School (MBA, 1979); and the University of Washington (BA, 1975). He is a Fellow of the Australian Institute of Company Directors. Mr. Adams was born in 1953 in the US and now resides in Australia.



Ms. Rupali Chowdhury

Managing Director since 2008

Ms. Rupali Chowdhury is an MBA from IBA, University of Dhaka, and completed her Graduation with Honors in Chemistry from the University of Chittagong. She started her career with the multinational pharmaceutical and chemical Company, Ciba Geigy (Bangladesh) Limited and was Brand Manager while leaving the company in 1990. Ms. Rupali Chowdhury joined Berger Paints Bangladesh Limited in 1990 as Planning Manager and during her tenure she worked for various departments such as Marketing, Sales, Supply Chain and Systems under different supervisory capacities. Ms. Chowdhury was promoted to the position of Managing Director of the Company on 1 January 2008. She is also Managing Director of Jenson & Nicholson (Bangladesh) Limited, a 100% subsidiary of Berger Paints Bangladesh Limited and Director of Berger Becker Bangladesh Limited, a joint venture between Berger Paints Bangladesh Limited and Becker Industrial Coatings Holding AB, Sweden. She is a Director of SMC Enterprise Limited. She is the President of Foreign Investors' Chamber of Commerce & Industries (FICCI). She was born in 1960.



Mr. K. R. Das

Director since 1992

Mr. K.R. Das was born in India in 1931. On completion of his graduation in science with honors, he started his career with Gillanders Arbuthnot & Co. Limited in 1951. He was Head of Pigments Division when he left Gillanders in 1965. He joined Jenson & Nicholson Limited in 1965 and left the company in 1975 as General Sales Manager after a long 10 years of service. He joined Berger Paints India Limited in 1975 and after 20 years of service retired in 1994 as Executive Director. Mr. Das has been working as Management Consultant since 1994. He is a director of Berger Paints India Limited, and Chairman of RDG Systems (Pvt.) Ltd, India. Mr. Das is the Regional Supervisory Director of Berger Paints Bangladesh Limited, and Chairman of Jenson & Nicholson (Bangladesh) Limited. He is also a member of the Audit Committee of Berger Paints Bangladesh Limited.



Mr. Anil Bhalla

Director Since 1994

Mr. Anil Bhalla was born in India in 1946. He graduated in Economics (Hons) from the University of Delhi and is a Fellow Chartered Accountant. He is the managing partner of JC Bhalla & Co., a reputed Chartered Accountants firm of India. He has four decades of experience in professional services in both India and abroad. He has a wide range of experience in auditing, joint venture consultancy, tax consultancy, strategic business consultancy, business valuations, and mergers & acquisitions.

He was a Member of the Northern India Regional Council of the Institute of Chartered Accountants of India (ICAI) from 1976 to 1979 and its Chairman from 1978 to 1979. He has served ICAI as member of different Committees namely Company Law, Expert advisory and Auditing and Assurance Standards Board. He was an Executive Committee member of the Income Tax Appellate Tribunal Bar Association of Delhi. He was President of the Institute of Internal Auditors, Florida, USA Delhi Chapter. He is a Member of the Advisory Council of Berger Paints India Ltd. and Director of Jenson & Nicholson (Bangladesh) Limited. He is also a member of the Audit Committee of Berger Paints Bangladesh Limited.



Mr. Jean-Claude Loutreuil

Director since 1998

Mr. Jean-Claude Loutreuil was born in 1945 at Saint Laurent sur mer in France. He is an MBA from the University of Paris. He graduated from Pharmaceutical and Chemical High School of Anguerny, France. He was Managing Director in Janssen Pharmaçeutica (Flubenol), Belgium and Managing Director (Veterinary sector) of Shering Plough. In 1988 he was in charge of U K Paint France as Director in connection with Russia. He served U K Paint Russia as Managing Director in Moscow and Krasnodar. He has been working for the last four decades mostly in Pharmaceutical and Chemical sectors as consultant.



Ms. Rishma Kaur

Director since 2013

Ms. Rishma Kaur holds a Bachelor of Science (Hons) in Business Studies from University of Buckingham, United Kingdom. She was Chairperson of Paints & Allied Products Panel of Chemicals & Allied Products Export Promotion Council (CAPEXIL), India from 1997 to 1999. Presently, she is Director and National Business Development Manager (Retail) in Berger Paints India Limited. Her other directorships include Seaward Packaging Ltd., U K Paints (India) Ltd., BJN Paints India Ltd. and Berger Jenson & Nicholson (Nepal), Jenson Nicholson (Bangladesh) Limited. She is also a member of the Audit Committee of Berger Paints Bangladesh Limited. She was born in 1972.



Mr. Abhijit Roy

Director since 2014

Mr. Abhijit Roy graduated in Mechanical Engineering from Jadavpur University, and did his MBA from the Indian Institute of Management, Bangalore in 1991. He started his career with Asian Paints (I) Ltd., and thereafter joined Lab Garnier, a division of L'Oreal in 1994. He joined Berger Paints India Ltd. in the year 1996 as Product Manager for Color Bank Tinting System. He handled various assignments with Berger India including General Manager (Marketing), Vice President (Sales & Marketing), COO and finally took over as MD and CEO from 1st July 2012. He is also the Chairman of the Skill Subcommittee of Confederation of Indian Industry (Eastern Region) and a Management Committee member of the Bengal Chamber of Commerce and Industry.



Mr. Abdul Khalek

Director since 2004

Mr. Khalek is a Fellow Chartered Accountant, and has his Masters of Commerce in Accounting from the University of Dhaka. He joined 'Proshika Manobik Unnayan Kendra', a leading national NGO in 1985 and left the organization in 1993 as Chief Internal Auditor. He joined Berger Paints Bangladesh Limited in 1993 as Management Accountant. Over the period, he served the company under different capacities and now serves as the Director & Chief Financial Officer. He is also a member of the Board of Directors of Jenson & Nicholson (Bangladesh) Limited, and Berger Becker Bangladesh Limited. Mr. Khalek has been a member of the Taxation & Corporate Laws Committee of the Institute of Chartered Accountants of Bangladesh for the last two decades. He is serving the Foreign Investors' Chamber of Commerce & Industries as a member of Trade, Tariff, Taxation & Company Affairs Sub-committee for the last 18 years and currently serving as convener of the committee. He is member of Tariff & Taxation Sub-committee of Metropolitan Chamber of Commerce and Industries for the last 8 years. He is one of the faculty members of the Institute of Chartered Accountants of Bangladesh for the last two decades and has authored a good number of articles on trade and commerce. He is a member of the Institute of Internal Auditors of Bangladesh and Intellectual Property Association of Bangladesh. He is also a member of the Audit Committee of Berger Paints Bangladesh Limited. He was born in 1959.

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Transmittal Letter

April 04, 2016

All Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Sub: Annual Report for the year ended 31 December 2015

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report together with the audited standalone and consolidated financial statements for the year ended 31 December 2015 along with notes thereon for your reference and record.

Yours sincerely,



Khandker Abu Jafar Sadique, ACS
Company Secretary

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Notice

The 43rd Annual General Meeting

Notice is hereby given to all Members of Berger Paints Bangladesh Limited that the 43rd Annual General Meeting of the Members of the Company will be held on Monday, April 18, 2016, at 10.00 am at International Convention City (Pushpoguscho, Hall No.-2), Bashundhara, Joarshahara, Dhaka to transact the following businesses:

Agenda

1. **Reports and Financial Statements**

   To receive, consider and adopt the Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 31 December, 2015.

2. **Dividends**

   To declare dividend for the year ended 31 December, 2015 as recommended by the Board of Directors.

3. **Election of Directors**

   To elect Directors in place of those who shall retire in accordance with the provisions of the Articles of Association of the Company.

4. **Appointment of Auditors**

   To appoint Auditors of the Company for the term until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board of Directors

Khandker Abu Jafar Sadique, ACS
Company Secretary

Dhaka, April 4, 2016

NOTES:

a) The Record Date is April 4, 2016. Shareholders whose names appear in the Register of Members on the Record Date will be eligible to attend the meeting and qualify for Dividend.

b) A member eligible to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. Proxy form must be affixed with requisite revenue stamp and must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting.

c) Admittance to the meeting venue will be on production of the attendance slip attached with the Annual Report.

d) The Notice of the Annual General Meeting, Annual Report 2015 and Proxy Form are available at the Company's website www.bergerbd.com

e) As per circular of Bangladesh Securities and Exchange Commission, there will be no arrangement for gift or entertainment at the Annual General Meeting.

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Directors' Report

The Directors are pleased to present their 43rd report of the Company along with the Audited Financial Statements and Auditors' Report for the year ended December 31, 2015.

1. Industry outlook and possible future developments in the industry

The year 2015 was relatively calm for business, although the year started with serious political unrest and non-stop blockade and other disruptions in the first quarter. While the political situation improved gradually, prolonged monsoon dominated the second quarter of 2015. Shortage of gas supply in heavy industries was another predicament for industrial growth. Slow private investment and low export growth also affected the economy during the first half of 2015. The real estate sector continued to remain stagnant due to high price of real estate and shortage of domestic gas supply. All these elements resulted lower demand for paints and limited the growth of paint industry to 8%. On the positive side, soft raw materials price and stable exchange rate of Bangladeshi Taka has helped the manufacturing industry to reduce cost of goods manufactured.

The economy of Bangladesh is steadily growing to enter middle-income group. Most of the indicators like inflation, export and interest rate are favorable to encourage domestic investment, but the economy is yet to gain momentum. Idle fund in the banks, slow implementation of annual development program and shortfall in tax collection indicate imbalance in macro economy. The country's GDP growth rate improved to 6.5% in FY 2014-15 against 6.1% of previous fiscal. GDP growth for FY 2015-16 is projected to be 6.7%. We strongly believe that Bangladesh will be able to sustain economic growth in upcoming years as the country has demonstrated such resilience in the past.

2. Sales Growth

The Company achieved 12.8% growth in 2015 whereas the market grew only 8%. However, we have gained market share during the year. If the political environment remains calm and economic growth is achieved as per forecast, we expect better performance in 2016.

3. New Products

Berger Paints has launched a number of new products and has undertaken new initiatives in 2015 to fulfill the diversified customer needs and explore new frontiers.

Luxury Silk Emulsion with improved formula was launched in February 2015. Aggressive campaign was undertaken to re-launch Luxury Silk emulsion through advertisements in electronic, press, outdoor & online media, shop decoration, merchandising & activations, promotional schemes & product display campaigns. Primer for BreatheEasy Enamel was launched in April 2015.

Berger Paints also re-launched its premium emulsion brand - Berger Easy Clean, with enhanced Stain Guard formula. The brand is available now in a new attractive container that portrays its superior washable properties. Berger Paints has also re-launched Robbialac Water Sealer in a new colorful container to enhance the visibility of the brand.

In 2015, Berger Paints has launched paint application software for android mobile phones. 'Berger Colors of Happiness' app will allow consumers to choose paint shades in the easiest way, paint their rooms virtually, calculate the cost of painting and locate nearby Berger stores. Berger has also launched its second android app, titled 'Berger illusions', which will allow users to see how illusions designs will look in different room settings; bedroom, living room and office space with different color and design schemes, and help to get in contact with Home Décor offices & color consultants.

4. ISO 14001:2004 and OHSAS 18001:2007 Certification

We have successfully implemented and received certificates for ISO 14001:2004 Environmental Management System (EMS) and OHSAS 18001:2007 Occupational Health and Safety Management System (OHSAS) in the company in 2015. Our subsidiary Jenson & Nicholson (Bangladesh) Limited also received these certificates in the beginning of 2016. Berger Paints Bangladesh Limited received ISO 9001:2008 certification. These certificates are recognition of our commitment to implement the best quality management system while remaining conscious for environment and safety at workplace.

5. Risks and Concerns

The major risk factors and concerns for the company are as follows:

Macro Economy

The level of activity within the general economy is of fundamental importance given its influence on construction and industrial activity levels, which in turn are key market segments for the paint manufacturing industry.

External factors

The Company's results may be affected by factors outside its control such as political unrest, strike, civil commotion and act of terrorism.

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Changes in income tax and value added tax

Changes in income tax and VAT laws, upward revision in tax rate and sudden unpredictable changes in other business related laws may adversely impact results of operations and cash flows.

Changes in environmental, health and safety laws and regulations

In line with global practice, the government has been initiating notable changes in environmental, health and safety laws and regulations. The Company may require additional investment and expenditure to ensure conformity with future changes.

Exchange rate fluctuation

Since a large proportion of Berger's raw materials are imported, changes in currency exchange rates influence the result of the Company's operations.

Management Perception of the risks

While many of the risk areas are beyond control of any single company, Berger is closely watching the trends and developments in each of the risk areas and takes the best possible measures to mitigate them through product and market diversification, efficient sourcing of materials, use of latest technology and investment in research and development to gain sustained competitive advantage. Being a strictly compliant company, Berger played pioneer role installing Effluent Treatment Plant and Incinerator of global standard at its plants in conformity with environment related regulation.

6. Financial Performance

The Directors take pleasure in reporting the Financial Results of the Company for the year ended December 31, 2015 and recommend the following appropriations:

	Taka in '000	
Particulars	2015	2014
Net Sales	12,267,996	10,881,046
Cost of Sales	(7,012,664)	(6,585,744)
Gross Profit	5,255,332	4,295,302
Profit Before Tax	1,933,454	1,488,774
Current Tax Expenses	(480,000)	(380,000)
Deferred Tax Expenses	(27,499)	(11,165)
Profit After Tax	1,425,955	1,097,609
Add: Retained Earning brought forward from previous year	2,487,491	1,900,038
Interim Dividend Paid	(231,890)	-
Amount Available for Distribution	3,681,556	2,997,648
Final Dividend Proposed/Paid	(626,101)	(510,157)
Transfer to un-appropriated profit	3,055,455	2,487,491
Basic Earnings Per Share (Taka)	61.49	47.33
Net Operating Cash Flow Per Share (Taka)	91.98	49.69
Net Asset Value Per Share (Taka)	174.16	144.66
Gross Profit Margin (%)	42.84	39.48
Net Profit After Tax Margin (%)	11.62	10.09

During the year the company achieved 29.9% growth in profitability against 12.8% growth in sales. Improvement in performance and productivity coupled with reduction in the raw material price largely contributed to the higher growth in profit.

7. Dividend

The Company has invested a substantial amount for expansion of production capacity as well as diversification of products and businesses. For improvement of efficiency, we have implemented BPC and other IT solutions. We have also invested Tk. 50,000 thousand in the capital of our subsidiary company Jenson & Nicholson (Bangladesh) Limited. However, the Directors are pleased to recommend a final dividend of 270% i.e. Tk. 27 per share of Tk. 10 each for the year 2015. The total dividend for 2015 therefore stands at 370% i.e. Tk. 37 per share of Tk. 10 each considering 100% (Tk. 10 per share) interim dividend paid during the year.

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8. Corporate Social Responsibility

Being a responsible corporate citizen, Berger has been contributing to different social causes to bring positive changes in the society.

For the 7th year, Berger continued to provide financial and other material aids to several organizations working for the development of autistic and differently challenged children in Bangladesh. Berger paints also organized a painting competition for autistic children for the third year in 2015.

Berger Paints organized the 20th round of Berger Young Painters' Art Competition (BYPAC) in 2015 to encourage young talents. This year, Berger Young Painters' Art Competition received tremendous response with submission of 461 paintings from all over the country. Berger also organized award giving ceremony and exhibition of the 7th round of Berger Award for Excellence in Architecture in 2015. Competitive award-based scholarships were continued in 2015 for the students of architecture departments of BUET & Khulna University.

The company also sponsored the seminar hall of the Institute of Architects Bangladesh as 'Berger Seminar Hall'. We also distributed blankets for the poor during the year.

The company also facilitates interns of different academic backgrounds to let them gain firsthand knowledge and experience of the corporate world, and thus groom the potential leaders of the society.

9. Contribution to National Exchequer

During the year, the Company has contributed Tk. 3,124,515 thousand to the National Exchequer as Customs Duty, Income Tax, Value Added Tax and Supplementary Duty.

10. Subsidiary Company

Jenson & Nicholson (Bangladesh) Limited is a wholly owned subsidiary of Berger Paints Bangladesh Limited. The company is involved with production and marketing of tin-containers and printing of tin sheets since 1995 in its factory at 70, East Nasirabad Industrial Area, Chittagong.

The statement of the holding company's interest in the subsidiary company Jenson & Nicholson (Bangladesh) Limited as specified in sub section 1 of section 186 of The Companies Act 1994 is attached to the Annual Report and Financial Statements of the Company.

11. Election of Directors

The directors retiring by rotation under Article 121 and 122 are Mr. Gerald K. Adams and Mr. Jean-Claude Loutreuil who, being eligible, offered themselves for re-election. The Board of Directors recommends their re-election.

12. Appointment of Auditors

The auditors, Messrs Hoda Vasi Chowdhury & Co., Chartered Accountants, will retire at the conclusion of the ensuing Annual General Meeting and being eligible under section 210 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission's order no. SEC/CMRRCD/2009-193/104/Admin/ dated July 27, 2011, offered themselves for reappointment.

13. Corporate Governance

The Status Report along with relevant disclosures and declarations required to be presented by the Company in pursuance of the notification no. SEC/CMRRCD/2006-158/134/Admin/44 of August 7, 2012 issued by Bangladesh Securities and Exchange Commission is attached as Annexure 1, 2, 3, 4 and 5 of this report.

14. Human Resource

As in the past, the Company continued to experience industrial peace and harmony throughout the year. The Company pursues policy for training and development program both locally and abroad to enhance and update the skills and knowledge of its human resources. The Board wishes to put on record its deep appreciation for the co-operation and efforts of all employees for the betterment of the organization.

15. Management Appreciation

The members of the Board of Directors would like to take this opportunity to express their heartfelt thanks to all stakeholders including employees, customers, banks, insurance companies, government authorities, auditors, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Central Depository Bangladesh Limited, utility providers and finally the shareholders for their immense support and contribution towards the success of the Company.

On behalf of the Board,



Gerald K. Adams
Chairman
March 14, 2016

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The Directors also report that:

a) The Financial Statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

b) Proper books of accounts as required by law have been maintained.

c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

d) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.

e) The system of internal control is sound in design and has been effectively implemented and monitored.

f) There are no significant doubts upon the company's ability to continue as a going concern.

g) The company does not have significant deviations from the last year's operating results.

h) Segment-wise performance during the year is presented in note 2.24 of the Audited Financial Statements.

i) Details of related party transactions have been presented in note 39 of the Audited Financial Statements.

j) The company did not have any extraordinary gain or loss during the period in consideration.

k) The company did not make any public issue during the year. The proceeds of IPO in 2005 were utilized in the manner specified in the prospectus. The financial results of the company did not deteriorate after the company went for IPO.

l) There was no significant variance between Quarterly Financial Performance and Annual Financial Statements during the year.

m) The remuneration to the directors including independent directors have been disclosed in notes 26 and 37 of the Audited Financial Statements.

n) Key operating and financial data of preceding 5 (five) years have been summarized in Annexure 3.

o) The number of Board meetings held during the year and attendance by each director has been disclosed in Annexure 4.

p) The pattern of shareholding as required by the BSEC notification SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 has been disclosed in Annexure 5.

q) Required information about director being appointed/re-appointed has been presented in 'Biography of Directors' section of the Annual Report.

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Status of compliance with the conditions of Corporate Governance Guidelines as set by Bangladesh Securities & Exchange Commission (BSEC) by the notification # SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 and subsequently amended through their notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	Board of Directors:	√		
1.1	Board's Size: Board members should not be less than 5 (five) and more than 20 (twenty)	√		
1.2	Independent Directors:	√		
1.2 (i)	At least 1/5th	√		
1.2 (ii) a)	Does not hold any or holds less than 1% shares	√		
1.2 (ii) b)	Is not connected with the company's any sponsor, director or shareholder who holds 1% or more shares.	√		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise with the company or its subsidiary/associated companies.	√		
1.2 (ii) d)	Not a member, director or officer of any stock exchange	√		
1.2 (ii) e)	Not a member, director or officer of any member of stock exchange or an intermediary of the capital market.	√		
1.2 (ii) f)	Who is not and was not a partner or an executive during the preceding 3 years of any statutory audit firm.	√		
1.2 (ii) g)	Is not an independent director in more than 3 listed companies	√		
1.2 (ii) h)	Has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution.	√		
1.2 (ii) i)	Has not been convicted for criminal offence involving moral turpitude.	√		
1.2 (iii)	Nominated by the board of directors and approved by the shareholders in the AGM	√		
1.2 (iv)	The post does not remain vacant for more than 90 days.	√		
1.2 (v)	The board shall lay down a code of conduct of all board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 years, which may be extended for 1 term only.	√		
1.3	Qualification of Independent Director (ID):	√		
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		

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Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.3 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/ University Teacher with Economics or Business Studies or Law background/ Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 years of corporate management/ professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	√		
1.4	Chairman of the Board and Chief Executive Officer: The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	The Directors' Report to Shareholders:	√		
1.5 (i)	Industry outlook and possible future developments in the industry	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risks and concerns.	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	√		
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		
1.5 (x)	Remuneration to directors including independent directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		

AMAR STOCK

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	√		
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:	√		
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√		
1.5 (xxi) c)	Executives	√		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-	√		
1.5 (xxii) a)	A brief resume of the director	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas	√		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	√		

AMAR STOCK

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2	Chief Financial Officer (CFO), Head Of Internal Audit And Company Secretary (CS):	√		
2.1	Appointment: The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	√		
2.2	Requirement to attend the Board Meetings: The CFO and the Company Secretary shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	√		
3	Audit Committee:	√		
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	√		
3.1	Constitution of the Audit Committee:	√		
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members	√		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy (ies) immediately or not later than 1 (one) month from the date of vacancy (ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	√		
3.1 (v)	The company secretary shall act as the secretary of the Committee	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		

AMAR STOCK

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM)	√		
3.3	Role of Audit Committee:	√		
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles	√		
3.3 (iii)	Monitor Internal Control Risk management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	√		
3.3 (vii)	Review the adequacy of internal audit function	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/ Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus	√		
3.4	Reporting of the Audit Committee:	√		
3.4.1	Reporting to the Board of Directors:	√		
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:	√		
3.4.1 (ii) a)	Report on conflicts of interests;	√		
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	√		
3.4.1 (ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations	√		
3.4.1 (ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately.	√		

MY STOCK

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.4.2	Reporting to the Authorities: If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	√		
3.5	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company	√		
4	External/Statutory Auditors:	√		
4 (i)	The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:- Appraisal or valuation services or fairness opinions.	√		
4 (ii)	Financial information systems design and implementation	√		
4 (iii)	Book-keeping or other services related to the accounting records or financial statements	√		
4 (iv)	Broker-dealer services	√		
4 (v)	Actuarial services	√		
4 (vi)	Internal audit services	√		
4 (vii)	Any other service that the Audit Committee determines	√		
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company	√		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7	√		
5	Subsidiary Company:	√		
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company	√		
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company	√		
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	√		

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Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	√		
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	√		
6	Duties Of Chief Executive Officer (CEO) And Chief Financial Officer (CFO):	√		
6 (i)	The CEO and CFO shall certify to the Board that:- They have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
6 (i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
6 (i) b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7	Reporting And Compliance of Corporate Governance:	√		
7 (i)	The company shall obtain a certificate from a Professional Accountant/ Secretary (Chartered Accountant/Cost & Management Accountant/ Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis	√		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions	√		

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Annexure-3

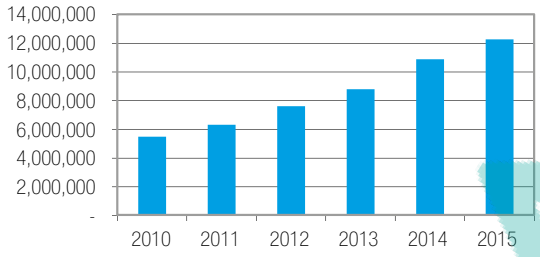
BERGER PAINTS BANGLADESH LIMITED

Performance in last five years

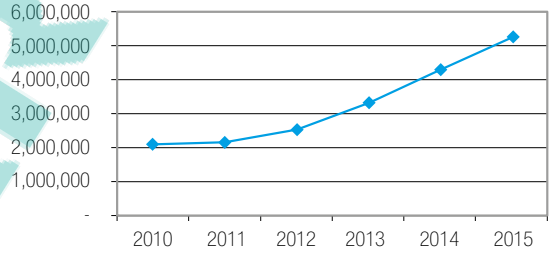
Taka in '000

	2015	2014	2013	2012	2011	2010
Revenue-net	12,267,996	10,881,046	8,796,778	7,611,213	6,321,274	5,483,619
Gross Profit	5,255,332	4,295,302	3,314,934	2,524,361	2,154,235	2,087,964
Profit Before Tax	1,933,454	1,488,774	1,228,511	1,022,343	894,799	905,555
Profit After Tax	1,425,955	1,097,609	860,939	752,790	721,163	704,636
Shareholders Equity	4,038,513	3,354,605	2,767,153	2,323,615	1,988,226	1,684,464
Total Assets	6,339,060	5,353,863	4,282,362	3,568,101	3,424,689	3,055,465
Total Current Assets	3,951,586	3,541,219	2,826,670	2,291,222	2,264,647	2,011,724
Total Current Liabilities	2,132,948	1,851,418	1,382,275	1,146,112	1,333,642	1,271,816
Current Ratio (Time)	1.85	1.91	2.04	2.00	1.70	1.58

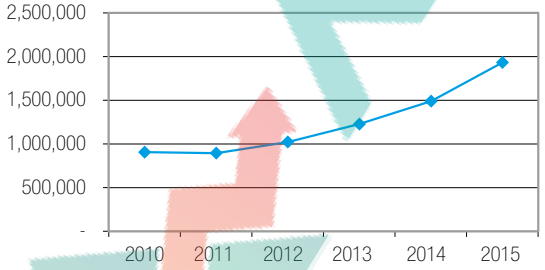
Revenue
Tk '000



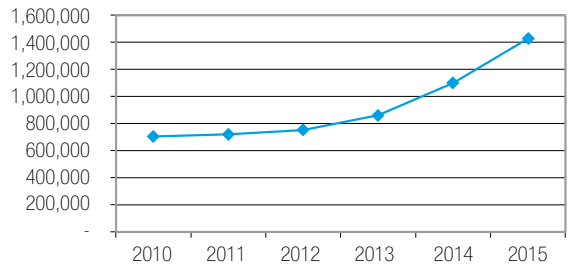
Gross Profit
Tk '000



Profit Before Tax
Tk '000



Profit After Tax
Tk '000



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Annexure 4

Attendance at Board Meetings

The number of Board Meetings and the attendance of Directors during the year 2015 were as follows:

Name of Director	Meetings held	Attended
Mr. Gerald K Adams Non-Executive Chairman	5	5
Ms. Rupali Chowdhury Managing Director	5	5
Mr. K. R. Das Non-Executive Director	5	3
Mr. Anil Bhalla Non-Executive Independent Director	5	5
Mr. Jean-Claude Loutreuil Non-Executive Director	5	3
Ms. Rishma Kaur Non-Executive Director	5	5
Mr. Abhijit Roy Non-Executive Director	5	2
Mr. Abdul Khalek Executive Director	5	5
Mr. M. Azizul Huq* Non-Executive Independent Director	5	3
Mr. Subir Bose* Non-Executive Director	5	3

* Mr. M. Azizul Huq and Mr. Subir Bose resigned from the Board with effect from January 25, 2016 and March 14, 2016 respectively.

Annexure 5

Pattern of Shareholding on December 31, 2015

Categories	Name	Shares
Shareholders holding 10% or more shares (Parent)	J & N Investments (Asia) Ltd., UK	22,029,370
Chairman	Mr. Gerald K Adams	Nil
Managing Director	Ms. Rupali Chowdhury	Nil
Director & Cheif Financial Officer	Mr. Abdul Khalek	Nil
Nominee Director	Mr. K. R. Das	Nil
Independent Director	Mr. Anil Bhalla	Nil
Nominee Director	Mr. Subir Bose	Nil
Nominee Director	Mr. Jean-Claude Loutreuil	Nil
Nominee Director	Ms. Rishma Kaur	Nil
Independent Director	Mr. M. Azizul Huq	Nil
Nominee Director	Mr. Abhijit Roy	Nill
Company Secretary	Mr. Khandker Abu Jafar Sadique	Nill
Head of Internal Audit	Mr. Sabbir Ahmed	Nil
Executives:		
GM- Research & Development	Dr. A. S. M. Obaidullah Mahmud	200
Senior GM- Sales & Marketing	Mr. Md. Mohsin Habib Chowdhury	Nil
GM- Projects and COO- J&NBL	Mr. Mohammad Nazimuddin Helali	Nil
GM- Human Resource & Administration	Mr. Mushfequr Rahman	Nil
GM- Supply Chain	Mr. Rashedul Haque	Nil

The spouses and minor children of above persons did not hold any share of the Company on December 31, 2015.

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Classification of shareholders by holding on 31 December 2015

Shareholding range	Type of shareholders	Number of shares	Number of shareholders	% of share holding
Less than 500 shares	G. Public& Inst	90,171	1,331	0.4
501 to 5,000 shares	G. Public& Inst	86,472	62	0.4
5,001 to 10,000 shares	Institution	62,288	8	0.3
10,001 to 20,000 shares	Institution	49,900	3	0.2
20,001 to 30,000 shares	Institution	70,150	3	0.3
30,001 to 40,000 shares	Institution	96,718	3	0.4
40,001 to 50,000 shares	Institution	90,675	2	0.4
50,001 to 100,000 shares	Institution	232,926	3	1.0
100,001 to 1,000,000 shares	Institution	380,270	3	1.6
Over 1,000,000 shares	Group	22,029,370	1	95.0
Total		**23,188,940**	**1,419**	**100.0**

Audit Committee

1. Mr. M. Azizul Huq (Chairman)
2. Mr. Anil Bhalla (Member)
3. Mr. K. R. Das (Member)
4. Ms. Rupali Chowdhury (Member)
5. Mr. Subir Bose (Member)
6. Ms. Rishma Kaur (Member)
7. Mr. Abdul Khalek (Member)
8. Mr. Khandker Abu Jafar Sadique (Secretary)

The number of Audit Committee Meetings and the attendance of Directors during the year 2015 were as follows:

Name of Director	Meeting Dates & Attendance				
	28.01.2015	16.03.2015	19.04.2015	30.07.2015	29.10.2015
Mr. M. Azizul Huq	√	√	√	√	-
Mr. Anil Bhalla	√	√	√	√	√
Mr. K. R. Das	√	-	√	-	√
Ms. Rupali Chowdhury	√	√	√	√	√
Mr. Subir Bose	-	√	√	-	√
Ms. Rishma Kaur	√	√	√	√	√
Mr. Abdul Khalek	√	√	√	√	√

Risk Committee

1. Ms. Rupali Chowdhury (Chairman)
2. Mr. Abdul Khalek (Member)
3. Mr. Sabbir Ahmed (Member)
4. Mr. Mohammad Nazimuddin Helali (Member Secretary)

Remuneration Committee

1. Mr. K. R. Das (Chairman)
2. Ms. Rupali Chowdhury (Member)
3. Mr. Mushfequr Rahman (Member Secretary)

Service Purchase Committee

1. Mr. Abdul Khalek (Chairman)
2. Mr. Mohammad Abu Nader Al Mokaddes (Member)
3. Mr. Mushfequr Rahman (Member Secretary)

Capital Purchase Committee

1. Mr. H M Rakibullah Bashar (Chairman)
2. Mr. Anupam Paul (Member)
3. Mr. Sabbir Ahmed (Member Secretary)

Management Committee

1. Ms. Rupali Chowdhury (Chairman)
2. Mr. Abdul Khalek (Member)
3. Mr. Md. Mohsin Habib Chowdhury (Member)
4. Mr. Mohammad Nazimuddin Helali (Member)
5. Mr. Mohammad Ahsun Ullah (Member)
6. Mr. H. M. Rakib Ullah Bashar (Member)
7. Mr. Rashedul Haque (Member)
8. Mr. Sabbir Ahmed (Member)
9. Mr. Mohammad Abu Nader Al Mokaddes (Member)
10. Mr. A. S. M. Obaidullah Mahmud (Member)
11. Mr. Anupam Paul (Member)
12. Mr. Abul Kasem Md. Sadeque Nawaj (Member)
13. Mr. Syed Salahuddin Abu Naser (Member)
14. Mr. Muhammad Kawsar Hasan (Member)
15. Mr. Mohammad Azizul Hoque (Member)
16. Mr. Imranul Kabir (Member)
17. Mr. Mushfequr Rahman (Member Secretary)

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Certificate from CEO and CFO Regarding the Financial Statements of 2015

We, the Chief Executive Officer (Managing Director) and Chief Financial Officer of Berger Paints Bangladesh Limited certify to the Board that:-

(i) We have reviewed the financial statements for the year ended 2015 and that to the best of our knowledge and belief:

a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Rupali Chowdhury
Managing Director (CEO)

Abdul Khalek
Director & CFO

Dhaka, March 14, 2016

Audit Committee Report for the Year 2015

The Audit Committee of Berger Paints Bangladesh Limited is pleased to confirm that the following activities have been carried out during the year 2015:

- Enhance good practices in financial reporting and risk management
- Ensure establishment of adequate internal controls and compliance with laws and regulations
- Ensure that the preparation, presentation and submission of financial statements have been made in accordance with the prevailing laws, standards and regulations.

In pursuance with Corporate Governance Guidelines 2012, the Audit Committee also reviewed the internal audit reports, the interim and annual financial statements and the financial performance of Berger paints Bangladesh Limited as well as its subsidiary company Jenson & Nicholson (Bangladesh) Limited for the year ended December 31, 2015. The Committee has also overseen the hiring and performance of external auditors. The auditors, Messrs Hoda Vasi Chowdhury & Co., Chartered Accountants are eligible for reappointment under section 210 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission's order no. SEC/CMRRCD/2009-193/104/Admin/ dated July 27, 2011 and the Audit Committee recommends their reappointment.

The Committee found adequate arrangement to present a true and fair view of the financial status of the company and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.

On behalf of the Audit Committee

Anil Bhalla
Dhaka, March 14, 2016

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MABS & J Partners
Chartered Accountants

A member of Nexia International

Certificate on compliance of conditions of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission to the Shareholders of Berger Paints Bangladesh Limited and its subsidiary

We have examined the compliance of conditions of Corporate Governance Guidelines by Berger Paints Bangladesh Limited and its subsidiary, for the year ended 31 December 2014, as set by Bangladesh Securities and Exchange Commission (BSEC) by the notification # SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 and subsequently amended through their notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company and its subsidiary have complied with the conditions of Corporate Governance Guidelines as stipulated in the above-mentioned Notifications.

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

Dhaka, 14 March 2016

MABS & J Partners
Chartered Accountants

A member of Nexia International, UK

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33, Banani C/A, Road 17
Dhaka-1213, Bangladesh
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: +88-02-9821365-66
E-mail : smcbd@citech.net

Motijheel Branch Office :
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Fax : +88-02-9332936
E-mail : smcbd@citech.net
Web : www.mabsj.com

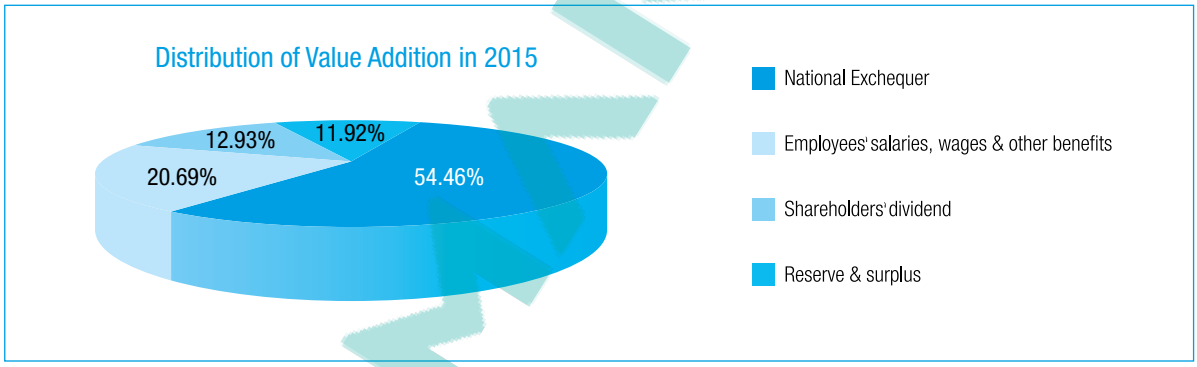
Value Added Statement

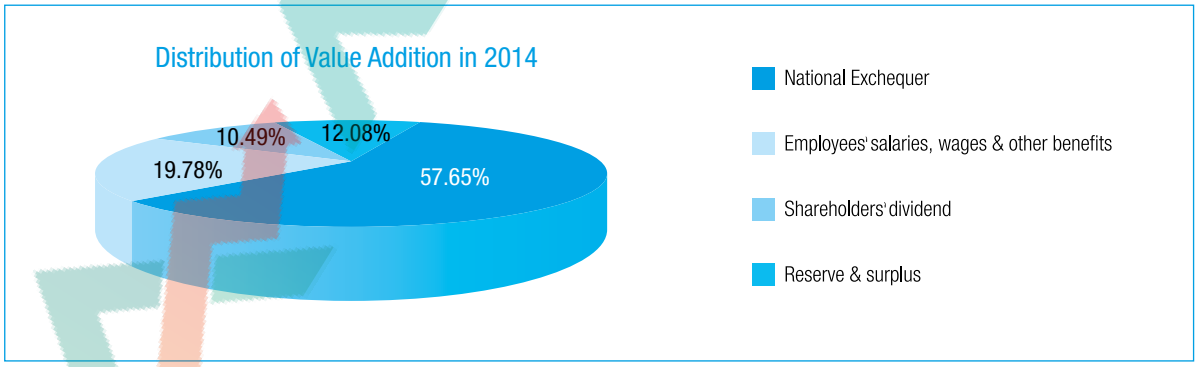
For the year ended 31 December 2015

Taka in '000

	2015		2014	
	Amount	%	Amount	%
Turnover	14,682,551		13,015,425	
Less: Purchase of materials & Services	8,944,570		8,150,586	
Value added	**5,737,981**	**100**	**4,864,839**	**100**
Applications:				
National Exchequer*	3,124,515	54.46	2,804,702	57.65
Employees' salaries, wages & other benefits	1,187,511	20.69	962,528	19.78
Shareholders' dividend	742,047	12.93	510,156	10.49
Reserve & surplus	683,908	11.92	587,453	12.08
	5,737,981	**100**	**4,864,839**	**100**

* Made-up Value Added Tax, Supplementary Duty, Income Tax and Customs Duty.





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Hoda Vasi Chowdhury & Co
Chartered Accountants

Auditors' Report
To the Shareholders of Berger Paints Bangladesh Limited

We have audited the accompanying financial statements of Berger Paints Bangladesh Limited, which comprise the statement of financial position as at 31 December 2015, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BAS) & SEC Rules 1987 & Companies Act (#18) 1994 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, give a true & fair view of the financial position of Berger Paints Bangladesh Limited as at 31 December 2015, its financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standard (BAS), SEC Rules 1987 and comply with the Companies Act (#18)1994 and other applicable laws and regulations.

In accordance with the Companies Act (#18) 1994 and Securities and Exchange Rules 1987, we also report the following:

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books.

c. The Statement of Financial Position, Statement of Profit or Loss and other comprehensive Income, Statement of Cash Flows & Statement of Changes in equity dealt with by the report are in agreement with the books of account; and

d. The expenditure incurred and payments made were for the purposes of the Company's business.

Dhaka, 14 March, 2016

Hoda Vasi Chowdhury & Co.
Chartered Accountants

National Office : BTMC Bhaban (7th & 8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka- 1215, Bangladesh
Motijheel Office : Ispahani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka-1000, Bangladesh
Chittagong Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh

Berger Paints Bangladesh Limited
Statement of Financial Position

As at 31 December 2015

Amounts in Taka '000

	Notes	2015	2014
Assets			
Non-current assets			
Property, plant and equipment	3	1,843,340	1,578,664
Capital work-in-progress	4	390,590	171,604
Intangible assets	5	64,244	23,076
		2,298,174	1,773,344
Investment - at cost	6	89,300	39,300
Total non-current assets		2,387,474	1,812,644
Current assets			
Inventories	7	1,513,733	1,660,913
Trade and other receivables	8	939,573	832,711
Advances, deposits and prepayments	9	236,617	217,539
Term deposit	10	800,000	400,000
Cash and cash equivalents	10	330,156	293,875
Inter - company receivables	11	128,517	125,451
Deferred tax assets	2.14.2	2,990	3,741
Total current assets		3,951,586	3,534,230
Total assets		6,339,060	5,346,874
Equity and Liabilities			
Share capital	12.2	231,889	231,889
Share premium	13	115,068	115,068
General reserve		10,000	10,000
Retained earnings	14	3,681,556	2,997,648
Equity attributable to the Company's equity holders		4,038,513	3,354,605
Non-current liabilities			
Deferred tax liabilities	15	167,599	140,851
Total non-current liabilities		167,599	140,851
Current liabilities			
Operational overdraft (OD)	16	1,859	102,434
Trade and other payables	17	1,747,146	1,426,465
Provision for royalty	18	166,027	142,515
Provision for current tax	19	197,886	157,170
Provision for employees' retirement gratuity	20	11,961	15,114
Unclaimed dividend - local		7,922	7,573
Liability for unclaimed IPO application money	21	147	147
Total current liabilities		2,132,948	1,851,418
Total liabilities		2,300,547	1,992,269
Total equity and liabilities		6,339,060	5,346,874
Contingent liabilities	22	590,961	749,439

The accompanying notes 1 to 42 and Annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

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Berger Paints Bangladesh Limited
Statement of Comprehensive Income

For the year ended 31 December 2015

Amounts in Taka '000

	Notes	2015	2014
Revenue-net	23	12,267,996	10,881,046
Cost of sales	24	(7,012,664)	(6,585,744)
Gross profit		**5,255,332**	**4,295,302**
Selling, distribution and warehousing expenses	25	(2,921,141)	(2,535,540)
Administrative and general expenses	26	(378,465)	(326,671)
Other operating expenses	27	(91,995)	(80,582)
Other operating income	28	132,670	168,444
		(3,258,931)	**(2,774,349)**
Operating income		**1,996,401**	**1,520,953**
Finance costs	29	(7,884)	(4,573)
Investment income	30	48,534	48,343
Net finance income		**40,650**	**43,770**
Other non-operating (loss) / income	31	(2,088)	1,789
Income before WPPF and tax		**2,034,963**	**1,566,512**
Workers' profit participation and welfare fund (WPPF)	17	(101,509)	(77,738)
Income before tax		**1,933,454**	**1,488,774**
Current tax expenses	2.14 & 19	(480,000)	(380,000)
Deferred tax expenses	2.14.1 & 2.14.2	(27,499)	(11,165)
		(507,499)	**(391,165)**
Net income	38	**1,425,955**	**1,097,609**
Basic earnings per share	38	**61.49**	**47.33**

The accompanying notes 1 to 42 and Annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

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Berger Paints Bangladesh Limited
Statement of Changes of Equity

For the year ended 31 December 2015

Taka in '000

Particulars	Share Capital	General reserve Reserve	Share premium Premium	Retained earnings	Total equity Equity
Balance at 1 January 2014	231,889	10,000	115,068	2,410,195	2,767,152
Net profit during the year	-	-	-	1,097,609	1,097,609
Dividend distributed during the year - note 14	-	-	-	(510,156)	(510,156)
Balance at 31 December 2014	**231,889**	**10,000**	**115,068**	**2,997,648**	**3,354,605**
Balance at 1 January 2015	231,889	10,000	115,068	2,997,648	3,354,605
Net profit during the year	-	-	-	1,425,955	1,425,955
Dividend distributed during the year - note 14	-	-	-	(742,047)	(742,047)
Balance at 31 December 2015	**231,889**	**10,000**	**115,068**	**3,681,556**	**4,038,513**
Notes	12.2		13	14	

The accompanying notes 1 to 42 and Annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

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Berger Paints Bangladesh Limited
Statement of Cash Flows
For the year ended 31 December 2015

Amounts in Taka '000

	Notes	2015	2014
Cash flows from operating activities (A)			
Cash received from customers		12,162,946	10,709,204
Cash received from other operating income		171,508	210,448
Cash paid to suppliers and employees		(9,762,235)	(9,391,803)
Income tax paid	19	(439,284)	(375,668)
Net cash flows from operating activities	38	**2,132,935**	**1,152,181**
Cash flows from investing activities (B)			
Capital expenditures	3, 4 & 5	(808,721)	(592,608)
Investment in J&N (B) L	6.2	(50,000)	-
Proceeds from disposal of assets	3.3	4,340	3,196
Net cash used in investing activities		**(854,381)**	**(589,412)**
Cash flows from financing activities (C)			
Dividend paid		(741,698)	(509,676)
Net cash used in financing activities		**(741,698)**	**(509,676)**
Increase in cash and bank balance (D) = (A+B+C)		536,856	53,093
Opening cash and cash equivalents (E)		591,441	538,348
Closing net cash and cash equivalents (D+E)		**1,128,297**	**591,441**
Reconciliation of cash in hand & at bank and operational OD:			
Term deposit	10	800,000	400,000
Cash and cash equivalents	10	330,156	293,875
Operational overdraft (OD)	16	(1,859)	(102,434)
Closing net cash and cash equivalents		**1,128,297**	**591,441**

The accompanying notes 1 to 42 and Annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

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Berger Paints Bangladesh Limited
Notes to the Financial Statements

As at and for the year ended 31 December 2015

1. The company and its operations

1.1 Legal form of the Company

The Company was incorporated on 6 June 1973 as a 'Private' company limited by shares registered under the Companies Act. Subsequently the Company has been converted to 'Public' company limited by shares vide extra ordinary general meeting held on 21 June 2005 and was listed with both Dhaka and Chittagong Stock Exchanges of Bangladesh.

1.2.1 Address of the registered and corporate office

The registered and corporate offices of the Company are located at Berger House, House 8, Road 2, Sector 3, Uttara Model Town, Dhaka.

1.2.2 Nature of business activities

The principal activities of the Company throughout the year continued to be manufacturing and marketing of liquid and non-liquid paints & varnishes, emulsion and coating.

Berger Paints Bangladesh Ltd. owns 100% shares of Jenson & Nicholson (Bangladesh) Limited – J&N (B) L. The principal activities of J&N (B) L until 12 August 1995 were trading and indenting. It started production and marketing of tin containers and printing of tin sheets from 12 August 1995 and 1 September 1997 respectively in its factory at 70, East Nasirabad Industrial Area, Chittagong.

Berger Paints Bangladesh Limited also owns 49% shares of Berger Becker Bangladesh Limited – BBBL. BBBL was incorporated in Bangladesh on 20 December 2011 as a Joint Venture of Becker Industrial Coatings Holding AB, Sweden and Berger Paints Bangladesh Limited. The principal activities of the company are manufacturing and marketing of coil coatings.

2. Summary of significant accounting principles

2.1 Basis of preparation and presentation of the financial statements

The financial statements have been prepared and the disclosures of information are made in accordance with the requirements of the Companies Act (#18) 1994, The Securities and Exchange Rules 1987, Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) as much as practicable. The statement of financial position and statement of comprehensive income have been prepared according to BAS 1 Presentation of financial statements on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and statement of cash flows is prepared according to BAS 7 Statement of cash flows.

2.2 Accounting convention and assumption

The financial statements are prepared under the historical cost convention.

2.3 Principal accounting policies

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the framework for preparation and presentation of financial statements. Financial statements have been prepared and presented in compliance with BAS 1 Presentation of financial statements. The previous year's figures were re-arranged according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per BAS 1 Presentation of financial statements.

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2.4 Application of standards

The following BASs and BFRSs are applicable for the financial statements for the year under review.

BAS	1	Presentation of financial statements
BAS	2	Inventories
BAS	7	Statement of cash flows
BAS	8	Accounting policies, changes in accounting estimates and errors
BAS	10	Events after the reporting period
BAS	12	Income taxes
BAS	16	Property, plant and equipment
BAS	17	Leases
BAS	18	Revenue
BAS	19	Employee benefits
BAS	21	The effects of changes in foreign exchange rates
BAS	23	Borrowing costs
BAS	24	Related party disclosures
BAS	26	Accounting and reporting by retirement benefit plans
BAS	27	Consolidated and separate financial statements
BAS	28	Investments in associates
BAS	33	Earnings per share
BAS	37	Provisions, contingent liabilities and contingent assets
BAS	38	Intangible assets
BFRS	3	Business combinations
BFRS	8	Operating segments

2.5 Property, plant and equipment

Tangible fixed assets are accounted for according to BAS 16 Property, plant and equipment at historical cost less cumulative depreciation and the capital work-in-progress is stated at cost.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non-operating income and reflected in the statement of comprehensive income.

2.5.1 Depreciation of the fixed assets

Tangible assets are depreciated according to the straight-line depreciation method.

Consistently, depreciation is provided on straight-line method on the cost at which the asset is carried in the books of account.

Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Depreciation on acquisition is made from the month following acquisition and charging of depreciation on item ceases from the month in which the deletion thereof takes place.

The depreciation rate(s) are as follows:

Category of fixed assets	Rate %
Long leasehold land:	
Chittagong factory	2
Corporate office - Dhaka	1
Buildings – on freehold and leasehold lands	2
Buildings – other construction	10
Plant & machinery	10-33.33
Factory & laboratory equipment	20
Other machinery & equipment	12.5
Office equipment	15
Furniture, fixtures & fittings	12.5
Computer	20 (till 1996: 15)
Vehicles	20 & 25
Loose tools	50

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2.6 Intangible assets

Intangible assets are measured at cost less accumulated amortization and recognized when all the conditions for recognition as per BAS 38 Intangible assets are met. Subsequent expenditure is capitalized only when it is probable that the future economic benefits embodied therewith will flow to the Company and its cost can be measured reliably.

2.6.1 Amortization of the intangible assets

Intangible assets are amortized according to the straight-line depreciation method.

The amortization rate(s) are as follows:

Category of intangible assets	Rate %
Software	20
Trade marks	10

2.7 Consolidation of financial statements

The Company has consolidated the financial statements of its subsidiary Jenson & Nicholson (Bangladesh) Limited – J&N (B) L.

2.8 Valuation of inventories

Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of BAS 2.

Category of inventories		Basis of valuation
Raw and packing materials	:	At weighted average cost
Semi finished goods	:	At standard cost
Finished goods	:	At standard cost
Stores and consumable items	:	At weighted average cost
Promotional items	:	At weighted average cost

Standard cost comprises value of materials, standard activity cost and overheads.

2.8.1 Inventories write off/down

It includes the cost of written off or written down values of redundant, damaged or obsolete inventories which are dumped and/or old inventories. However, "slow-moving" items are considered to be not material and capable of being used and/or disposed of at least at their carrying book value.

2.9 Trade receivables (Book debts)

Book debts are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the period-end.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and term deposits which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

2.11 Foreign currency transactions

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date in accordance with BAS 21, the effects of changes in foreign exchange rates. Foreign currency transactions are translated at the exchange rate ruling on the date of transaction. Exchange differences at date of statement of financial position are charged / credited to the statement of comprehensive income.

2.12 Creditors and accrued expenses

2.12.1 Trade and other payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

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2.12.2 Provision

The preparation of financial statements in conformity with BAS 37 Provisions, contingent liabilities and contingent assets, requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

In accordance with the guidelines as prescribed by BAS 37 provisions were recognized in the following situations:

- When the Company has a present obligation as a result of past event;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

We have shown the provisions in the statement of financial position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation on the date of statement of financial position.

Other provisions are valued in accordance with BAS 37 Provisions, contingent liabilities and contingent assets and, if required, in accordance with BAS 19 Employee benefits. Other provisions comprise all recognizable risks from uncertain liabilities and anticipated losses from pending transactions.

2.13 Employee benefits

2.13.1 Employees' retirement gratuity fund

The Company established Gratuity Fund vide Board of Directors resolution # 2(a) of 21st June 2005. The Fund was approved by the National Board of Revenue vide order # 6(12)/KAMAPRO/2006/601 of 19th October 2006. During the year 2015 provision was made equivalent to 1.8 (2014: 1.8) times of one month basic salary of all permanent employees on the payroll of the Company. The outstanding balance at the year end amounting to Tk 11,961 thousand has been transferred to the Fund on 25 February 2016.

The Company introduced gratuity scheme in 1978 (effective from 6 June 1973). In terms of the scheme, on completion of a minimum five years of uninterrupted service with the Company, all permanent employees are entitled to gratuity equivalent to two months basic (latest) pay for each completed year or major part of a year of their respective services. The Fund replaced the scheme and enacted similar benefits for employees in its Rules duly approved by the National Board of Revenue.

2.13.2 Staff provident fund

The Company, through the trustees, has been maintaining a recognized contributory provident fund for all eligible permanent employees.

2.13.3 Workers' profit participation and welfare fund

Provision for workers' profit participation and welfare fund has been made @ 5% of gross operating profit as per provision of the Bangladesh Labour (Amendment) Act 2013 and payable to these Funds and Government controlled Sramik Kallyan Foundation.

2.14 Current tax

Provision is made at the effective rate of 25.0% of tax, applied on 'estimated' taxable profit as a "Publicly Traded Company".

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted till the date of statement of financial position.

2.14.1 Deferred tax liabilities

Provision is made at the effective tax rate (25.0%) applied on the amount of temporary difference between accounting and fiscal written down value of fixed assets.

2.14.2 Deferred tax assets

Provision is made at the effective tax rate (25.0%) applied on the amount of outstanding balance of employees' retirement gratuity.

2.15 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS 37 Provision, contingent liabilities and contingent assets are those disclosed in the notes to the financial statements.

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2.16 Revenue recognition

In compliance with the requirements of BAS 18 Revenue, revenue is recognized:

a. in case of sales – only when the products are invoiced and dispatched to the customers; and

b. in case of interest and color bank income - on accrual basis.

2.17 Borrowing costs

In compliance with the requirements of BAS 23 Borrowing costs, borrowing costs of operational period on short term loan and overdraft facilities from Standard Chartered Bank, Eastern Bank Limiited, Citibank N.A. and Commercial Bank of Ceylon were charged off as revenue expenditure as they were incurred.

2.18 Research, development and experimental costs

In compliance with the requirements of BAS 38 Intangible assets, these are usually absorbed as revenue charges as and when incurred, as being not that material in the Company's and /or local context.

2.19 Repairs, upkeep and maintenance charges

These are charged out as revenue expenditure in the period in which these are incurred.

2.20 Bad and doubtful debts

This item takes into account both actual bad debts written off and movements in the provision for doubtful debts.

2.21 Advertising and promotional expenses

All costs associated with advertising and promotional activities are charged out in the year incurred.

2.22 Statement of cash flows

Statement of cash flows is prepared in accordance with BAS 7 Statement of cash flows and has been presented under direct method as required by the Securities and Exchange Rules 1987.

2.23 Earnings per share

The Company calculates Earnings per share (EPS) in accordance with BAS 33 Earnings per share which has been shown on the face of statement of comprehensive income.

2.23.1 Basic earnings per share

This has been calculated by dividing the basic earnings by number of ordinary shares outstanding at the end of the year.

2.23.2 Diluted earnings per share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

2.24 Information about segments

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Segment result for the year ended 31 December 2015 and segment assets and liabilities on that date are as follows:

(Taka in '000)

Particulars	Own manufactured items	Imported items	Total
Gross sales	14,634,984	202,730	14,837,714
Gross profit	5,183,528	71,804	5,255,332
Operating expenses & income	3,314,526	45,914	3,360,440
Profit before tax	1,907,037	26,417	1,933,454
Segment assets	6,252,448	86,612	6,339,060
Segment liabilities	2,269,114	31,433	2,300,547

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		Amounts in Taka '000	
		As at 31 December	
		2015	2014
3	**Property, plant and equipment-notes 2.5, 2.5.1, 3.1 & 3.3**		
	At cost		
	Balance as at 01 January	2,757,204	2,258,142
	Addition during the year	542,143	501,236
	Disposal during the year	(31,688)	(2,174)
	Balance as at 31 December	**3,267,659**	**2,757,204**
	Accumulated depreciation		
	Balance as at 01 January	1,178,540	958,904
	Charged or addition during the year - note 3.1	271,039	220,403
	Adjustment on disposal	(25,260)	(767)
	Balance as at 31 December	**1,424,319**	**1,178,540**
	Written down value as at 31 December	**1,843,340**	**1,578,664**
	Note: Schedule of property, plant and equipment and depreciation thereon is presented in Annexure-A.		
3.1	**Segregation of depreciation amount to manufacturing, selling and administrative units - notes 2.5.1 and 3**		
	Manufacturing overhead - note 24.3	132,195	113,259
	Selling, distribution and warehousing expenses - note 25	112,996	84,754
	Administrative and general expenses - note 26	25,848	22,390
	Total	**271,039**	**220,403**
3.2	**Fully depreciated items - cost thereof**	**647,885**	**577,553**

3.3 **Following items were disposed during the year - note 31**

Particulars	Cost (Note 3)	Acc. Dep (Note 3)	WDV	Sale proceeds	Mode of sale
Motor vehicles	2,991	2,248	743	3,101	Quotation
Building, plant and machinery	22,175	16,748	5,427	942	Quotation
Equipments, furniture and fixtures	6,512	6,254	258	276	Quotation
Loose tools	10	10	-	21	Quotation
Balance at 31 December 2015	**31,688**	**25,260**	**6,428**	**4,340**	
Balance at 31 December 2014	**2,174**	**767**	**1,407**	**3,196**	

4	**Capital work in progress - notes 2.5 & 4.1**		
	Balance as at 01 January	171,604	100,405
	Addition during the year	324,068	164,873
	Transferred to property, plant and equipment	(105,082)	(93,674)
	Balance as at 31 December	**390,590**	**171,604**
4.1	**Details of capital work in progress as at 31 December - note 4**		
	Land	-	1,856
	Building	206,036	58,008
	Plant and machinery	148,230	70,736
	Factory equipment	22,790	26,403
	Software	13,187	-
	Furniture and fixtures	347	14,601
	Total	**390,590**	**171,604**

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		Amounts in Taka '000	
		As at 31 December	
		2015	2014

5 Intangible assets - notes 2.6, 2.6.1 & 5.1

Particulars	Software	Trade marks	Total	Total
At cost				
Balance as at 01 January	83,127	805	83,932	63,759
Addition during the year	47,432	160	47,592	20,173
Balance as at 31 December	**130,559**	**965**	**131,524**	**83,932**
Accumulated amortization				
Balance as at 01 January	60,400	456	60,856	47,010
Charged during the year - note 5.1	6,367	57	6,424	13,846
Balance as at 31 December	**66,767**	**513**	**67,280**	**60,856**
Carrying amount as at 31 December	**63,792**	**452**	**64,244**	**23,076**

5.1 Segregation of amortization amount to selling and administrative units - note 5

Selling, distribution and warehousing expenses - note 25	57	35
Administrative and general expenses - note 26	6,367	13,811
Total	**6,424**	**13,846**

6 Investments - at cost

6.1 Make-up:

Jenson & Nicholson (Bangladesh) Limited - note 6.2	50,100	100
Berger Becker Bangladesh Limited - note 6.3	39,200	39,200
	89,300	39,300

6.2 The Company owns 100% paid-up ordinary share capital of Tk 50,100 thousand (501,000 shares of Tk 100 each) of J&N (B) L, which is a wholly owned and managed subsidiary of the Company. J&N (B) L has issued additional share capital of TK 50,000 thousand to Berger Paints Bangladesh Limited (500,000 shares of Tk 100 each), as per decission of 107 meeting of the Board of Directors of J&N (B) L meeting held on 16 March 2015. J&N (B) L has a carry forwarded retained earnings of Tk 256,375 thousand at the date of statement of financial position. BPBL received Tk 2,000 thousand from J&N (B) L as management charges during the year. Other pertinent transactions with and interest in J&N (B) L are reported in notes 6.1, 11, 24.3, 26, 30.1 & 39.

6.3 The Company owns 49% paid-up ordinary share capital of Tk 39,200 thousand (3,920,000 shares of Tk 10 each) of Berger Becker Bangladesh Limited (BBBL), which is a joint venture of Becker Industrial Coatings Holding AB, Sweden and Berger Paints Bangladesh Limited (BPBL). BBBL has a carry forward retained earnings of Tk 77,077 thousand at the date of statement of financial position. During the year BPBL received Tk 3,327 (2014: Tk 3,025) thousand from BBBL as management charges. BBBL declared 17.5% cash dividend during the year at it's Annual General Meeting held on 3 June 2015 as final dividend of 2014. Other pertinent transactions with and interest in BBBL are reported in notes 6.1, 11, 24.3, 25, 26 & 39.

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		Amounts in Taka '000	
		As at 31 December	
		2015	2014
7	**Inventories - notes 2.8, 24.1 & 41**		
	Raw materials	633,916	676,249
	Packing materials	47,229	47,883
	Work in process	91,213	111,570
		772,358	835,702
	Finished goods - notes 24 & 24.4		
	Own manufactured items	379,330	521,073
	Imported items	57,622	45,159
		436,952	566,232
	Inventories in transit - GIT	266,407	226,772
	Store, consumables and promotional items		
	Stores and consumables	24,129	20,455
	Promotional items	13,887	11,752
		38,016	32,207
		1,513,733	**1,660,913**
8	**Trade and other receivables - notes 2.9 & 41**		
8.1	Trade receivables		
	Unsecured	954,185	845,434
	General provision for bad and doubtful debts - note 2.20	(19,129)	(15,428)
	Considered to be good	935,056	830,006
	Other receivables	4,517	2,705
		939,573	**832,711**
8.2	**Maturity wise presentation of trade receivable-unsecured:**		
	Outstanding over 360 days - note 8.1	19,129	15,428
	Outstanding over 180 days to below 360 days	28,621	24,203
	Outstanding below 180 days	906,435	805,803
		954,185	**845,434**
8.3	**Other receivables include interest accrued on investments**	4,517	2,705
9	**Advances, deposits and prepayments**		
9.1	The make-up		
	Advances		
	Employees		
	House building loans - notes 9.3	28,084	22,091
	Other	5,005	3,542
		33,089	25,633
	Goods and services	42,809	67,546
	Value Added Tax - VAT	39,610	19,313
	Supplementary Duty - SD	9,231	6,683
	Rental	99,781	88,436
		191,431	181,978
		224,520	207,611
	Deposits- security deposits	9,498	8,598
	Prepaid expenses		
	Other - insurance premium	2,599	1,330
		236,617	**217,539**

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		Amounts in Taka '000	
		As at 31 December	
		2015	2014
9.2	These include dues realizable/adjustable after one year from the date of statement of financial position	96,721	92,091
9.3	Advance recoverable in cash - note 9.1	28,084	22,091
10	**Cash and cash equivalents - note 2.10**		
	Current:		
	Term deposit accounts (FDR) - note 30.1		
	Three months	800,000	400,000
	Current and collection accounts	229,395	246,708
	Short term deposit accounts (STD) - note 30.1		
	Operational account	80,182	32,312
	Dividend account	9,427	8,756
	IPO account	311	302
		89,920	41,370
	Foreign currency current accounts - notes 2.11 & 29		
	Operational account	6,478	1,587
	IPO account	59	58
		6,537	1,645
	Cash in hand	4,304	4,152
	Cash and cash equivalents	330,156	293,875
		1,130,156	693,875
11	**Inter- company receivables - notes 6 & 39**		
	Due from / (to) J&N (B) L - note 6.2	119,654	116,509
	Due from / (to) BBBL - note 6.3	8,863	8,942
		128,517	**125,451**
12	**Share capital**		
12.1	**Authorized share capital**		
	40,000,000 ordinary shares of Taka 10 each	400,000	400,000
12.2	**Issued, subscribed and paid-up share capital**		
	23,188,940 ordinary shares of Taka 10 each	231,889	231,889

The Company converted the face value of its share from Taka 100 to Taka 10 each vide a special resolution passed on 21 June 2005. The Company issued 1,159,500 ordinary shares of Tk 10 each through initial public offer (IPO), vide the consent letter of Securities and Exchange Commission ref SEC/CI/IPO-71/2005/168 dated 10 October 2005. note -13

12.3 **Composition of shareholding**

Shareholders	Number of share holding	% of share holding	Taka '000
Foreign shareholders			
J & N Investments (Asia) Limited - Group	22,029,370	95.00	220,294
Institutions & General public	357,228	1.54	3,572
Bangladeshi shareholders			
Institutions (financial & others)	674,843	2.91	6,748
General public	127,499	0.55	1,275
As at 31 December 2015	**23,188,940**	**100.0**	**231,889**
As at 31 December 2014	**23,188,940**	**100.0**	**231,889**

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12.4 Classification of shareholders by range

Shareholding range	Type of shareholders	2015			2014
		Number of shares	Number of shareholders	% of share holding	Number of share holders
Less than 500 shares	G. Public& Inst	90,171	1,331	0.4	1,403
501 to 5,000 shares	G. Public& Inst	86,472	62	0.4	87
5,001 to 10,000 shares	Institution	62,288	8	0.3	9
10,001 to 20,000 shares	Institution	49,900	3	0.2	10
20,001 to 30,000 shares	Institution	70,150	3	0.3	-
30,001 to 40,000 shares	Institution	96,718	3	0.4	3
40,001 to 50,000 shares	Institution	90,675	2	0.4	1
50,001 to 100,000 shares	Institution	232,926	3	1.0	4
100,001 to 1,000,000 shares	Institution	380,270	3	1.6	2
Over 1,000,000 shares	Group	22,029,370	1	95.0	1
Total		**23,188,940**	**1,419**	**100.0**	**1,520**

12.5 Market price per share

Traded stock exchanges	Last trade date		In Taka	
	2015	2014	2015	2014
Dhaka Stock Exchange	30 Dec	30 Dec	1,903.60	1,425.00
Chittagong Stock Exchange	30 Dec	24 Dec	1,861.60	1,417.00

13 Share premium

Balance as at 31 December	**115,068**	**115,068**

The Company received an amount of Taka 127,545 thousand as premium (1,159,500 ordinary shares of Tk 110 each) at the time of initial public offer (IPO). In accordance with provisions of Companies Act, Tk 12,477 thousand was adjusted as share issue expenses.

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		Amounts in Taka '000	
		As at 31 December	
		2015	2014
14	**Retained earnings**		
	Balance as at 01 January	2,997,648	2,410,195
	Net profit during the year	1,425,955	1,097,609
		4,423,603	3,507,804
	Dividend distributed during the year	(742,047)	(510,156)
	Balance as at 31 December	**3,681,556**	**2,997,648**
15	**Deferred tax liabilities - note 2.14.1**		
	Balance as at 01 January	140,851	132,934
	Addition during the year	26,748	7,917
	Balance as at 31 December	**167,599**	**140,851**
16	**Operational overdraft (OD) - notes 29 & 41**		
	Current accounts	**1,859**	**102,434**
17	**Trade and other payables - note 2.12.1**		
17.1	The make-up		
	For revenue expenses - note 17.2	1,045,190	769,745
	For trading supplies	485,834	477,298
	For other finance - note 17.3	94,048	74,160
	For capital expenditure	20,565	27,524
		1,645,637	1,348,727
	Workers' profits participation and welfare funds - notes 2.13.3 & 26	101,509	77,738
		1,747,146	**1,426,465**
17.2	Creditors for revenue expenses - note 17.1		
	Accrued charges	902,784	634,762
	Provision for trade rebate	136,666	128,910
	Training and consultancy fee	5,740	6,073
		1,045,190	**769,745**
17.3	Creditors for other finance - note 17.1		
	Clearing account	18,481	18,481
	Security deposits	17,616	15,194
	Tax deduction at source	52,444	34,439
	Staff income tax	5,507	5,952
	Others	-	94
		94,048	**74,160**

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			Amounts in Taka '000	
			As at 31 December	
			2015	2014
18	**Provision for royalty**			
	Balance as at 01 January		142,515	124,774
	Remitted during the year		(64,145)	(58,987)
			78,370	65,787
	Charged for the year - notes 27 & 34.1		87,657	78,370
			166,027	144,157
	Previous years' provision written back		-	(1,642)
	Balance as at 31 December		**166,027**	**142,515**
	The service provider-wise break down of current charge is as follows:			
	Name of the technology provider	**Name of the product**		
	J&N Investments (Asia) Limited - note 39	Robbialac, Colorizer Apexior 1 & 3 and Protecton	87,657	78,370
			87,657	**78,370**
	As per the agreement between J & N Investments (Asia) Limited and Berger Paints Bangladesh Limited, an amount is required to be paid as Royalty @ 1.25% on net sales of the products under the technical categories Robbialac, Colorizer, Apexior 1 & 3 and Protecton. The agreement is valid for five years from 01 January 2012 to 31 December 2016.			
19	**Provision for current tax - note 2.14**			
	Balance as at 01 January		157,170	152,838
	Provision made during the year		480,000	380,000
			637,170	532,838
	Tax deducted at source and paid in advance		(439,284)	(375,668)
	Balance as at 31 December		**197,886**	**157,170**
20	**Provision for employees' retirement gratuity - note 2.13.1**			
	Balance as at 01 January		15,114	28,237
	Provision made during the year		17,931	50,862
			33,045	79,099
	Transferred to gratuity fund		(21,084)	(63,985)
	Balance as at 31 December		**11,961**	**15,114**
21	**Liability for unclaimed IPO application money**			
	Balance as at 01 January		147	147
	Refunded during the year		-	-
	Balance as at 31 December		**147**	**147**
22	**Contingent liabilities - note 2.15**			
22.1	Bank guarantees issued by the Company's banker on counter indemnities given by the Company there against and secured - as indicated in note 41		1,586	1,514
22.2	Corporate guarantee issued by the company to Standard Chartered Bank against banking facilities allowed to associate company Berger Becker Bangladesh Limited in note 41		73,500	73,500
22.3	Financial commitments by confirmed irrevocable letters of credit which are secured against usual shipping documents & as indicated in note 41		500,970	592,425
22.4	Capital expenditure commitments - note 41			
	Contracted for but not taken into account		14,905	82,000
	Authorized but not contracted for		-	-
			590,961	**749,439**

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23 Revenue - notes 2.16 & 24.4

The make-up of sales is as follows

Taka in '000

	Unit	For the year ended 2015		For the year ended 2014	
		Quantity	Taka	Quantity	Taka
Own manufactured items - Paints & others					
Liquid	KL	58,130.7	12,824,167	51,957.2	11,464,361
Non-liquid	MT	19,834.7	1,810,817	16,538.8	1,510,268
			14,634,984		12,974,629
Imported items - Paints & others					
Liquid	KL	58.6	60,887	56.5	62,711
Non-liquid	MT	368.4	94,505	309.1	78,804
Others	Pcs	-	47,338	-	49,329
			202,730		190,844
		note 24.4	14,837,714		13,165,473
Trade rebate			(155,163)		(150,048)
Value added tax - VAT			(1,987,823)		(1,750,757)
Supplementary duty - SD			(426,732)		(383,622)
			(2,569,718)		(2,284,427)
			12,267,996	*	**10,881,046**
Thereof, exports amounted to - note 34.2			66,398		25,267

* As per IAS 18 Revenue, amounts collected on behalf of third parties such as Value added tax (VAT) and Supplementary duty (SD) are excluded from revenue.

Amounts in Taka '000

	For the year ended 31 December	
	2015	**2014**

24 Cost of sales

Opening finished goods - notes 7 & 24.4		
Own manufactured items	521,073	349,261
Imported items	45,159	35,004
	566,232	384,265
Purchases - imported - note 24.4	161,157	154,148
	727,389	538,413
Cost of production		
Material consumed - notes 24.1, 24.5 & 24.6	6,068,901	6,064,124
Manufacturing overheads - note 24.3	653,326	549,439
	6,722,227	6,613,563
Cost of finished goods available for sale	7,449,616	7,151,976
Closing finished goods - notes 7 & 24.4		
Own manufactured items	(379,330)	(521,073)
Imported items	(57,622)	(45,159)
	(436,952)	(566,232)
Cost of sales	**7,012,664**	**6,585,744**

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		Amounts in Taka '000	
		For the year ended 31 December	
		2015	2014
24.1	**Materials consumed**		
	Opening stock - note 7		
	Raw materials	676,249	687,560
	Semi - finished products	111,570	90,445
	Packing materials	47,883	38,357
		835,702	816,362
	Purchases - note 24.2		
	Raw materials	4,851,794	4,963,132
	Packing materials	1,153,763	1,120,332
		6,005,557	6,083,464
		6,841,259	6,899,826
	Closing stock - note 7		
	Raw materials	(633,916)	(676,249)
	Semi - finished products	(91,213)	(111,570)
	Packing materials	(47,229)	(47,883)
		(772,358)	(835,702)
	Notes - 24, 24.5 & 24.6	**6,068,901**	**6,064,124**
24.2	**Materials purchase - cost and direct charges - note 24.1**		
	Raw materials		
	Imported	4,016,400	3,941,111
	Indigenous	835,394	1,022,021
		4,851,794	4,963,132
	Packing materials - indigenous	1,153,763	1,120,332
		6,005,557	**6,083,464**
24.3	**Manufacturing overheads - note 24**		
	Personnel cost - notes 2.13, 36 & 37.1		
	Salary, wages and welfare	396,783 *	325,327
	Depreciation - note 3.1	132,195	113,259
	Fuel, water and power	45,125	40,002
	Repairs and maintenance - note 2.19	29,622	29,810
	Raw materials shifting charges	9,939	8,590
	Stores and spares consumed - note 24.6	13,223	8,403
	Rent, rates and other taxes	10,119	8,085
	Research, development and experimental costs - note 2.18	3,009	4,684
	Travelling and conveyance	4,648	3,916
	Other overhead	4,198	3,334
	Insurance	3,389	2,592
	L/C and bank charges	1,076	1,437
		653,326	**549,439**

* The amount has been arrived after crediting Tk 800 thousand from JNBL and Tk 998 (2014: Tk 908) thousand from BBBL being realization of management charges - notes 6.2 & 6.3.

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24.4 Particulars in respect of stocks, sales and purchases of finished goods

Figures in '000

	Unit	Opening Stock		Closing Stock		Sales		Purchase	
		Qty	Taka	Qty	Taka	Qty	Taka	Qty	Taka
Own manufactured items - Paints & others									
Liquid	Ltr	4,000.3	456,682	3,066.6	321,172	58,130.7	12,824,167	-	-
Non-Liquid	KG	1,062.6	64,392	974.5	58,159	19,834.7	1,810,817	-	-
			521,074		379,330		4,634,984		
Imported items - Paints & others									
Liquid	Ltr	15.7	15,233	31.7	25,628	58.6	60,887	-	-
Non-Liquid	KG	43.5	9,869	45.7	10,367	368.4	94,505	-	-
Brush & Rollers	Pcs		20,056	-	21,628	-	47,338	-	-
			45,158		57,622		202,730		161,157
	2015	**Taka**	**566,232**		**436,952**		**14,837,714**		**161,157**
	2014	**Taka**	**384,265**		**566,232**		**13,165,473**		**154,148**
		Notes	24 & 7		24 & 7		23		24

24.5 Analysis of materials consumed

Figures in '000

	2015		2014	
	Qty - KG	Taka	Qty - KG	Taka
Raw materials				
Resin	1,289	276,542	1,157	256,846
Pigments	6,180	1,284,147	5,781	1,297,507
Extenders and white cements	36,509	653,703	34,117	623,154
Solvents and oils	12,479	1,015,949	11,022	1,005,041
Additives and chemicals	11,953	1,684,143	10,502	1,770,770
	68,410	4,914,484	62,579	4,953,318
Packing materials		1,154,417		1,110,806
	Notes 24, 24.1 & 24.6	**6,068,901**		**6,064,124**

24.6 Consumption of imported and indigenous materials and stores and spares and the percentage of each to the total consumption

Taka in '000

		2015		2014	
		Taka	%	Taka	%
Imports		4,052,406	66.8	3,146,217	51.9
Indigenous		2,016,495	33.2	2,917,907	48.1
	Note 24.5	6,068,901	100.0	6,064,124	100.0
Check - consumption					
Raw materials		4,914,484	81.0	4,953,318	81.7
Packing materials		1,154,417	19.0	1,110,806	18.3
	Notes 24, 24.1 & 24.5	6,068,901	100.0	6,064,124	100.0
Stores and spares - note 24.3		13,223		8,403	
		6,082,124		**6,072,527**	

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			Amounts in Taka '000		
			For the year ended 31 December		
			2015		2014
25	**Selling, distribution and warehousing expenses**				
	Advertising expenses - note 2.21		1,232,083		1,062,416
	Personnel cost - notes 2.13, 36 & 37.1				
	Salary, wages and welfare	*	535,548	*	423,428
	Warehousing and distribution expenses				
	Transportation and handling charges	**	132,917	**	105,747
	Repair & maintenance - others - note 2.19		19,196		17,019
	Rent, rates and fees		21,340		19,331
	Electricity, water and gas		7,744		6,794
	Insurance		3,556		1,238
			184,753		150,129
	Selling expenses				
	Sales promotional expenses - note 2.21		631,201		583,041
	Sales travelling		161,907		135,980
	Rent, rates and fees		40,224		37,832
	Bad debts - note 2.20		5,152		8,835
	Color Bank operational expenses - note 28		6,547		20,904
	Illusion expense - note 28		4,473		25,102
	Amortization of trade marks - note 5.1		57		35
			849,561		811,729
	Depreciation - note 3.1		112,996		84,754
	Cost of free issue		6,200		3,084
			2,921,141		2,535,540

* The amount has been arrived after crediting Tk 166 (2014: Tk 151) thousand from BBBL being realization of management charges - note 6.3.

** This has been arrived at after netting recoveries from carrying contractor as loss in transit. 1,514 963

26	**Administrative and general expenses**				
	Personnel cost - notes 2.13,36 & 37.1				
	Salary, wages and welfare	*	255,180	*	213,773
	Postage and telecommunication		7,992		7,259
	Depreciation and amortization - notes 3.1 & 5.1		32,215		36,201
	Travelling, haultage and passage		6,378		6,956
	Repair and maintenance - others - note 2.19		32,762		23,658
	AGM expense		2,702		2,918
	Bank charges		7,681		3,817
	Vehicle expenses		6,861		6,023
	Electricity, fuel and water		5,106		5,020
	Printing and stationery		3,447		2,921
	Rates and fees		353		264

AMARSTOCK

	Amounts in Taka '000	
	For the year ended 31 December	
	2015	2014
Subscription and donation	873	657
CSR activity	2,337	1,951
Entertainment	4,070	4,378
Corporate affairs department's expenses	171	279
Insurance	238	203
Legal and professional charges	8,598	8,049
Auditors' remuneration		
Audit fee	677	544
Others	161	157
	838	701
Newspaper and periodicals	455	952
Directors fee	208	160
Guest house expenses - note 28	-	530
	378,465	**326,671**

* The amount has been arrived after crediting Tk 1,200 thousand from JN(B)L and Tk 2,163 (2014: Tk 1,966) thousand from BBBL being realization of management charges - notes 6.2 & 6.3.

27 Other operating expenses - note 34.1

Royalty - notes 18 & 34.1	87,657	76,728
Training and consultancy fees	4,338	3,854
	91,995	**80,582**

28 Other operating income

Service charges from house building loans - note 9.1	254	199
Scrap sales and sundry recoveries	28,659	21,298
Color Bank operational income - note 25	80,301	82,218
Insurance claim and other realizations	4,728	4,117
Income from illusion - note 25	14,323	55,725
Rental income from BBBL	4,401	4,204
Auto refinish operational income	4	327
Income from guest house - note 26	-	356
	132,670	**168,444**

29 Finance costs

Interest paid for operational overdraft - OD - notes 2.17 & 16	7,885	4,338
Exchange (gain)/loss - notes 2.11 & 10.2	(1)	235
	7,884	**4,573**

AMARSTOCK

	Amounts in Taka '000	
	For the year ended 31 December	
	2015	2014

30 Investment income

30.1 Finance income

Interest earned on - note 2.16		
Interest on term deposits - note 10	36,946	34,974
Interest from loan to subsidiary - J & N (Bangladesh) Limited - note 6.2	4,728	3,369
	41,674	38,343

30.2 Dividend income

J&N (B) L - note 6.2	-	10,000
BBBL - note 6.3	6,860	-
	6,860	10,000
	48,534	48,343

31 Other non-operating income

Profit on sale of property, plant and equipments - note 3.3	(2,088)	1,789

32 Capacity & production

32.1 Own manufacture

Figures in '000

Line of Business	Unit	Installed capacity (Single shift) For the year ended 31 December		Actual Production (Multiple shifts as applicable) For the year ended 31 December	
		2015	2014	2015	2014
Liquid	LT	65,099	62,093	57,272	53,507
Non-liquid	KG	25,454	17,991	20,117	17,170

32.2 Licensed capacity is no more applicable and the regulatory authority does not exercise any direct control over the procurement, production or sale.

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		Amounts in Taka '000	
		For the year ended 31 December	
		2015	2014
33	**Value of imports - at CIF basis**		
	Raw materials	3,585,049	3,553,805
	Capital goods	281,152	251,843
	Stores and spares	11,280	4,559
		3,877,481	**3,810,207**
34	**Transactions in equivalent foreign currency**		
34.1	**Expenses**		
	Royalty - notes 18 & 27	87,657	78,370
	Training and consultancy fee	4,370	5,037
	Foreign travel for Company's business	5,142	7,611
		97,169	**91,018**
34.2	**Earnings**		
	Export sales - note 23	**66,398**	**25,267**
35	**Dividend remitted in terms of foreign currency to**		
	J & N Investments (Asia) Limited - Net of TDS	**634,446**	**436,182**

		In Number	
		2015	2014
36	**Expenditure incurred on employees - note 37**		
	Salaries, wages and benefits - notes 24.3, 25 & 26 *		
	a. Employment throughout the year in receipt of remuneration aggregating Tk 36,000 or more per annum	480	406
	b. Employment for a part of the year and in receipt of remuneration aggregating Tk 3,000 or more per month	78	124
	c. Rest	-	-
		558	**530**

* Includes all types of benefits paid and provided both in cash and kind other than the re-imbursement of expenses incurred for the Company's business.

AMAR STOCK

		Amounts in Taka '000	
		For the year ended 31 December	
		2015	2014

37 Remuneration of Directors, Executives, Managers & Officers - notes 24.3, 25, 26 & 36

37.1 Managerial remuneration for managers and officers only

Salary, allowances and benefits		735,309	554,573
Contributions to employees' benefit scheme - notes 2.13.1 & 2.13.2		26,824	55,510
Reimbursable expenses		12,493	9,644
	Taka	774,626	619,727
	Number	371	331

37.2 Managing director, executive director, managers and officers, based upon respective employment terms having specified limits, are provided following benefits:

a. Rental: Managing director is provided free-furnished accomodation and others are provided cash allowances.

b. Residential telephone mainly for the Company's business.

c. Transportation: Company's car with chauffeur or cash allowance for chauffeur.

37.3 Board meeting fee

Only the local independent directors are entitled to Tk 2,500 as board meeting fee for attending each board meeting.

38 Basic Earnings per share (EPS) - Basic - note 2.23.1

The computation of EPS is given below

Earning (PAT) attributable to the ordinary shareholders - Taka in '000		1,425,955	1,097,609
Net cash inflow from operating activities (NOCF) - Taka in '000		2,132,935	1,152,181
Number of ordinary shares outstanding during the year - notes 12.3 & 12.4		23,188,940	23,188,940
EPS - Basic	Taka	**61.49**	**47.33**
Net operating cash flow per share (NOCFPS)	Taka	**91.98**	**49.69**

39 Related party transactions - notes 6, 11 & 18

During the year under review, the Company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The names of the related parties, nature of these transactions and their closing balance at the end of 2015 have been set out below in accordance with the provision of BAS 24 Related party disclosures.

Taka in'000

Name of the related party	Nature of transaction	31 December 2015
Jenson & Nicholson (Bangladesh) Ltd	Packing container purchase	119,654
Berger Becker Bangladesh Limited	Joint Venture	8,863
Total inter-company receivables		**128,517**
J&N Investments (Asia) Limited	Technology Provider	166,027
Total inter-company payables		**166,027**

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40 Events after the reporting period

Subsequent to the date of statement of financial position, the Board of Directors recommended 270% final cash dividend i.e. Tk 27 per ordinary share out of retained earnings. The payment is subject to the approval of the shareholders in the Annual General Meeting scheduled on 18 April 2016. During the year the company paid 100% interim cash dividend and along with that the total dividend for the year 2015 stands at 370%.

The proposed dividend is not recognized at the statement of financial position in accordance with BAS 10, Events after the reporting period.

41 Bank facilities

Limits of various facilities extended by Banks are as follows:

Name of facility	Bank	Taka in '000		Taka '000	
		Limit	Balance as at 31 December 2015	Limit	Balance as at 31 December 2014
Bank overdraft * - note 16	Standard Chartered Bank	150,000	-	120,000	(90,663)
	EBL / HSBC	100,000	(1,119)	50,000	-
	Commercial Bank of Ceylon	100,000	-	200,000	(10,073)
	Citibank NA	160,000	-	160,000	-
Short term loan (STL)	Standard Chartered Bank	150,000	-	120,000	-
	EBL / HSBC	50,000	-	50,000	-
	Commercial Bank of Ceylon	300,000	-	200,000	-
	Citibank NA	160,000	-	160,000	-
Bank guarantees - notes 22.1 & 22.2	Standard Chartered Bank	460,000	-	310,000	-
	EBL / HSBC	10,000	-	10,000	-
	Commercial Bank of Ceylon	50,000	-	50,000	-
	Citibank NA	240,000	-	240,000	-
Financial commitments for LC - note 22.3	Standard Chartered Bank	800,000	-	670,000	-
	EBL / HSBC	500,000	-	290,000	-
	Commercial Bank of Ceylon	500,000	-	600,000	-
	Citibank NA	640,000	-	640,000	-

* Interest to be calculated on daily draw-down basis, but charged on quarterly. The facilities are secured against hypothecation over inventories and trade receivables - notes 2.17, 7, 8, 16 & 22.

42 General

42.1 Wherever considered necessary, previous year's figures and phrases have been re-arranged to conform to this year's presentation.

42.2 The amounts shown in these financial statements are presented in Bangladesh currency (Taka), which have been rounded off to the nearest thousand Taka except where indicated otherwise.

Managing Director | Director | Director & CFO | Company Secretary

Annexure-A

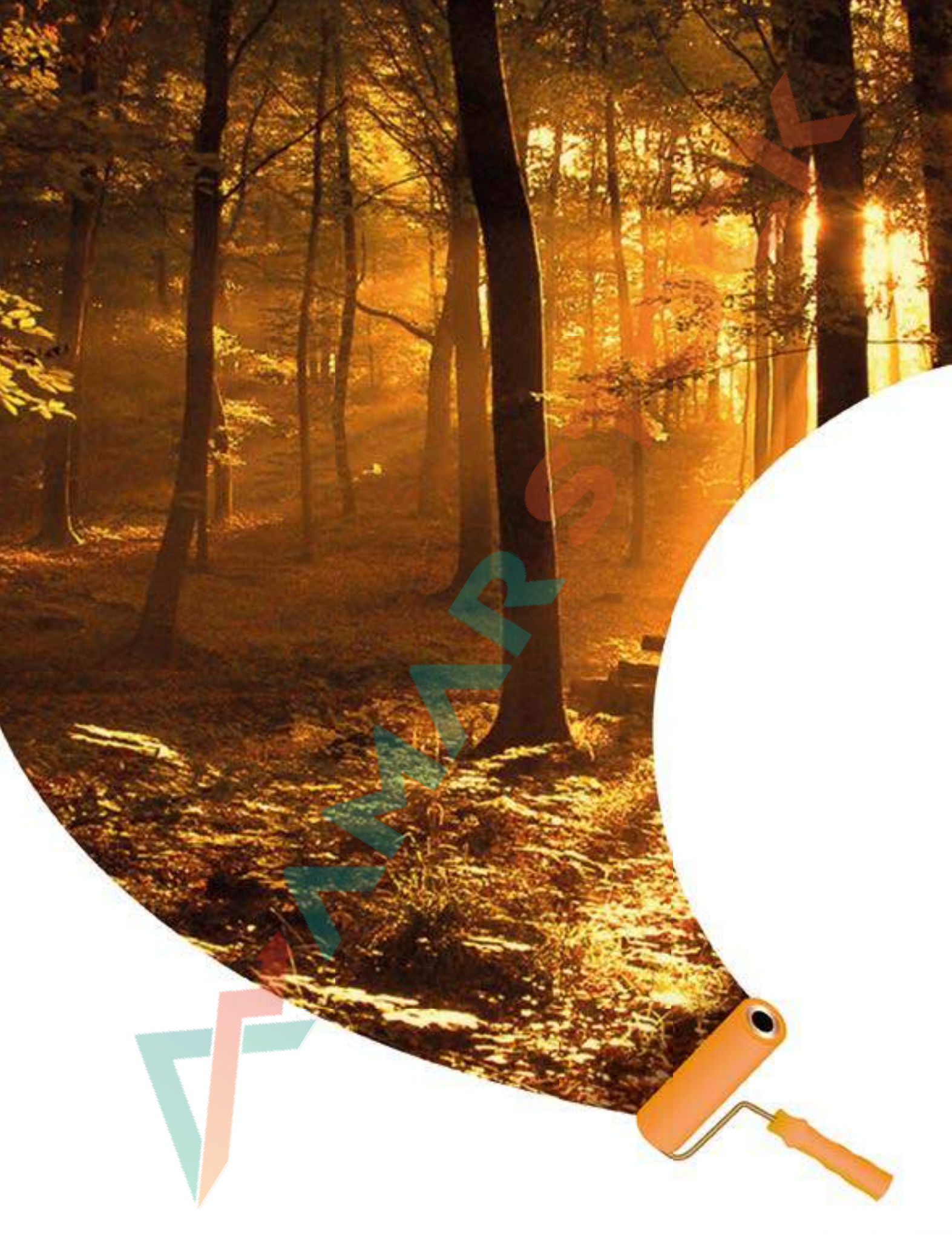
Schedule of Property, plant and equipment and depreciation thereon as at 31 December 2015

Amounts in Taka '000

Category of assets	Cost					Accumulated depreciation					Written down value as at 31 December 2015
	Balance as at 01 January 2015	Addition during the year	Reclassification on category of assets	Disposal during the year	Balance as at 31 December 2015	Balance as at 01 January 2015	Charged on addition during the year	Adjustment on reclassification	Adjustment on disposal	Balance as at 31 December 2015	
Land	167,285	3,753	-	-	171,038	5,395	433	-	-	5,828	**165,210**
Building	662,677	27,782	-	(11,002)	679,457	169,699	21,344	-	(5,591)	185,452	**494,005**
Plant and machinery	827,200	264,021	-	(11,173)	1,080,048	377,801	69,512	-	(11,157)	436,156	**643,893**
Office equipment	104,272	35,501	-	(1,509)	138,264	60,302	10,335	-	(1,484)	69,153	**69,111**
Factory and laboratory equipment	722,114	127,528	-	(3,306)	846,336	438,744	103,220	-	(3,306)	538,658	**307,678**
Computer	73,792	14,084	-	(1,308)	86,568	49,067	9,803	-	(1,185)	57,685	**28,883**
Furniture and fixtures	70,527	17,319	-	(389)	87,457	34,719	7,295	-	(279)	41,735	**45,721**
Motor vehicles	125,138	50,181	-	(2,991)	172,328	38,643	47,377	-	(2,248)	83,772	**88,555**
Loose tools	4,200	1,974	-	(10)	6,164	4,170	1,720	-	(10)	5,880	**284**
Total as at 31 December 2015	**2,757,204**	**542,143**	**-**	**(31,688)**	**3,267,659**	**1,178,540**	**271,039**	**-**	**(25,260)**	**1,424,319**	**1,843,340**
Total as at 31 December 2014	**2,258,142**	**501,236**	**-**	**(2,174)**	**2,757,204**	**958,904**	**220,403**	**-**	**(767)**	**1,178,540**	**1,578,664**

Managing Director | Director | Director & CFO | Company Secretary

ALMAS STOCK



Hoda Vasi Chowdhury & Co
Chartered Accountants

Auditors' Report
To the Shareholders of Berger Paints Bangladesh Limited

We have audited the accompanying consolidated financial statements of Berger Paints Bangladesh Limited, which comprise the consolidated statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting standards (BAS) & SEC Rules 1987 & Companies Act (#18) 1994 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, give a true & fair view of the consolidated financial position of Berger Paints Bangladesh Limited as at 31 December 2015, its financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standard (BAS), SEC Rules 1987 and comply with the Companies Act (#18)1994 and other applicable laws and regulations.

In accordance with the Companies Act (# 18) 1994 and Securities and Exchange Rules 1987, we also report the following:

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books.

c. The Statement of Financial Position, Statement of Profit or Loss and other comprehensive Income, Statement of Cash Flows & Statement of Changes in equity dealt with by the report are in agreement with the books of account; and

d. The expenditure incurred and payments made were for the purposes of the Company's business.

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

National Office : BTMC Bhaban (7th & 8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka- 1215, Bangladesh
Motijheel Office : Ispahani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka-1000, Bangladesh
Chittagong Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh

Berger Paints Bangladesh Limited
Consolidated Statement of Financial Position

As at 31 December 2015

Amounts in Taka '000

	Notes	2015	2014
Assets			
Non-current assets			
Property, plant and equipment	4	2,184,232	1,855,337
Capital work-in-progress	5	397,912	175,616
Intangible assets	6	70,544	29,309
		2,652,688	2,060,262
Investment in associate	7	76,968	58,551
Total non-current assets		2,729,656	2,118,813
Current assets			
Inventories	8	1,619,623	1,752,006
Trade and other receivables	9	954,289	844,811
Advances, deposits and prepayments	10	242,896	221,103
Term deposit-short term portion	11	800,000	400,000
Cash and cash equivalents	12	337,061	295,860
Total current assets		3,953,869	3,513,780
Total assets		6,683,525	5,632,593
Equity and liabilities			
Share capital	13	231,889	231,889
Share premium	14	115,068	115,068
General reserve		10,000	10,000
Retained earnings	15	3,965,859	3,215,140
Equity attributable to the Company's equity holders		4,322,816	3,572,097
Non-current liabilities			
Deferred tax liabilities	16	217,582	176,241
Total non-current liabilities		217,582	176,241
Current liabilities			
Operational overdraft	17	1,859	109,360
Trade and other payables	18	1,779,661	1,461,545
Provision for royalty	19	166,027	142,515
Provision for current tax	20	167,541	140,951
Provision for employees' retirement gratuity	21	19,970	22,164
Unclaimed dividend - local		7,922	7,573
Liability for unclaimed IPO application money	22	147	147
Total current liabilities		2,143,127	1,884,255
Total liabilities		2,360,709	2,060,496
Total equity and liabilities		6,683,525	5,632,593
Contingent liabilities	23	679,041	876,648

The annexed notes 1 to 35 & Annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

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Berger Paints Bangladesh Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 December 2015

Amounts in Taka '000

	Notes	2015	2014
Revenue	24	12,282,971	10,892,672
Cost of sales	25	(6,912,328)	(6,501,070)
Gross profit		**5,370,643**	**4,391,602**
Selling, distribution and warehousing expenses	26	(2,933,105)	(2,546,747)
Administrative and general expenses	27	(401,603)	(341,809)
Other operating expenses	28	(91,995)	(80,582)
Other operating income	29	143,463	182,597
Total operating expenses		**(3,283,240)**	**(2,786,541)**
Income from operation		**2,087,403**	**1,605,061**
Finance cost	30	(8,855)	(5,230)
Investment income	31	43,806	34,974
		34,951	**29,744**
Other non-operating income	32	(2,088)	2,149
Share of profit of associate-BBBL		18,417	14,824
		16,329	16,973
Profit before WPPF and Tax		**2,138,683**	**1,651,778**
Workers' profit participation and welfare fund (WPPF)		(105,926)	(81,949)
Net profit before tax		**2,032,757**	**1,569,829**
Income tax expenses:			
Current tax expense	20	(498,650)	(391,700)
Deferred tax expense	16	(41,341)	(27,104)
		(539,991)	**(418,804)**
Net profit		**1,492,766**	**1,151,025**
Basic Earnings Per Share (EPS)	34	**64.37**	**49.64**

The annexed notes 1 to 35 & Annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

AMARSTOCK

Berger Paints Bangladesh Limited
Consolidated Statement of Changes in Equity

For the year ended 31 December 2015

Amounts in Taka '000

Particulars	Share capital	General reserve	Share premium	Retained earning	Total
Balance as at 01 January 2014	231,889	10,000	115,068	2,574,271	2,931,228
Net profit during the year	-	-	-	1,151,025	1,151,025
Dividend paid during the year	-	-	-	(510,156)	(510,156)
Balance as at 31 December 2014	**231,889**	**10,000**	**115,068**	**3,215,140**	**3,572,097**
Balance as at 01 January 2015	231,889	10,000	115,068	3,215,140	3,572,097
Net profit during the year	-	-	-	1,492,766	1,492,766
Dividend paid during the year	-	-	-	(742,047)	(742,047)
Balance as at 31 December 2015	**231,889**	**10,000**	**115,068**	**3,965,859**	**4,322,816**

The annexed notes 1 to 35 & Annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

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Berger Paints Bangladesh Limited
Consolidated Statement of Cash Flows

For the year ended 31 December 2015

Amounts in Taka '000

	Notes	2015	2014
Cash flows from operating activities			
Cash received from customers		12,173,493	11,116,959
Cash received from other operating income		187,269	214,602
Cash paid to suppliers and employees		(9,725,483)	(9,652,865)
Payment of interest		(8,855)	(4,026)
Income tax paid		(472,060)	(407,077)
A. Net cash flows from operating activities		**2,154,364**	**1,267,593**
Cash flows from investing activities			
Capital expenditures		(902,512)	(717,861)
Investment in non-current assets		-	-
Proceeds from sale of property, plant and equipment		31,688	3,556
B. Net cash used in investing activities		**(870,824)**	**(714,305)**
Cash flows from financing activities			
Dividend paid		(734,838)	(509,676)
C. Net cash used in financing activities		**(734,838)**	**(509,676)**
Net increase in cash and cash equivalent (A+B+C)		548,702	43,612
Opening cash and cash equivalents		586,500	542,888
Closing cash and cash equivalents		**1,135,202**	**586,500**
Reconciliation of closing cash and cash equivalents:			
Term deposit-short term portion	11	800,000	400,000
Cash and cash equivalents	12	337,061	295,860
Operational overdraft	17	(1,859)	(109,360)
		1,135,202	**586,500**

The annexed notes 1 to 35 & annexure-A form an integral part of these financial statements.

Managing Director | Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 14 March, 2016

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Berger Paints Bangladesh Limited
Notes to the Consolidated Financial Statements

As at and for the year ended 31 December 2015

1. Company profile and overview of its operational activities

1.1 Company profile

Berger Paints Bangladesh Limited (the Company) was incorporated under the Companies Act (# 18) of 1994 on 6 June 1973 as a 'Private' company, limited by shares. Subsequently, the Company has been converted to 'Public' company limited by shares vide extra ordinary general meeting held on 21 June 2005 and after observance of required formalities as per laws. The company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) of Bangladesh.

Berger Paints Bangladesh Limited owns 100% shares of Jenson & Nicholson (Bangladesh) Limited and 49% shares of Berger Becker Bangladesh Limited. The consolidated financial statements of the company as at and for the year ended 31 December 2015 comprise the companies and its subsidiary (together referred to as the "Group" and Individual as "group entity") and the group's interest in associate a jointly controlled entity.

1.2 Address of the registered and corporate office

The registered and corporate offices of the Company are located at Berger House, House 8, Road 2, Sector 3, Uttara Model Town, Dhaka-1230.

1.3 Nature of business

The principal activities of the Company throughout the year continued to be manufacturing and marketing of liquid and non-liquid paints and varnishes, emulsion and coating.

1.4 Description of subsidiary and associate

Jenson & Nicholson (Bangladesh) Limited

The Company was incorporated under the Companies Act (# 18) of 1994 as a 'Private' limited company on 25 January 1990 having it's registered office at 43/3 Chattaeswari Road, Chittagong and later the Corporate office was shifted to Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka 1230. The principal activities of the Company until 12 August 1995 were trading and indenting. It started commercial production and marketing of tin-containers and printing of tin sheets from 12 August 1995 and 1 September 1997 respectively in its factory at 70, East Nasirabad Industrial Area, Chittagong - 4209.

Berger Becker Bangladesh Limited

Berger Becker Bangladesh Limited was incorporated under the Companies Act (# 18) of 1994 on 20 December 2011 as a 'Private' company, limited by shares. This is a joint venture between Berger Paints Bangladesh Limited and Becker Industrial Coatings Holding AB, Sweden.The company was incorporated with a view to establish the first ever coil coating manufacturing plant in Bangladesh. It commenced commercial production with effect from 11 September 2012 in its rented factory located at Building No - 03, Plot No - 102, Mouza -Taksur, Nabinagar, Savar, Dhaka -1340. The company is also marketing the coil coating products to the customers.

2. Basis of preparation and presentation of the consolidated financial statements

2.1 Statement of compliance

The financial statements have been prepared and the disclosures of information are made in accordance with the the Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994 and the Securities Exchange Rules 1987 as much as practicable. The statement of financial position and statement of comprehensive income have been prepared according to Bangladesh Accounting Standards (BAS) 1 Presentation of Financial Statements and Bangladesh Financial Reporting Standard 10 Consolidated Financial Statements on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and statement of cash flows is prepared according to BAS 7 Statement of Cash Flows and has been presented under direct method as required by the Securities and Exchange Rules 1987.

2.2 Basis of measurement

The financial statements have been prepared under historical cost convention and, therefore, do not take into consideration the effect of inflation.

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2.3 Principal accounting policies

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the framework for preparation and presentation of financial statements. Financial statements have been prepared and presented in compliance with BAS 1 Presentation of Financial Statements. The previous year's figures were re-arranged according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per BAS 1 Presentation of Financial Statements.

2.4 Application of standards

The following BASs and BFRSs are applicable for the preparation of financial statements for the year under review.

BAS	1	Presentation of Financial Statements
BAS	2	Inventories
BAS	7	Statement of Cash Flows
BAS	8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS	10	Events After The Reporting Period
BAS	12	Income Taxes
BAS	16	Property, Plant and Equipment
BAS	17	Leases
BAS	18	Revenue
BAS	19	Employee Benefits
BAS	21	The Effects of Changes in Foreign Exchange Rates
BAS	23	Borrowing Costs
BAS	24	Related Party Disclosures
BAS	26	Accounting and Reporting by Retirement Benefit Plans
BAS	28	Investments in Associates
BAS	33	Earnings Per Share
BAS	37	Provisions, Contingent Liabilities and Contingent Assets
BAS	38	Intangible Assets
BFRS	3	Business Combinations
BFRS	7	Financial Instruments, disclosures
BFRS	8	Operating Segments
BFRS	10	Consolidated Financial Statements

2.5 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with BFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are stated in the following notes:

Note : 4 Depreciation
Note : 6 Amortization
Note : 9 Trade and other receivables
Note : 18 Trade and other payables
Note : 19 Provision for royalty
Note : 20 Provision for current tax
Note : 21 Provision for employees retirement gratuity

2.6 Reporting period

The financial period of the company covers one year from 1 January to 31 December and is followed consistently.

2.7 Going concern

The company has adequate resources to continue its operation for foreseeable future. For this reason the consolidated financial statements have been prepared on going concern basis. As per management assessment there is no material uncertainty related to events or conditions which may cast significant doubt upon the Company's' ability to continue as a going concern.

2.8 Functional and presentational currency and level of precision

These financial statements are presented in Taka, which is the company's functional currency indicated figures have been rounded off to nearest thousand Taka.

3 Significant accounting policies

The accounting policies set out below, which comply with BFRS, have been applied consistently to all periods presented in these consolidated financial statements.

3.1 Consolidation of financial statements

These consolidated financial statements comprise the consolidated statement of financial position, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the company and the results of operations and total assets and liabilities of its subsidiary is included in the consolidated financial statements on a line by line basis.

i. Basis of consolidation

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extend possible, in the same manner as the Company's separate financial statements.

ii. Investment in Subsidiary

Subsidiary is the entity, controlled by the Berger Paints Bangladesh Limited (BPBL). Control exists when BPBL has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiary have been included in the consolidated financial statements from the current period until the date that it ceases.

iii. Loss of control

Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

iv. Investment in Associate

Associate is the entity in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Investment in associate is accounted for using the equity method and are recognized initially at cost. The consolidated financial statements include the Group's share of the consolidated comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

v. Intra-group transactions

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements.

vi. Non-controlling interest

Non-controlling interest is the net assets of consolidated subsidiary consists of the amount of equity attributable to the non-controlling shareholders at the time on which investments were made by the company in its subsidiary company and further movements in their share in equity, subsequent to the dates of investment. However, the Group company is holding 100% share of subsidiary company , so no non-controlling interest is presented in the consolidated financial statements.

vii. Companies considered in consolidated financial statements.

Name of company	% of holding	Relationship
Jenson and Nicholson (Bangladesh) Limited	100	Subsidiary
Berger Becker Bangladesh Limited	49	Associate

3.2 Property, plant and equipment

i. Recognition and measurement

Tangible fixed assets are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of BAS 16 Property, Plant and Equipment. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

ii. Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to day servicing of property, plant and equipment are recognized in the profit and loss account as incurred.

iii. Depreciation of property, plant & equipment

Depreciation on property, plant and equipment is provided on a straight line basis over the estimated useful lives of each item of property, plant and equipment.

Depreciation for addition to property, plant and equipment, is charged from the month on which the asset comes into use or being capitalized and Depreciation continues to be provided until such time as the written down value is reduced to Taka one. Depreciation on disposals of property, plant and equipment, ceases from the month in which the deletion thereof takes place.

The depreciation rate(s) are as follows:

Category of property, plant and equipment	Rate (%)
Land	1-2
Building	2 - 2.5
Buildings – other construction	10-33.33
Plant and machinery	7.5 - 10
Office equipment	15 - 20
Factory and laboratory equipment	20
Computer	20
Electrical installation	12.5
Furniture, fixtures and fittings	12.5
Motor vehicles	20 & 25
Loose tools	50

iv. Gain or loss on disposal

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income. No depreciation is charged on assets at the time of disposal or retirement.

3.3 Capital work-in-progress

Capital work-in-progress is stated at cost of acquisition and subsequently stated at cost, until the construction is completed or the assets are being ready to use. No depreciation is charged on capital-work-in progress.

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3.4 Intangible assets

Intangible assets for the year includes IT Software, Corporate Membership and Trademarks.

i. Recognition and measurement

Intangible assets that are acquired by the company and have finite useful lives are measured initially at cost. After initial recognition, it is carried at its cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized as per BAS 38 if and only if :

a. it is probable that future economic benefits that are attributable to the asset will flow to the entity; and

b. the cost of the asset can be measured reliably.

The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the statement of comprehensive income as incurred.

Development activities involve the design, construction and testing of preproduction of new and substantially improved products and processes. Development expenditures are recognized as an intangible asset when the company can demonstrate all of the following:

a. the technical feasibility of completing the intangible asset so that it will be available for use or sale;

b. its intention to complete the intangible asset and use or sell it;

c. its ability to use or sell the intangible asset;

d. how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

e. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;

f. its ability to measure reliably the expenditure attributable to the intangible asset during its development

Other development expenditure is recognized in the statement of comprehensive income as incurred. Development cost once recognized as an expense, are not recognized as an asset in a subsequent period.

Internally generated intangible assets (excluding capitalized development costs) are recognized as expenses in the statement of comprehensive income in the year in which the expenditure is incurred.

ii. Subsequent costs

Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognized in profit or loss as incurred.

iii. Amortization

Amortization is recognized in the statement of comprehensive income on a straight line basis over the estimated useful life of each items of intangible assets from the date they are available for use. No amortization is charged on corporate membership.

The amortization rates based on the estimated useful life of the intangible assets are presented below:

Category of intangible assets	Rate (%)
Software	20
Trade marks	10

Amortization methods and useful lives are reviewed at each year-end and adjusted, if appropriate.

iv. Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognized in the statement of comprehensive income.

3.5 Inventories

i. Recognition and measurement

Inventories are measured at the lower of cost and net realizable value (NRV) in compliance with the requirements of para 9 of BAS 2. Where the NRV falls below cost, the inventory is written down to its recoverable amount and the fall in value is charged to the statement of comprehensive income.

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of the business, less the estimated costs of completion and selling expenses.

ii. Inventory write off

It includes the cost of written off or written down values of redundant, damaged or obsolete items which are dumped and/or old stocks. However, "slow-moving" items are considered as immaterial and capable of being used and/or disposed of at least at their carrying book value. The amount of any write-down of inventory is recognized as an expense.

3.6 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

The Group initially recognizes receivables and term deposit on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The entity derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability. Non-derivative financial assets comprise, investment in associates, trade and other receivables, and cash and cash equivalents.

i. Investment in associate

Investment in associate is recognized initially at cost. Subsequent to initial recognition, investment in associate is measured at original cost after adjusting share of post acquisition change in net assets, less any impairment losses. However, the losses recognized in respect of the associate are limited to the carrying amount of the investment in associate.

ii. Trade and other receivables

Trade & other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the period-end.

iii. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank including short term deposits which are held and available for use by the company without any restriction. Bank overdraft that is repayable on demand and form an integral part of the companies cash management are included as a component of cash and cash equivalents for the purpose only of the statement of the cash flows.

b. Financial liabilities

Financial liabilities are recognized initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Non-derivative financial liabilities comprise trade & other payables, and interest bearing borrowings.

i. Trade and other payables

Trade and other payables are recognized at the amount payable for settlement in respect of goods and services received by the company.

ii. Interest-bearing borrowings

Interest-bearing borrowings comprise short term bank loan/operational overdraft. These are initially recognized at fair value.

3.7 Advances, deposits and prepayments

Advances and prepayments are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account. Deposits are measured at payment value.

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3.8 Provisions and contingent liabilities and assets

i. Provisions

The preparation of financial statements in conformity with BAS 37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

In accordance with para 14 of BAS 37 provisions are recognized in the following situations:

a. When the Company has a present obligation as a result of past event;
b. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
c. Reliable estimates can be made of the amount of the obligation.

We have shown the provisions in the statement of financial position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation on the date of statement of financial position.

Other provisions are valued in accordance with BAS 37 Provisions, Contingent Liabilities and Contingent Assets and, if required, in accordance with BAS 19 Employee Benefits. Other provisions comprise all recognizable risks from uncertain liabilities and anticipated losses from pending transactions.

ii. Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with BAS 37 Provision, Contingent Liabilities and Contingent Assets those are disclosed in the notes to the financial statements.

3.9 Employee benefits

i. Defined benefit plan (Employees' retirement gratuity fund)

The Company operates a funded gratuity scheme recognized by the National Board of Revenue for Group-BPBL and unrecognized & unfunded gratuity scheme for subsidiary - Jenson & Nicholson (Bangladesh) Limited. Provision for which has been made in respect of all eligible employees and reflected in these accompanying financial statements.

ii. Defined contribution plan (Staff provident fund)

The Company, through the trustees, has been maintaining recognized contributory provident funds for all eligible permanent employees.

iii. Workers' profit participation and welfare fund

Provision for workers' profit participation and welfare fund has been made @ 5% of gross operating profit as per provision of the Bangladesh Labour Law 2006 and subsequent amendments and payable to these funds and Government controlled Sramik Kallyan Foundation.

3.10 Taxation

Income tax expenses represent the sum of the tax currently payable and deferred tax. Income tax expense is recognized in the statement of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

i. Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous year. Provisions for corporate income tax of group Company is made @ 25% and 35% for its subsidiary-J & N (Bangladesh) Limited.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

ii. Deferred tax:

Deferred tax has been recognized in accordance with BAS 12. Deferred tax is provided using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purpose. Deferred tax is determined at the effective income tax rate prevailing at the reporting date.

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a. Deferred tax assets

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

b. Deferred tax liabilities

Provision is made at the effective tax rate applied on the amount of temporary difference between accounting and fiscal written down value of fixed assets.

3.11 Revenue recognition

Revenue is recognized when the significant risk and reward of ownership are transferred to the buyer, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Specific policies regarding the recognition of revenue are as follows:

i. Revenue from sales

Revenue is recognized when invoice for product and service is raised and dispatched to the customers;

ii. Income derived from color bank operation

Income is recognized after the execution of services according to the term and condition of agreement between dealer and Berger Paints Bangladesh Limited.

iii. Income derived from management services

Revenue from management services is recognized in statement of comprehensive income in proportion to the stage of completion of the transaction at the reporting date.

iv. Income derived from dividend

Income from dividend is recognized when the shareholders' right to receive payment is established. This is usually when the dividend is declared.

v. Income derived from interest

Interest income is recognized on a time proportion basis that takes into accounts the effective yield on the assets.

3.12 Borrowing costs

In compliance with the requirements of BAS 23 Borrowing Costs, borrowing costs of operational period on short term loan and overdraft facilities from Standard Chartered Bank, Eastern Bank Limited, Citibank N.A. and Commercial Bank of Ceylon are charged off as revenue expenditure as they were incurred.

3.13 Repairs, upkeep and maintenance charges

These are charged out as revenue expenditure in the period in which these are incurred.

3.14 Bad and doubtful debts

This item takes into account both actual bad debts written off and movements in the provision for doubtful debts.

3.15 Advertising and promotional expenses

All costs associated with advertising and promotional activities are charged out in the year incurred.

3.16 Foreign currency transaction

Transactions in foreign currencies are translated to Taka at the foreign exchange rates prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies at reporting date are translated to Taka at the rates of exchange prevailing on that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in the statement of comprehensive income as per BAS 21 The Effects of Changes in Foreign Exchange Rates.

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3.17 Related party transactions

As per BAS 24 Related party transaction parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business at an arm's length basis at commercial rates with related parties.

3.18 Event after the reporting period

There is no material event that had occurred after the reporting period to the date of issue of these financial statements, which could affect the figures stated in the financial statements.

3.19 Comparatives and reclassification

Comparative information has disclosed in respect of 2014 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged/reclassified whenever considered necessary to confirm to current year's presentation.

3.20 Earnings per share (EPS)

The Company presents Earnings Per Share (EPS) in accordance with BAS 33 Earning Per Share which has been shown on the face of statement of comprehensive income.

i. Basic Earnings per share (BEPS)

This has been calculated by dividing the profit or loss attributable during the year by number of ordinary shares outstanding at the end of the year.

ii. Diluted earning per share (DEPS)

No diluted EPS is required to be calculated for the year as there is no dilutive potential ordinary shares during the year under review.

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		Amounts in Taka '000	
		2015	2014
4	**Property, plant and equipment**		
	At cost		
	Balance as at 01 January	3,152,603	2,526,889
	Addition during the year	631,904	628,644
	Disposal during the year	(31,688)	(2,930)
	Balance as at 31 December	**3,752,819**	**3,152,603**
	Accumulated depreciation		
	Balance as at 01 January	1,297,266	1,058,515
	Charged during the year	296,581	240,274
	Adjustment on disposal	(25,260)	(1,523)
	Balance as at 31 December	**1,568,587**	**1,297,266**
	Written down value as at 31 December	**2,184,232**	**1,855,337**
	Note: Schedule of consolidated property, plant and equipment is presented in Annexure-A.		
5	**Capital work-in-progress**		
	Balance as at 01 January	175,616	109,505
	Addition during the year	413,350	192,081
		588,966	301,586
	Transferred to property, plant and equipment	(191,054)	(125,970)
	Balance as at 31 December	**397,912**	**175,616**
5.1	**Details of capital work-in-progress as at 31 December**		
	Land	-	1,856
	Building	207,269	62,020
	Plant and machinery	148,250	70,736
	Factory equipment	22,862	26,403
	Software	13,187	-
	Furniture and fixtures	347	14,601
	Electrical installation	5,997	-
		397,912	**175,616**

6	Intangible assets	Software	Corporate membership	Trade marks	Total	Total
	At cost					
	Balance as at 01 January	86,785	3,300	805	90,889	67,783
	Addition during the year	48,152	-	160	48,312	23,106
	Balance as at 31 December	**134,937**	**3,300**	**965**	**139,201**	**90,889**
	Accumulated amortization					
	Balance as at 01 January	61,125	-	456	61,580	47,589
	Charged during the year	7,020	-	57	7,077	13,991
	Balance as at 31 December	**68,145**		**513**	**68,657**	**61,580**
	Carrying amount as at 31 December	**66,792**	**3,300**	**452**	**70,544**	**29,309**

6.1	**Segregation of amortization amount to selling and administrative units**		
	Selling, distribution and warehousing expenses	57	35
	Administrative and general expenses	7,020	13,956
		7,077	**13,991**

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		Amounts in Taka '000	
		2015	2014
7	**Investment in associate**		
	Balance as at 01 January	58,551	43,727
	Investment made during the year	-	-
		58,551	**43,727**
	Share of profit of associate-Berger Becker Bangladesh Limited		
	Share of profit	25,277	14,824
	Dividend of associate	(6,860)	-
		18,417	14,824
	Balance as at 31 December	**76,968**	**58,551**
8	**Inventories**		
	Raw materials	660,560	725,701
	Packing materials	37,389	41,077
	Semi finished goods	140,065	143,057
		838,014	909,835
	Finished goods		
	Own manufactured products	381,920	523,948
	Imported products	57,622	45,159
		439,542	569,107
	Goods in-transit	296,363	238,049
	Store, consumables and promotional items	45,704	35,015
		342,067	273,064
		1,619,623	**1,752,006**
9	**Trade and other receivables**		
	Trade receivables-unsecured	960,038	848,592
	Provision for bad and doubtful debt on unsecured trade receivables	(19,129)	(15,428)
	Considered to be good	940,909	833,164
	Other receivables	4,517	2,705
		945,426	835,869
	Intercompany receivables with "Berger Becker Bangladesh limited"	8,863	8,942
		954,289	**844,811**
	Maturity wise presentation of trade receivables-unsecured:		
	Outstanding over 360 days	24,982	15,428
	Outstanding over 180 days to below 360 days	28,621	24,203
	Outstanding below 180 days	906,435	808,961
		960,038	**848,592**
10	**Advances, deposits and prepayments**		
	Advances to employees		
	House building loans	28,084	22,091
	Other	5,892	4,175
		33,976	26,266
	Advance for goods and services	46,195	69,625
	Value Added Tax-VAT	40,727	19,513
	Supplementary Duty	9,231	6,683
	Advance for rent	99,781	88,436
		195,934	184,257
	Deposits-security deposits	10,387	9,250
	Prepayments-insurance premium	2,599	1,330
		242,896	**221,103**

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		Amounts in Taka '000	
		2015	2014
11	**Term deposit-short term portion**		
	Balance as at 01 January	400,000	250,000
	Addition/(encashement) during the year	400,000	150,000
	Balance as at 31 December	**800,000**	**400,000**
12	**Cash and cash equivalents**		
	Cash at banks:		
	Current and collection accounts	236,216	248,601
	Short term deposit accounts	89,920	41,370
	Foreign currency current accounts	6,537	1,645
		332,673	291,616
	Cash in hand	4,388	4,244
		337,061	**295,860**
13	**Share capital**		
	Authorized share capital		
	40,000,000 ordinary shares of Taka 10 each	400,000	400,000
	Issued, subscribed and paid-up share capital		
	23,188,940 ordinary shares of Taka 10 each	**231,889**	**231,889**

13.1 **Composition of shareholding**

Shareholders	Number of share holding	% of share holding	Taka '000
Foreign shareholders			
J & N Investments (Asia) Limited - Group	22,029,370	95.00	220,294
Institutions & General public	357,228	1.54	3,572
Bangladeshi shareholders			
Institutions (financial & others)	674,843	2.91	6,748
General public	127,499	0.55	1,275
As at 31 December 2015	23,188,940	100.00	231,889
As at 31 December 2014	23,188,940	100.00	231,889

13.2 **Classification of shareholders by range**

Shareholding range	Type of shareholders	2015			2014
		Number of shares	Number of shareholders	% of share holding	Number of share holders
Less than 500 shares	G. Public& Inst	90,171	1,331	0.4	1,403
501 to 5,000 shares	G. Public& Inst	86,472	62	0.4	87
5,001 to 10,000 shares	Institution	62,288	8	0.3	9
10,001 to 20,000 shares	Institution	49,900	3	0.2	10
20,001 to 30,000 shares	Institution	70,150	3	0.3	-
30,001 to 40,000 shares	Institution	96,718	3	0.4	3
40,001 to 50,000 shares	Institution	90,675	2	0.4	1
50,001 to 100,000 shares	Institution	232,926	3	1.0	4
100,001 to 1,000,000 shares	Institution	380,270	3	1.6	2
Over 1,000,000 shares	Group	22,029,370	1	95.0	1
Total		**23,188,940**	**1,419**	**100.0**	**1,520**

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		Amounts in Taka '000	
		2015	2014
14	**Share premium**		
	Balance as at 31 December	**115,068**	**115,068**
	The Company received an amount of Taka 127,545 thousand as premium (11,59,500 ordinary shares of Tk 110 each) at the time of Initial Public Offer (IPO) and the share issue expenses of Taka 12,477 thousand is adjusted with received amount. So the recognized amount is Taka 115,068 (Taka 127,545 - 12,477) as share premium.		
15	**Retained earnings**		
	Balance as at 01 January	3,215,140	2,574,271
	Net profit during the year	1,492,766	1,151,025
		4,707,906	3,725,296
	Dividend distributed during the year	(742,047)	(510,156)
	Balance as at 31 December	**3,965,859**	**3,215,140**
16	**Deferred tax liabilities**		
	Balance as at 01 January	176,241	149,137
	Provision during the year	41,341	27,104
	Balance as at 31 December	**217,582**	**176,241**
17	**Operational overdraft**		
	Current accounts	1,859	109,360
18	**Trade and other payables**		
	For revenue expenses - note 18.1	1,046,321	770,661
	For trading supplies	508,425	502,749
	For other finance - note 18.2	98,424	78,642
	For capital expenditure	20,565	27,544
		1,673,735	1,379,596
	Workers' profits participation and welfare funds (WPPF)	105,926	81,949
		1,779,661	**1,461,545**
18.1	**Payable for revenue expenses**		
	Accrued charges	903,915	635,678
	Provision for trade rebate	136,666	128,910
	Training and consultancy fee	5,740	6,073
		1,046,321	**770,661**
18.2	**Payable for other finance**		
	Clearing account	18,481	18,480
	Security deposits	18,796	15,773
	Tax deduction at source	53,634	35,446
	Staff income tax	5,527	6,014
	Others	1,986	2,929
		98,424	**78,642**
19	**Provision for royalty**		
	Balance as at 01 January	142,515	124,774
	Remitted during the year	(64,145)	(58,987)
		78,370	65,787
	Charged for the year	87,657	78,370
	Previous year's provision written back	-	(1,642)
	Balance as at 31 December	**166,027**	**142,515**

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		Amounts in Taka '000	
		2015	2014
20	**Provision for current tax**		
	Balance as at 01 January	140,951	156,328
	Provision made during the year	498,650	391,700
		639,601	548,028
	Payment and adjustment made during the year	(472,060)	(407,077)
	Balance as at 31 December	**167,541**	**140,951**
21	**Provision for employees' retirement gratuity**		
	Balance as at 01 January	22,164	34,508
	Provision made during the year	19,305	51,883
		41,469	86,391
	Transferred to gratuity fund	(21,499)	(64,227)
	Balance as at 31 December	**19,970**	**22,164**
22	**Liability for unclaimed IPO application money**		
	Balance as at 01 January	147	147
	Refunded during the year	-	-
	Balance as at 31 December	**147**	**147**
23	**Contingent liabilities**		
	Bank guarantees issued by the Company's banker on counter indemnities given by the Company there against and secured	1,670	1,598
	Corporate guarantee issued by the company to Standard Chartered Bank against banking facilities allowed to associate company Berger Becker Bangladesh Limited	73,500	73,500
	Financial commitments by confirmed irrevocable letters of credit which are secured against usual shipping documents	588,966	719,550
	Capital expenditure commitments		
	Contracted for but not taken into account	14,905	82,000
	Authorized but not contracted for	-	-
		679,041	876,648

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		Amounts in Taka '000	
		2015	2014
24	**Revenue**		
	Net revenue-BPBL	12,267,996	10,881,046
	Net revenue-J & N (Bangladesh) Limited	448,120	409,652
		12,716,116	11,290,698
	Inter-company sales	(433,145)	(398,026)
		12,282,971	**10,892,672**
25	**Cost of sales**		
	Opening stock of finished goods	569,107	386,932
	Purchases of finished goods during the year	161,157	154,148
		730,264	541,080
	Cost of goods manufacture		
	Raw material consumed - notes 25.1	5,883,286	5,903,688
	Manufacturing overhead - note 25.2	719,832	610,201
	Printing charges	18,488	15,208
		6,621,606	6,529,097
		7,351,870	7,070,177
	Closing stock of finished goods	(439,542)	(569,107)
	Cost of sales	**6,912,328**	**6,501,070**
25.1	**Raw materials consumed**		
	Opening stock		
	Raw materials	725,701	737,909
	Semi finished goods	143,057	94,932
	Packing materials	41,077	38,357
		909,835	871,198
	Purchases during the year		
	Raw materials	5,090,848	5,220,019
	Packing materials	1,153,762	1,120,332
	Intercompany sales	(433,145)	(398,026)
		5,811,465	5,942,325
	Closing stock		
	Raw materials	(660,560)	(725,701)
	Semi finished goods	(140,065)	(143,057)
	Packing materials	(37,389)	(41,077)
		(838,014)	(909,835)
		5,883,286	**5,903,688**
25.2	**Manufacturing overhead**		
	Personnel cost (salary, wages and welfare)	431,222	354,771
	Depreciation	146,781	127,051
	Fuel, water and power	49,587	43,881
	Repairs and maintenance	35,039	34,102
	Raw material shifting charge	9,939	8,590
	Stores and spares consumed	17,860	12,587
	Rent, rates and other taxes	10,471	8,378
	Research, development and experimental costs	3,009	4,684
	Travelling and conveyance	4,648	3,916
	Other overhead	5,966	7,423
	Insurance	4,234	3,381
	L/C and bank charges	1,076	1,437
		719,832	**610,201**

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		Amounts in Taka '000	
		2015	2014
26	**Selling, distribution and warehousing expenses**		
	Advertising	1,232,083	1,062,416
	Personnel cost	535,548	423,428
	Warehousing and distribution	196,610	161,623
	Selling expenses	849,668	811,442
	Depreciation	112,996	84,754
	Cost of free issue	6,200	3,084
		2,933,105	2,546,747
27	**Administrative and general expenses**		
	Personnel cost (Salary, wages and welfare)	267,480	222,098
	Postage and telecommunication	8,826	7,789
	Depreciation and amortization- note 4 and 6	35,614	37,939
	Travelling, haultage and passage	7,491	7,762
	Repair and maintenance	34,236	24,603
	AGM expense	2,702	2,918
	Bank charges	7,825	3,889
	Vehicle expenses	7,312	6,718
	Electricity, fuel and water	5,106	5,021
	Printing and stationery	3,660	3,185
	Rent, rates and fees	353	264
	Subscription and donation	923	697
	CSR activity	2,337	1,951
	Entertainment	4,679	5,320
	Corporate affairs department's expenses	171	279
	Insurance	238	203
	Legal and professional charges	8,681	8,049
	General charges	115	156
	Auditors' remuneration		
	Audit fee	724	642
	Others	914	684
		1,638	1,326
	Newspaper and periodicals	455	952
	Directors fee	208	160
	Guest house expenses	-	530
	Market Survey	748	-
	ISO Expenses	805	-
		401,603	341,809
28	**Other operating expenses**		
	Royalty fees	87,657	76,728
	Training and consultancy	4,338	3,854
		91,995	80,582
29	**Other operating income**		
	Service charges from house building loan	254	199
	Scrap sales and sundry recoveries	39,404	35,451
	Income from color bank operation	80,301	82,218
	Insurance claim and other realizations	4,728	4,117
	Income from illusion	14,323	55,725
	Rental income from BBBL	4,401	4,204
	Auto refinish operational income	4	327
	Income from guest house	48	356
		143,463	182,597

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		Amounts in Taka '000	
		2015	2014
30	**Finance cost**		
	Finance cost on bank overdraft	13,584	8,364
	Exchange loss / (Gain)	(1)	235
		13,583	**8,599**
	Inter-company transaction	(4,728)	(3,369)
		8,855	**5,230**
31	**Investment income**		
	Dividend income from subsidiary-J & N (Bangladesh) Limited	-	10,000
	Dividend income from associate-BBBL	6,860	-
	Interest on term deposit	41,674	38,343
		48,534	**48,343**
	Inter-company transaction	(4,728)	(13,369)
		43,806	**34,974**
32	**Other non-operating income/(loss)**		
	Profit on sale of property, plant and equipment	(2,088)	2,149
		(2,088)	**2,149**

33 Financial risk management

The Company has exposures to the following risks from its use of financial instruments:

i. Liquidity risk
ii. Market risk
iii. Credit risk

The management is responsible for the establishment and oversight of the company's risk management policies that are established to identify and analyze the risks faced by the company, to set appropriate risks limits and controls, and to monitor risks and adherence to limits. Management discloses the exposures to risk and how they arise as well as its objectives, policies and processes for managing the risk and the methods used to measure the risk. The company has exposures to the following risks from its use of financial instruments.

i. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on timeline of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

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The following are the contractual maturities of financial liabilities of the Company:

Amounts in Taka' 000

Financial liabilities	As at 31 December 2015			
	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months
Trade and other payables including unclaimed dividend	1,787,730	1,787,730	1,787,730	-
Operational overdraft	1,859	1,859	1,859	-

Financial liabilities	As at 31 December 2014			
	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months
Trade and other payables including unclaimed dividend	1,469,267	1,469,267	1,469,267	-
Operational overdraft	109,360	109,360	109,360	-

ii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a. Currency risk

The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company experiences currency risks on export sales and purchase of raw material, spare parts, accessories and capital items. Most of company's foreign currency purchases are denominated in USD and EURO.

The company's exposures to foreign currency risk was as follows based on notional amounts:

Foreign currency denominated assets	As at 31 Dec. 2015	As at 31 Dec. 2014
	BDT '000	BDT '000
Receivable from customers-Export	37,892	7,619
Cash at bank	6,537	1,645

Foreign currency denominated liabilities	As at 31 Dec. 2015	As at 31 Dec. 2014
	BDT '000	BDT '000
Trade payables	145,896	202,782
Short term loan	-	-
Royalty and technical fees	2,370	2,369

The foreign exchange gain is taka 1 thousand for the year ended 31 December 2015 and loss was taka 235 thousand for the year ended 31 December 2014.

The company has applied the following significant foreign exchange rates:

	As at 31 Dec. 2015	As at 31 Dec. 2014
US Dollar	78.99	78.95
EURO	87.80	97.00
GBP	118.33	124.10

b. Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the financial assets and financial liabilities are as follows:

	Amounts in Taka' 000	
Financial instruments	**As at 31 Dec. 2015**	**As at 31 Dec. 2014**
Financial assets		
Investment in FDR	800,000	400,000
Cash at bank	332,673	291,616
Financial liabilities		
Operational overdraft	1,859	109,360
Short term loan	-	-

iii. Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The company has a written credit policies with terms and conditions allowed to debtors and the exposure to credit risk is monitored on an ongoing basis to ensure collection within stipulated time. Debtors are categorized according to their risk profile-i.e. frequency of payment, legal status, financial condition etc. Trade and other debtors consist of domestic receivable, export receivable, inland export debtors and interest receivable.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The maximum exposure to credit risk at the reporting date was as follows:

	Amounts in Taka' 000	
	As at 31 Dec. 2015	**As at 31 Dec. 2014**
Trade receivable		
Local receivable	903,017	825,545
Export receivable	37,892	7,619
	940,909	**833,164**
Other receivables:		
Accrued interest	4,517	2,705
Inter-company receivable	8,863	8,942
	13,380	**11,647**

34 Basic Earnings per share (EPS)

Net profit attributable to ordinary shareholders (Taka' 000)	1,492,766	1,151,025
Number of ordinary share	23,188,940	23,188,940
Earnings per share (EPS) Taka	**64.37**	**49.64**

35 Name of the auditors of the group companies

Name of the company	Relationship	Auditors
Jenson & Nicholson (Bangladesh) Limited	Subsidiary	Hoda Vasi Chowdhury & Co.
Berger Becker Bangladesh Limited	Associate	Rahman Rahman Huq

Managing Director | Director | Director & CFO | Company Secretary

Annexure-A

Schedule of consolidated property, plant and equipment and depreciation thereon as at 31 December 2015

Amounts in Taka '000

Category of assets	Cost					Accumulated depreciation					Written down value as at 31 December 2015
	Balance as at 01 January 2015	Addition during the year	Reclassification on category of assets	Disposal made during the year	Balance as at 31 December 2015	Balance as at 01 January 2015	Charged during the year	Adjustment on reclassification	Adjustment on disposal	Balance as at 31 December 2014	
Land	174,085	3,753	-	-	177,838	5,395	433	-	-	5,828	**172,010**
Building	763,060	40,575	-	(11,002)	792,633	183,974	24,453	-	(5,591)	202,836	**589,797**
Plant and machinery	1,051,878	331,101	-	(11,173)	1,371,806	448,747	84,456	-	(11,157)	522,046	**849,760**
Office equipment	106,063	37,502	-	(1,509)	142,056	61,313	10,807	-	(1,484)	70,636	**71,420**
Factory and laboratory equipment	771,711	133,811	-	(3,306)	902,216	465,084	108,671	-	(3,306)	570,449	**331,767**
Computer	76,058	14,489	-	(1,308)	89,239	50,490	10,132	-	(1,185)	59,437	**29,802**
Furniture and fixtures	72,834	17,325	-	(389)	89,770	36,195	7,475	-	(279)	43,391	**46,379**
Motor vehicles	127,573	50,182	-	(2,991)	174,764	39,303	47,787	-	(2,248)	84,842	**89,922**
Loose tools	4,200	1,974	-	(10)	6,164	4,170	1,720	-	(10)	5,880	**284**
Electrical installation	5,141	1,192	-	-	6,333	2,595	647	-	-	3,242	**3,091**
Total as at 31 December 2015	**3,152,603**	**631,904**	**-**	**(31,688)**	**3,752,819**	**1,297,266**	**296,581**	**-**	**(25,260)**	**1,568,587**	**2,184,232**
Total as at 31 December 2014	**2,526,889**	**628,644**	**-**	**(2,930)**	**3,152,603**	**1,058,515**	**240,274**	**-**	**(1,523)**	**1,297,266**	**1,855,337**

Managing Director | Director | Director & CFO | Company Secretary

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পরিচালনা পর্ষদের প্রতিবেদন

কোম্পানির পরিচালকবৃন্দ আনন্দের সাথে আপনাদের সামনে কোম্পানির ৪৩তম প্রতিবেদন এবং এর সঙ্গে ৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত বছরের জন্য নিরীক্ষিত আর্থিক প্রতিবেদনসমূহ ও নিরীক্ষকের প্রতিবেদন পেশ করছেন।

১. রঙ শিল্পের সার্বিক অবস্থা ও সম্ভাব্য ভবিষ্যৎ পরিস্থিতি

রাজনৈতিক অস্থিরতা, লাগাতার হরতাল ও অন্যান্য বিঘ্নের মধ্য দিয়ে শুরু হলেও ২০১৫ সাল সার্বিকভাবে ব্যবসায়ের জন্য তুলনামূলকভাবে ভালো ছিল। রাজনৈতিক পরিস্থিতি ধীরে ধীরে স্থিতিশীল হয়ে আসে, কিন্তু বছরের প্রথমার্ধের মৌসুমী বৃষ্টিপাতের কারণে ব্যবসায়ের কার্যক্রম বিঘ্নিত হয়। গ্যাস সরবরাহে ঘাটতি থাকায় শিল্পের প্রবৃদ্ধি বিঘ্নিত হয়। এছাড়াও বেসরকারী বিনিয়োগে ধীর গতি ও রপ্তানি প্রবৃদ্ধির নিম্ন হারের কারণে ২০১৫ সালের প্রথমার্ধে অর্থনৈতিক প্রবৃদ্ধি বাধাগ্রস্থ হয়। এপার্টমেন্ট-এর উচ্চ মূল্য ও গ্যাস সরবরাহে ঘাটতির কারণে আবাসন খাতের অবস্থা ছিল বিগত কয়েক বছরের ন্যায় স্থবির। এসব কারণে রঙের চাহিদা ছিল কম এবং রঙ শিল্পের প্রবৃদ্ধির হার ৮%-এ সীমিত ছিল। তবে, উৎপাদন খরচ কমাতে কাঁচামালের সহনশীল মূল্য এবং বাংলাদেশী টাকার স্থিতিশীল বিনিময় হার যথেষ্ট ভুমিকা রেখেছে।

বাংলাদেশ ধীরে ধীরে মধ্য আয়ের দেশে পরিণত হচ্ছে। অভ্যন্তরীণ বিনিয়োগ বাড়াতে মুদ্রাস্ফীতি, রপ্তানি এবং সুদের হার এর মত সূচকসমূহ এখন অনুকুল। তবে অর্থনীতির কাঙ্খিত গতি পেতে আরো সময় লাগবে। ব্যাংকে অলস তহবিল, বার্ষিক উন্নয়ন প্রকল্পের বাস্তবায়নে ধীর গতি এবং লক্ষ্যমাত্রার তুলনায় কম রাজস্ব আহরণ সামগ্রিক অর্থনীতির ভারসাম্যহীনতা ইঙ্গিত করে। ২০১৪-১৫ অর্থ বছরে জিডিপি প্রবৃদ্ধি ছিল ৬.৫%, যা আগের বছর ছিল ৬.১%। ২০১৫-১৬ অর্থ বছরে ৬.৭% জিডিপি প্রবৃদ্ধি অর্জিত হতে পারে। আমরা আশাবাদী যে অতীতের ন্যায় সকল বাঁধা বিঘ্ন কাটিয়ে সামনের বছরগুলোতে বাংলাদেশ অর্থনৈতিক প্রবৃদ্ধির ধারা বজায় রাখতে সক্ষম হবে।

২. বিক্রয় প্রবৃদ্ধি

২০১৫ সালে কোম্পানি ১২.৮% বিক্রয় প্রবৃদ্ধি অর্জন করে, যেখানে রঙ শিল্পের প্রবৃদ্ধি ছিল মাত্র ৮%। বিগত বছর আমাদের মার্কেট শেয়ার বৃদ্ধি পেয়েছে। যদি রাজনৈতিক অবস্থা স্থিতিশীল থাকে এবং কাঙ্খিত অর্থনৈতিক প্রবৃদ্ধি অর্জন করা যায়, তবে ২০১৬-তে আমরা আরো ভালো ফলাফল অর্জন করতে পারব বলে আশা রাখি।

৩. নতুন পণ্য

গ্রাহকদের ক্রমবর্ধমান চাহিদা মেটাতে এবং ব্যবসা বহুমুখী করার উদ্দেশ্যে ২০১৫ সালে বার্জার পেইন্টস্ বেশ কয়েকটি নতুন পণ্য বাজারজাত করে।

ফেব্রুয়ারি ২০১৫-তে উন্নত ফর্মুলা যুক্ত করে লাক্সারি সিল্ক ইমালশন বাজারজাত করা হয়। ব্যাপক প্রচারণা অর্থাৎ প্রেস বিজ্ঞাপন, ইলেকট্রনিক, আউটডোর ও অনলাইন মিডিয়া, শপ ডেকোরেশন, মার্চেন্ডাইজিং ও এক্টিভেশন, প্রচারণা পরিকল্পনা এবং পণ্য প্রদর্শনের মাধ্যমে লাক্সারি সিল্ক ইমালশন পুনঃবাজারজাত করা হয়। এপ্রিল ২০১৫-তে বাজারজাত করা হয় ব্রিদ ইজি এনামেল-এর জন্য প্রাইমার।

এছাড়াও বার্জার পেইন্টস তার প্রিমিয়াম ইমালশন ব্র্যান্ড বার্জার ইজি ক্লিন-এ এনহ্যান্সড স্টেইন গার্ড ফর্মুলা যুক্ত করে পুনঃবাজারজাত করে। এই পণ্যটি এখন নতুন ও আকর্ষণীয় মোড়কে পাওয়া যাচ্ছে, যা তার সহজেই পরিষ্কার হওয়ার বিশেষ বৈশিষ্ট্য নির্দেশ করে। এছাড়াও বার্জার পেইন্টস্ রবিয়াল্যাক ওয়াটার সিলারকে আরো আকর্ষণীয় করতে নতুন রঙিন মোড়কে বাজারজাত করেছে।

২০১৫ সালে বার্জার পেইন্টস্ অ্যান্ড্রয়েড মোবাইল ফোনের জন্য পেইন্ট অ্যাপ চালু করেছে। 'বার্জার কালারস্ অব হ্যাপিনেস' অ্যাপ-এর মাধ্যমে গ্রাহকেরা সহজভাবে শেড পছন্দ, ভার্চুয়ালি ঘর রঙ, পেইন্টের খরচ হিসাব এবং নিকটবর্তী বার্জার স্টোর-এর খোঁজ করতে পারবেন। এছাড়াও 'বার্জার ইলিউশনস্' নামে আরো একটি অ্যান্ড্রয়েড অ্যাপ ব্যবহার করে গ্রাহকেরা দেখতে পারবেন যে বিভিন্ন রঙ ও ডিজাইনের বিভিন্ন রুম সেটিং যেমন বেডরুম, লিভিং রুম এবং অফিস রুম-এ ইলিউশনস্ ডিজাইন দেখতে কেমন লাগবে একই সাথে হোম ডেকোর অফিস ও কালার কনসালটেন্ট-এর সাথে যোগাযোগে সাহায্য করবে এই অ্যাপ।

৪. ISO 14001:2004 & OHSAS 18001:2007 সনদ অর্জন

২০১৫ সালে আমরা সফলতার সাথে ISO 14001:2004 এনভায়রনমেন্ট ম্যানেজমেন্ট সিস্টেম (ইএমএস) এবং OHSAS 18001:2007 অকুপেশনাল হেলথ এন্ড সেফটি ম্যানেজমেন্ট সিস্টেম (ওএইচএসএএস) বাস্তবায়ন করে সনদ অর্জন করেছি। আমাদের অঙ্গ প্রতিষ্ঠান জেনসন এন্ড নিকোলসন (বাংলাদেশ) লিমিটেডও ২০১৬ এর শুরুতে এই সনদগুলো অর্জন করেছে। বার্জার পেইন্টস বাংলাদেশ লিমিটেড-এর ISO 9001:2008 সনদও রয়েছে। উচ্চ গুণগতমান নিশ্চিত করা এবং কর্মস্থলের পরিবেশ ও সুরক্ষা বজায় রাখা আমাদের অঙ্গীকার। এই সনদগুলো তারই স্বীকৃতি।

৫. ঝুঁকিসমূহ

কোম্পানির সাথে সংশ্লিষ্ট ঝুঁকিসমূহ নিম্নরূপ:

সামগ্রিক অর্থনীতি

সামগ্রিক অর্থনীতির কর্মকাণ্ড কোম্পানির জন্য অত্যন্ত গুরুত্বপূর্ণ কারণ এর দ্বারা নির্মাণশিল্প ও শিল্পায়ন প্রভাবিত হয় যা রঙ উৎপাদন-শিল্পের মূল বাজার।

বাহ্যিক বিষয়াবলি

রাজনৈতিক অস্থিরতা, ধর্মঘট, গণ-আন্দোলন ও সন্ত্রাসী কর্মকাণ্ডের মতো বিষয়ের কারণে কোম্পানির ফলাফল প্রভাবিত হয়।

আয়কর ও মূল্য সংযোজন করে পরিবর্তন

আয়কর ও মূল্য সংযোজন কর আইনে পরিবর্তন, করের হার বৃদ্ধি এবং বাণিজ্য বিষয়ক আইনে আকস্মিক পরিবর্তনের কারণে কোম্পানির মুনাফা ও অর্থ প্রবাহের উপর বিরূপ প্রভাব পড়তে পারে।

পরিবেশ, স্বাস্থ্য ও নিরাপত্তা সংক্রান্ত আইনে পরিবর্তন

আন্তর্জাতিক পরিমণ্ডলের সাথে তাল রেখে সরকার বিভিন্ন সময়ে পরিবেশ, স্বাস্থ্য ও নিরাপত্তা সংক্রান্ত আইন ও বিধিতে পরিবর্তন এনে থাকে যার পরিপালন নিশ্চিত করতে কোম্পানিকে অতিরিক্ত বিনিয়োগ ও ব্যয় করতে হতে পারে।

মুদ্রার বিনিময় হারে পরিবর্তন

যেহেতু বার্জারের কাঁচামালের বড় অংশই আমদানি নির্ভর, বৈদেশিক মুদ্রার বিনিময় হারের পরিবর্তনের কারণে কোম্পানির মুনাফা প্রভাবিত হয়।

ঝুঁকি বিষয়ে ব্যবস্থাপনা কর্তৃপক্ষের মূল্যায়ন

যদিও বেশিরভাগ ঝুঁকি কোম্পানি বিশেষের আয়ত্তের বাইরে, এরূপ প্রত্যেক ঝুঁকির বিষয়ে বার্জার পেইন্টস সর্বদা সতর্ক দৃষ্টি রাখে এবং পণ্য ও বাজার বহুমুখীকরণ, দক্ষভাবে কাঁচামাল সংগ্রহ, সর্বাধুনিক প্রযুক্তি ব্যবহার এবং গবেষণা কার্যক্রমে বিনিয়োগের মাধ্যমে এসকল ঝুঁকির মোকাবেলা ও কোম্পানির প্রতিযোগিতামূলক অবস্থান অর্জন করে। পরিবেশ বিধিমালার একনিষ্ঠ অনুসারী হিসেবে বার্জার পেইন্টস' আন্তর্জাতিক মানের ইফ্লুয়েন্ট ট্রিটমেন্ট প্লান্ট এবং ইনসিনারেটর স্থাপন করে এক্ষেত্রে পথপ্রদর্শকের ভূমিকা পালন করেছে।

৬. আর্থিক ফলাফল

পরিচালকগণ আনন্দের সাথে ৩১ ডিসেম্বর, ২০১৫ তারিখে সমাপ্ত বছরের আর্থিক প্রতিবেদন পেশ করছেন এবং নিম্নলিখিত পদ্ধতিতে মুনাফা বণ্টনের সুপারিশ করছেন:

টাকা '০০০

বিবরণ	২০১৫	২০১৪
নিট বিক্রয়	১২,২৬৭,৯৯৬	১০,৮৮১,০৪৬
বিক্রিত পণ্যের ব্যয়	(৭,০১২,৬৬৪)	(৬,৫৮৫,৭৪৪)
মোট লাভ	৫,২৫৫,৩৩২	৪,২৯৫,৩০২
কর-পূর্ব মুনাফা	১,৯৩৩,৪৫৪	১,৪৮৮,৭৭৪
কর সঞ্চিতি	(৪৮০,০০০)	(৩৮০,০০০)
বিলম্বিত কর সঞ্চিতি	(২৭,৪৯৯)	(১১,১৬৫)
কর-পরবর্তী মুনাফা	১,৪২৫,৯৫৫	১,০৯৭,৬০৯
যোগ: পূর্ববর্তী বছরের অবন্টিত মুনাফা	২,৪৮৭,৪৯১	১,৯০০,০৩৮
অন্তঃবর্তীকালীন লভ্যাংশ	(২৩১,৮৯০)	-
বিতরণের জন্য প্রাপ্ত লভ্যাংশ	৩,৬৮১,৫৫৬	২,৯৯৭,৬৪৮
লভ্যাংশ (প্রস্তাবিত/বিতরণকৃত)	(৬২৬,১০১)	(৫১০,১৫৭)
অবন্টিত মুনাফায় স্থানান্তর	৩,০৫৫,৪৫৫	২,৪৮৭,৪৯১
মৌলিক শেয়ার প্রতি আয় (টাকা)	৬১.৪৯	৪৭.৩৩
শেয়ার প্রতি নীট পরিচালন অর্থ প্রবাহ (টাকা)	৯১.৯৮	৪৯.৬৯
শেয়ার প্রতি নীট সম্পদের মূল্য (টাকা)	১৭৪.১৬	১৪৪.৬৬
মোট লাভের হার (%)	৪২.৮৪	৩৯.৪৮
নীট কর-পরবর্তী মুনাফার হার (%)	১১.৬২	১০.০৯

এ বছর কোম্পানির মুনাফা ২৯.৯% এবং বিক্রয় ১২.৮% বৃদ্ধি পেয়েছে। কর্মদক্ষতা ও উৎপাদনশীলতার উন্নতির সাথে কাঁচামালের মূল্যহ্রাস কোম্পানির মুনাফার এই বৃদ্ধিতে বড় ভূমিকা রেখেছে।

৭. লভ্যাংশ:

উৎপাদন ক্ষমতা বৃদ্ধি এবং পণ্য ও ব্যবসায় বহুমুখীকরণের উদ্দেশ্যে কোম্পানি প্রচুর অর্থ বিনিয়োগ করেছে। দক্ষতা বৃদ্ধির জন্য আমরা বিপিসি ও অন্যান্য আইটি সলিউশন স্থাপন করেছি। এছাড়াও আমরা আমাদের সাবসিডিয়ারি কোম্পানি জেনসন অ্যান্ড নিকোলসন (বাংলাদেশ) লিমিটেডের মূলধনে ৫ কোটি টাকা বিনিয়োগ করেছি। এ সত্ত্বেও পরিচালনা পর্ষদ ২০১৫ সালের জন্য ২৭০% চূড়ান্ত লভ্যাংশ অর্থাৎ ১০ টাকা মূল্যের প্রতিটি সাধারণ শেয়ারে ২৭ টাকা চূড়ান্ত লভ্যাংশ ঘোষণার সুপারিশ করেছেন। বছরের অন্তঃবর্তী ১০০% (শেয়ার প্রতি ১০ টাকা) লভ্যাংশ সহ ২০১৫ সালের মোট লভ্যাংশ দাঁড়ায় ৩৭০% অর্থাৎ ১০ টাকা মূল্যের প্রতিটি শেয়ারে ৩৭ টাকা।

৮. সামাজিক দায়বদ্ধতা

দায়িত্বশীল সামাজিক প্রতিষ্ঠান হিসেবে বার্জার বিভিন্ন সামাজিক কর্মকান্ডে অবদান রেখে চলেছে। সামাজিক দায়বদ্ধতার অংশ হিসেবে বাংলাদেশে অটিস্টিক ও শারীরিক প্রতিবন্ধী শিশুদের নিয়ে কাজ করে এমন কয়েকটি প্রতিষ্ঠানকে সপ্তম বছরের ন্যায় বার্জার বিভিন্ন ধরণের

সহযোগিতা করেছে। বার্জার ২০১৫ সালে তৃতীয় বছরের ন্যায় অটিস্টিক শিশুদের জন্য চিত্রাঙ্কন প্রতিযোগিতার আয়োজন করেছে।

নবীন শিল্পীদের সৃজনশীল কর্মকাণ্ডে উৎসাহ দেয়ার লক্ষে ২০তম বার্জার ইয়াং পেইন্টার্স আর্ট কম্পিটিশন ২০১৫ আয়োজন করা হয়। এই বছর সারাদেশ থেকে মোট ৪৬১টি চিত্রকর্ম জমার মাধ্যমে প্রভূত সাড়া লক্ষ্য করা যায়। এছাড়াও বার্জার ৭ম বারের মতো বার্জার এওয়ার্ড ফর এক্সিলেন্স ইন আর্কিটেকচার-এর আয়োজন করে। বুয়েট ও খুলনা বিশ্ববিদ্যালয়ের স্থাপত্য বিভাগের শিক্ষার্থীদের জন্য প্রতিযোগীতামূলক বৃত্তিসমূহ ২০১৫ সালেও চালু ছিল।

এ বছর কোম্পানি ইনস্টিটিউট অব আর্কিটেক্টস্ বাংলাদেশ-এর 'বার্জার সেমিনার হল'-এর জন্য পৃষ্ঠপোষকতা করে। কোম্পানির পক্ষ হতে গরীবদের মাঝে এ বছরও কম্বল বিতরণ করা হয়।

বিভিন্ন প্রতিষ্ঠানের শিক্ষার্থীদেরকে বাস্তব জ্ঞান লাভে সহযোগিতার উদ্দেশ্যে বার্জার পেইন্টস ইন্টার্নশিপ-এর সুযোগ দিয়ে থাকে। এর ফলে, তারা ব্যবসায়িক পরিমণ্ডল সম্পর্কে বাস্তব জ্ঞান লাভের পাশাপাশি ভবিষ্যৎ নেতৃত্ব গ্রহণের উপযুক্ত হয়ে উঠে।

৯. জাতীয় কোষাগারে অবদান

আবগারী শুল্ক, আয়কর, মূল্য সংযোজন কর এবং সম্পূরক শুল্ক বাবদ এ বছর কোম্পানি জাতীয় কোষাগারে প্রায় ৩১২ কোটি ৪৫ লক্ষ ১৫ হাজার টাকা প্রদান করেছে।

১০. সাবসিডিয়ারি কোম্পানি:

জেনসন অ্যান্ড নিকোলসন (বাংলাদেশ) লিমিটেড বার্জার পেইন্টস বাংলাদেশ লিমিটেডের একটি সাবসিডিয়ারি কোম্পানি। এই কোম্পানিটি ১৯৯৫ সাল থেকে ৭০, পূর্ব নাসিরাবাদ শিল্প এলাকা, চট্টগ্রামে অবস্থিত নিজস্ব কারখানায় টিন-কন্টেইনার ও প্রিন্টেড টিন শীট উৎপাদন ও বাজারজাত করে আসছে।

কোম্পানি আইনের ১৮৬ ধারার ১ উপধারা অনুসারে এ কোম্পানিটির সাবসিডিয়ারি কোম্পানি জেনসন অ্যান্ড নিকোলসন (বাংলাদেশ) লিমিটেডের আর্থিক বিবরণী এই প্রতিবেদনের সাথে সংযুক্ত করা হলো।

১১. পরিচালক নির্বাচন:

সংঘবিধির ১২১ ও ১২২ অনুচ্ছেদ অনুসারে জনাব জেরাল্ড কে. অ্যাডামস্ এবং জনাব জাঁ-ক্লড লুত্রই অবসর গ্রহণ করেছেন এবং যোগ্য বিধায় পুনঃনির্বাচিত হওয়ার ইচ্ছা পোষণ করেছেন। পরিচালক পর্ষদ উক্ত পরিচালকগণের পুনঃনির্বাচন অনুমোদনের সুপারিশ করেন।

১২. নিরীক্ষক নিয়োগ

মেসার্স হোদা ভাসী চৌধুরী এন্ড কোং চার্টার্ড অ্যাকাউন্ট্যান্টস নিরীক্ষক পদ হতে আসন্ন বার্ষিক সাধারণ সভার শেষে অবসর গ্রহণ করবেন এবং বাংলাদেশ সিকিউরিটি এক্সচেঞ্জ কমিশনের আদেশ নং এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১০৪/অ্যাডমিন তারিখ ২৭ জুলাই ২০১১ অনুসারে যোগ্য বিধায় নিজেদের পুনঃনিয়োগের জন্য সুপারিশ করেছেন।

১৩. কর্পোরেট সুশাসন

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং- এসইসি/সিএমআরসিডি/২০০৬-১৫৮/১৩৪/অ্যাডমিন/৪৪ তারিখ ৭ আগস্ট ২০১২ অনুসারে প্রয়োজনীয় প্রতিবেদনসমূহ সংযুক্তি ১, ২, ৩, ৪ ও ৫ আকারে এ প্রতিবেদনের সাথে সংযুক্ত হলো।

১৪. মানব সম্পদ

পূর্বের বছরগুলোর মতো বছরব্যাপী এবারও কোম্পানিতে পূর্ণ শান্তি ও শৃঙ্খলা বজায় ছিল। মানবসম্পদের দক্ষতা উন্নয়নের জন্য কোম্পানি দেশে-বিদেশে আনুষ্ঠানিক ও অনানুষ্ঠানিক প্রশিক্ষণের আয়োজন করে আসছে। পর্ষদ এই কোম্পানির উন্নয়নে এর সকল কর্মকর্তা-কর্মচারীর প্রচেষ্টা ও সহযোগিতাকে কৃতজ্ঞচিত্তে স্মরণ করছে।

১৫. ব্যবস্থাপনা কর্তৃপক্ষের স্বীকৃতি

পরিচালনা পর্ষদ কোম্পানির সাফল্যে অবদান রাখার জন্য সকল কর্মকর্তা-কর্মচারী, ক্রেতা, ব্যাংক, বীমা কোম্পানি, সরকারি সংস্থাসমূহ, নিরীক্ষক, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ, চট্টগ্রাম স্টক এক্সচেঞ্জ, সেন্ট্রাল ডিপোজিটরী বাংলাদেশ লিমিটেড, সেবাদাতা এবং সর্বোপরি শেয়ারহোল্ডারগণকে আন্তরিক ধন্যবাদ জানাচ্ছেন।

পরিচালনা পর্ষদের পক্ষ থেকে,

জেরাল্ড কে. এ্যাডামস্
সভাপতি
১৪ মার্চ, ২০১৬



শেয়ারহোল্ডারদের প্রতি নিরীক্ষকদের প্রতিবেদন

আমরা বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড-এর ৩১ ডিসেম্বর, ২০১৫ তারিখের আর্থিক অবস্থার বিবরণী এবং উক্ত তারিখে সমাপ্ত বছরের সমন্বিত আয়ের বিবরণী, মালিকানা সত্ত্বের পরিবর্তন বিবরণী, অর্থপ্রবাহ বিবরণী, উল্লেখযোগ্য হিসাবরক্ষণ নীতি ও ব্যাখ্যাসমূহের নিরীক্ষা সম্পন্ন করেছি।

আর্থিক বিবরণীর বিষয়ে কোম্পানি ব্যবস্থাপনা কর্তৃপক্ষের দায়িত্ব

কোম্পানি ব্যবস্থাপনা কর্তৃপক্ষের দায়িত্ব হচ্ছে আর্থিক বিবরণী প্রস্তুত করা, যেন তা বাংলাদেশ ফাইনান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস্ (বিএফআরএস), বাংলাদেশ একাউন্টিং স্ট্যান্ডার্ডস্ (বিএএস) এবং এসইসি রুলস্ ১৯৮৭ এবং কোম্পানি আইন (#১৮) ১৯৯৪ এর সাথে সামঞ্জস্য রেখে কোম্পানির প্রকৃত আর্থিক অবস্থা তুলে ধরে এবং নির্ভুল ও যথাযথ আর্থিক বিবরণী প্রস্তুতের জন্য প্রয়োজনীয় আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা প্রতিষ্ঠা করে।

নিরীক্ষকের দায়িত্ব

আমাদের দায়িত্ব হচ্ছে এসকল আর্থিক বিবরণীসমূহ নিরীক্ষা করে এর উপর মতামত প্রকাশ করা। আমরা বাংলাদেশ স্ট্যান্ডার্ডস্ অন অডিটিং (বিএসএ) অনুসারে এ নিরীক্ষা সম্পন্ন করেছি। ভুলভ্রান্তিমুক্ত আর্থিক প্রতিবেদন নিশ্চিত করতে উল্লেখিত মানদণ্ডে নির্দেশিত পন্থায় আমরা নৈতিকতার সাথে নিরীক্ষা পরিকল্পনা প্রণয়ন ও বাস্তবায়ন করে আমাদের উপর অর্পিত দায়িত্ব পালন করেছি।

নিরীক্ষাকালে সংশ্লিষ্ট আর্থিক প্রতিবেদনে উল্লেখিত বিভিন্ন সংখ্যা ও তথ্য সম্পর্কে প্রমাণাদি সংগ্রহ করা হয়। এই উদ্দেশ্যে কী প্রক্রিয়া অনুসরণ করা হবে, তা ভুলজনিত ক্ষতির পরিমাণের বিচারে নিরীক্ষকের বিজ্ঞ বিবেচনার উপর নির্ভর করে। এ কাজে নিরীক্ষক কোম্পানির আর্থিক প্রতিবেদন প্রস্তুতের সাথে সম্পর্কিত অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থাকে বিবেচনায় আনেন, কিন্তু এর ফলপ্রসূতা সম্পর্কে মতামত প্রদান করেন না। এছাড়াও, কোম্পানির অনুসৃত হিসাবরক্ষণ নীতিমালা ও বিভিন্ন অনুমানের উপযুক্ততা এবং আর্থিক প্রতিবেদনের উপস্থাপনার সার্বিক মূল্যায়নও নিরীক্ষার অন্তর্ভুক্ত।

আমরা মনে করি, আমাদের সংগৃহীত প্রমাণাদি নিরীক্ষা মতামত প্রদানের জন্য যথেষ্ট ও উপযুক্ত।

মতামত

আমাদের মতে, বাংলাদেশ ফাইনান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস্ (বিএফআরএস) অনুযায়ী প্রস্তুতকৃত এ আর্থিক প্রতিবেদনসমূহে ৩১ ডিসেম্বর, ২০১৫ তারিখে প্রতিষ্ঠানের আর্থিক অবস্থা এবং ওই তারিখে সমাপ্ত বছরের অর্জিত মুনাফা এবং নগদ প্রবাহ সঠিকভাবে প্রতিফলিত হয়েছে। এতে বাংলাদেশ একাউন্টিং স্ট্যান্ডার্ডস্ (বিএএস), সিকিউরিটিজ এন্ড এক্সচেঞ্জ রুলস্ ১৯৮৭, কোম্পানি আইন (#১৮) ১৯৯৪, এবং অন্যান্য প্রযোজ্য বিধি-বিধানসমূহ প্রতিপালিত হয়েছে।

কোম্পানি আইন (#১৮) ১৯৯৪ এবং সিকিউরিটিজ এন্ড এক্সচেঞ্জ রুলস্ ১৯৮৭ অনুসারে আমরা আরো প্রত্যয়ন করছি যে,

ক. হিসাব নিরীক্ষার জন্য আমাদের বিশ্বাস ও জানা মতে প্রয়োজনীয় তথ্যাদি ও ব্যাখ্যাদি আমরা পেয়েছি এবং সেগুলো যথাযথ যাচাই করেছি।

খ. আইন অনুযায়ী হিসাবরক্ষণ কার্যে ব্যবহৃত যে সমস্ত প্রয়োজনীয় বইপত্রসমূহ কোম্পানিতে থাকা আবশ্যক, আমাদের পরীক্ষায় পরিলক্ষিত হয়েছে যে, সেগুলো রয়েছে।

গ. এই প্রতিবেদনের সাথে সংযোজিত আর্থিক অবস্থার বিবরণী এবং সমন্বিত আয়ের বিবরণী, মালিকানা সত্ত্বের পরিবর্তন বিবরণী, অর্থপ্রবাহ বিবরণীসমূহ কোম্পানি কর্তৃক রক্ষিত হিসাবপত্রের সাথে সঙ্গতিপূর্ণ এবং

ঘ. যে সব খরচ হিসাবভুক্ত হয়েছে, তা কোম্পানির ব্যবসায়ের প্রয়োজনে করা হয়েছে।

ঢাকা, ১৪ মার্চ ২০১৬

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্টস্

আর্থিক অবস্থার বিবরণী

৩১ ডিসেম্বর ২০১৫

টাকা '০০০

	টীকা	২০১৫	২০১৪
সম্পদ			
স্থায়ী সম্পদ			
সম্পত্তি, কারখানা ও যন্ত্রপাতি	৩	১,৮৪৩,৩৪০	১,৫৭৮,৬৬৪
প্রক্রিয়াধীন মূলধন	৪	৩৯০,৫৯০	১৭১,৬০৪
অস্পর্শনীয় সম্পদ	৫	৬৪,২৪৪	২৩,০৭৬
		২,২৯৮,১৭৪	১,৭৭৩,৩৪৪
বিনিয়োগ–ক্রয়মূল্যে	৬	৮৯,৩০০	৩৯,৩০০
মোট স্থায়ী সম্পদ		২,৩৮৭,৪৭৪	১,৮১২,৬৪৪
চলতি সম্পদ			
মজুদ	৭	১,৫১৩,৭৩৩	১,৬৬০,৯১৩
বিবিধ দেনাদার	৮	৯৩৯,৫৭৩	৮৩২,৭১১
অগ্রিম, জামানত ও আগাম প্রদান	৯	২৩৬,৬১৭	২১৭,৫৩৯
মেয়াদী জমা	১০	৮০০,০০০	৪০০,০০০
নগদ অর্থ ও সদৃশ সম্পদ	১০	৩৩০,১৫৬	২৯৩,৮৭৫
আন্ত: কোম্পানি পাওনা	১১	১২৮,৫১৭	১২৫,৪৫১
বিলম্বিত কর সম্পদ	২.১৪.২	২,৯৯০	৩,৭৪১
মোট চলতি সম্পদ		৩,৯৫১,৫৮৬	৩,৫৩৪,২৩০
মোট সম্পদ		৬,৩৩৯,০৬০	৫,৩৪৬,৮৭৪
মালিকানা স্বত্ব ও দায় সমুহ			
শেয়ার মুলধন	১২.২	২৩১,৮৮৯	২৩১,৮৮৯
শেয়ার প্রিমিয়াম	১৩	১১৫,০৬৮	১১৫,০৬৮
সাধারণ তহবিল		১০,০০০	১০,০০০
অবণ্টিত মুনাফা	১৪	৩,৬৮১,৫৫৬	২,৯৯৭,৬৪৮
মোট মালিকানা স্বত্ব		৪,০৩৮,৫১৩	৩,৩৫৪,৬০৫
দীর্ঘমেয়াদী দায়			
বিলম্বিত কর	১৫	১৬৭,৫৯৯	১৪০,৮৫১
মোট দীর্ঘমেয়াদী দায়		১৬৭,৫৯৯	১৪০,৮৫১
চলতি দায়			
ব্যাংক জমাতিরিক্ত	১৬	১,৮৫৯	১০২,৪৩৪
বিবিধ পাওনাদার	১৭	১,৭৪৭,১৪৬	১,৪২৬,৪৬৫
রয়্যালটি সঞ্চিতি	১৮	১৬৬,০২৭	১৪২,৫১৫
আয়কর সঞ্চিতি	১৯	১৯৭,৮৮৬	১৫৭,১৭০
কর্মচারীদের অবসর গ্রাচ্যুইটি	২০	১১,৯৬১	১৫,১১৪
অদাবিকৃত লভ্যাংশ		৭,৯২২	৭,৫৭৩
অদাবিকৃত শেয়ার আবেদনের অর্থ	২১	১৪৭	১৪৭
মোট চলতি দায়		২,১৩২,৯৪৮	১,৮৫১,৪১৮
মোট দায়		২,৩০০,৫৪৭	১,৯৯২,২৬৯
মোট মালিকানা স্বত্ব ও দায় সমুহ		৬,৩৩৯,০৬০	৫,৩৪৬,৮৭৪
সম্ভাব্য দায়	২২	৫৯০,৯৬১	৭৪৯,৪৩৯

সংযুক্ত টীকা নং ১ থেকে ৪২ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

একই তারিখের প্রতিবেদন অনুসারে

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্টস্

ঢাকা, ১৪ মার্চ ২০১৬

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সমন্বিত আয়ের বিবরণী

৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত বছরের জন্য

টাকা '০০০

	টীকা	২০১৫	২০১৪
নিট বিক্রয়	২৩	১২,২৬৭,৯৯৬	১০,৮৮১,০৪৬
বিক্রিত পণ্যের ব্যায়	২৪	(৭,০১২,৬৬৪)	(৬,৫৮৫,৭৪৪)
মোট লাভ		৫,২৫৫,৩৩২	৪,২৯৫,৩০২
বিক্রয়, বিতরণ ও সংরক্ষণ ব্যায়	২৫	(২,৯২১,১৪১)	(২,৫৩৫,৫৪০)
প্রশাসনিক ব্যায় ও সাধারণ খরচ	২৬	(৩৭৮,৪৬৫)	(৩২৬,৬৭১)
অন্যান্য পরিচালন ব্যায়	২৭	(৯১,৯৯৫)	(৮০,৫৮২)
অন্যান্য পরিচালন আয়	২৮	১৩২,৬৭০	১৬৮,৪৪৪
		(৩,২৫৮,৯৩১)	(২,৭৭৪,৩৪৯)
পরিচালন মুনাফা		১,৯৯৬,৪০১	১,৫২০,৯৫৩
ঋণ জনিত ব্যায়	২৯	(৭,৮৮৪)	(৪,৫৭৩)
বিনিয়োগ হতে আয়	৩০	৪৮,৫৩৪	৪৮,৩৪৩
অর্থায়ন হতে নিট আয়		৪০,৬৫০	৪৩,৭৭০
অন্যান্য পরিচালন বহির্ভূত আয়	৩১	(২,০৮৮)	১,৭৮৯
ডব্লিউপিপিএফ ও আয়করপূর্ব মুনাফা		২,০৩৪,৯৬৩	১,৫৬৬,৫১২
মুনাফায় শ্রমিকের অংশ (ডব্লিউপিপিএফ)		(১০১,৫০৯)	(৭৭,৭৩৮)
আয়করপূর্ব মুনাফা		১,৯৩৩,৪৫৪	১,৪৮৮,৭৭৪
আয়কর	২.১৪ ও ১৯	(৪৮০,০০০)	(৩৮০,০০০)
বিলম্বিত কর	২.১৪.১ ও ২.১৪.২	(২৭,৪৯৯)	(১১,১৬৫)
		(৫০৭,৪৯৯)	(৩৯১,১৬৫)
নিট লাভ	৩৮	১,৪২৫,৯৫৫	১,০৯৭,৬০৯
শেয়ার প্রতি আয়	৩৮	৬১.৪৯	৪৭.৩৩

সংযুক্ত টীকা নং ১ থেকে ৪২ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

একই তারিখের প্রতিবেদন অনুসারে

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্টস্

ঢাকা, ১৪ মার্চ ২০১৬

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মালিকানাস্বত্বের পরিবর্তন বিবরণী

৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত বছরের জন্য

টাকা '০০০

বিবরণ	শেয়ার মুলধন	সাধারণ তহবিল	শেয়ার প্রিমিয়াম	অবণ্টিত মুনাফা	মোট
১ জানুয়ারি, ২০১৪-এ স্থিতি	২৩১,৮৮৯	১০,০০০	১১৫,০৬৮	২,৪১০,১৯৫	২,৭৬৭,১৫২
চলতি বছরের নিট লাভ	-	-	-	১,০৯৭,৬০৯	১,০৯৭,৬০৯
চলতি বছরের লভ্যাংশ বিতরণ - টীকা ১৪	-	-	-	(৫১০,১৫৬)	(৫১০,১৫৬)
৩১ ডিসেম্বর, ২০১৪-এ স্থিতি	২৩১,৮৮৯	১০,০০০	১১৫,০৬৮	২,৯৯৭,৬৪৮	৩,৩৫৪,৬০৫
১ জানুয়ারি, ২০১৫-এ স্থিতি	২৩১,৮৮৯	১০,০০০	১১৫,০৬৮	২,৯৯৭,৬৪৮	৩,৩৫৪,৬০৫
চলতি বছরের নিট লাভ	-	-	-	১,৪২৫,৯৫৫	১,৪২৫,৯৫৫
চলতি বছরের লভ্যাংশ বিতরণ - টীকা ১৪	-	-	-	(৭৪২,০৪৭)	(৭৪২,০৪৭)
৩১ ডিসেম্বর, ২০১৫-এ স্থিতি	২৩১,৮৮৯	১০,০০০	১১৫,০৬৮	৩,৬৮১,৫৫৬	৪,০৩৮,৫১৩
টীকা	১২.২		১৩	১৪	

সংযুক্ত টীকা নং ১ থেকে ৪২ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

একই তারিখের প্রতিবেদন অনুসারে

ঢাকা, ১৪ মার্চ ২০১৬

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্টস্

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অর্থপ্রবাহ বিবরণী

৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত বছরের জন্য

টাকা '০০০

	টীকা	২০১৫	২০১৪
পরিচালন কার্যক্রম খাতে অর্থপ্রবাহ (ক)			
ক্রেতাদের থেকে প্রাপ্ত অর্থ		১২,১৬২,৯৪৬	১০,৭০৯,২০৪
অন্যান্য পরিচালন কার্য থেকে প্রাপ্ত অর্থ		১৭১,৫০৮	২১০,৪৪৮
সরবরাহকারী ও কর্মচারীদের প্রদত্ত অর্থ		(৯,৭৬২,২৩৫)	(৯,৩৯১,৮০৩)
আয়কর পরিশোধ	১৯	(৪৩৯,২৮৪)	(৩৭৫,৬৬৮)
পরিচালন কার্য খাতে নিট অর্থপ্রবাহ	৩৮	২,১৩২,৯৩৫	১,১৫২,১৮১
বিনিয়োগ কার্যক্রম খাতে অর্থপ্রবাহ (খ)			
স্থায়ী সম্পদ ক্রয়	৩, ৪ ও ৫	(৮০৮,৭২১)	(৫৯২,৬০৮)
জেএন্ডএনবিএল-এ বিনিয়োগ	৬.২	(৫০,০০০)	-
স্থায়ী সম্পদ বিক্রয়	৩.৩	৪,৩৪০	৩,১৯৬
বিনিয়োগ কার্যক্রম খাতে নিট অর্থপ্রবাহ		(৮৫৪,৩৮১)	(৫৮৯,৪১২)
আর্থিক কার্যক্রম খাতে অর্থপ্রবাহ (গ)			
লভ্যাংশ প্রদান		(৭৪১,৬৯৮)	(৫০৯,৬৭৬)
আর্থিক কার্যক্রম খাতে নিট অর্থপ্রবাহ		(৭৪১,৬৯৮)	(৫০৯,৬৭৬)
নগদ অর্থ ও ব্যাংকে জমার বৃদ্ধি (ঘ) = (ক+খ+গ)		৫৩৬,৮৫৬	৫৩,০৯৩
প্রারম্ভিক নগদ অর্থ ও সদৃশ সম্পদ (ঙ)		৫৯১,৪৪১	৫৩৮,৩৪৮
বছরান্তে নগদ অর্থ ও সদৃশ সম্পদ (ঘ+ঙ)		১,১২৮,২৯৭	৫৯১,৪৪১
নগদ অর্থ, ব্যাংকে জমা ও ব্যাংক জমাতিরিক্ত এর সমন্বয়:			
মেয়াদী জমা	১০	৮০০,০০০	৪০০,০০০
নগদ অর্থ ও সদৃশ সম্পদ	১০	৩৩০,১৫৬	২৯৩,৮৭৫
ব্যাংক জমাতিরিক্ত	১৬	(১,৮৫৯)	(১০২,৪৩৪)
বছরান্তে নগদ অর্থ ও সদৃশ সম্পদ		১,১২৮,২৯৭	৫৯১,৪৪১

সংযুক্ত টীকা নং ১ থেকে ৪২ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

একই তারিখের প্রতিবেদন অনুসারে

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্টস্

ঢাকা, ১৪ মার্চ ২০১৬

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Subsidiary Company Profile
Jenson & Nicholson (Bangladesh) Limited

Directors' Report 2015

The Directors of Jenson & Nicholson (Bangladesh) Limited are pleased to present their 26th report for the year ended December 31, 2015 along with the Audited Financial Statements and the Auditors' Report thereon.

The profit before tax of the company was Tk. 83,922 thousand against Tk. 80,362 thousand of the previous year.

During the year the company has made substantial investment for enhancement of production capacity and automation of the production process. This includes installation of a fully automated UV printing line and automation of press and assembly lines. In addition to the investment in production capacity, SAP software has also been installed for the improvement of business process and management information.

In view of the above, the Board of Directors did not recommend any dividend for the year ended December 31, 2015. This year we have also raised Tk. 50,000 thousand additional capital from the existing shareholders by issuing 500 thousand new shares of Tk. 100 each.

We received certificate for integrated management system i.e. ISO 9001-Quality Management System, 14001 – Environmental Management System and OHSAS 18001 – Occupational Health and Safety Management System.

This year the National Board of Revenue has awarded Jenson & Nicholson (Bangladesh) Limited as the best VAT compliant company in Chittagong Region.

The Directors retiring by rotation under Article 32 are Mr. K. R. Das and Mr. Abdul Khalek who, being eligible, offered themselves for re-election. The Board of Directors recommends their re-election.

Our existing Auditor Messrs Hoda Vasi Chowdhury & Co., Chartered Accountants retire at the ensuing Annual General Meeting and, being eligible, offered themselves for reappointment. The Board recommends their reappointment.

We wish to acknowledge the continued assistance from the management of Berger Paints Bangladesh Limited to make Jenson & Nicholson (Bangladesh) Limited successful. We would also like to thank all stakeholders like employees, customers, banks, insurance companies, government authorities, auditors and utility providers for their immense support and contribution towards the Company.

On behalf of the Board,



K. R. Das
Chairman
March 14, 2016

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Hoda Vasi Chowdhury & Co

Chartered Accountants

Auditors' Report to the Shareholders of Jenson & Nicholson (Bangladesh) Limited

We have audited the accompanying financial statements of Jenson & Nicholson (Bangladesh) Limited (the "Company") which comprises the statement of financial position as at 31 December 2015, statement of comprehensive income, statements of changes in equity and its cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) & the Companies Act (# 18) 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements present fairly, in all material respect, give a true & fair view of the financial position of Jenson & Nicholson (Bangladesh) Limited. as at 31 December 2015, its financial performance and cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), and comply with the companies Act (#18) 1994 and other applicable laws and regulation.

We also report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

c) the Statement of Financial Position, Statement of Profit or Loss and other comprehensive Income, Statement of Cash Flows & Statement of Changes in equity dealt with by the report are in agreement with the books of account.

Dhaka, 14 March, 2016

Hoda Vasi Chowdhury & Co.
Chartered Accountants

National Office : BTMC Bhaban (7th & 8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka- 1215, Bangladesh
Motijheel Office : Ispahani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka-1000, Bangladesh
Chittagong Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh

Jenson & Nicholson (Bangladesh) Limited
Statement of Financial Position
As at 31 December 2015

Amounts in Taka '000

	2015	2014
Assets		
Non-current assets		
Property, plant and equipment	340,892	276,673
Capital work-in-progress	7,322	4,012
Intangible assets	6,300	6,233
Total non-current assets	**354,514**	**286,918**
Current assets		
Inventories	115,730	97,899
Trade & other receivables	5,853	3,158
Advances, deposits and prepayments	6,279	3,563
Advance tax	30,345	16,220
Cash and cash equivalent	6,905	1,984
Total current assets	**165,112**	**122,824**
Total assets	**519,626**	**409,742**
Equity and liabilities		
Share capital	50,100	100
Retained earnings	256,375	204,946
Total equity	**306,475**	**205,046**
Non-current liabilities		
Deferred tax liabilities	52,973	39,130
Total non-current liabilities	**52,973**	**39,130**
Current liabilities		
Bank overdraft	-	6,926
Inter-company payable	119,654	116,509
Trade and other payables	32,515	35,082
Employees' retirement gratuity	8,009	7,050
Total current liabilities	**160,178**	**165,566**
Total liabilities	**213,152**	**204,696**
Total equity and liabilities	**519,626**	**409,742**
Contingent liabilities	**79,999**	**108,936**

Chairman | Managing Director | Director | Company Secretary

As per our report of same date

Dhaka, 14 March, 2016

Chartered Accountants

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Jenson & Nicholson (Bangladesh) Limited
Statement of Comprehensive Income

For the year ended 31 December 2015

Amounts in Taka '000

	2015	2014
Revenue	448,120	409,652
Cost of sales	(328,975)	(307,219)
Gross profit	**119,145**	**102,433**
Expenses		
Warehouse and distribution	(11,964)	(11,207)
Administrative	(21,936)	(15,141)
Other operating income-net	10,793	14,153
	(23,107)	(12,194)
Profit from operation	**96,038**	**90,239**
Service charges	(2,000)	(2,000)
Financial charges	(5,699)	(4,026)
	(7,699)	(6,026)
Other non-operating income	-	360
Profit before WPPF	**88,339**	**84,573**
Workers' profit participation and welfare fund (WPPF)	(4,417)	(4,211)
Income before tax	**83,922**	**80,362**
Current tax expense	(18,650)	(11,700)
Deferred tax expense	(13,843)	(15,939)
	(32,493)	(27,639)
Net Income for the year	**51,429**	**52,723**

Chairman | Managing Director | Director | Company Secretary

As per our report of same date

Dhaka, 14 March, 2016

Chartered Accountants

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Jenson & Nicholson (Bangladesh) Limited
Statement of Cash Flows

For the year ended 31 December 2015

Amounts in Taka '000

	2015	2014
Cash flows from operating activities (A)		
Cash received from customers	445,425	407,755
Cash received from other operating income	10,793	14,153
Cash paid to suppliers and employees	(362,106)	(261,064)
Payment of interest	(5,699)	(4,026)
Income tax paid	(32,775)	(31,409)
Net cash flows from operating activities	**55,637**	**125,410**
Cash flows from investing activities (B)		
Capital expenditures	(93,791)	(125,253)
Proceeds from sale of assets	-	360
Net cash used in investing activities	**(93,791)**	**(124,893)**
Cash flows from financing activities (C)		
Increase of share capital	50,000	-
Dividend paid	-	(10,000)
Net cash flows/(used) in financing activities	**50,000**	**(10,000)**
Increase/(decrease) in cash and cash equivalents (D)= (A+B+C)	11,846	(9,483)
Cash & cash equivalents at the beginning of the year (E)	(4,941)	4,542
Cash & cash equivalents at the end of the year (D+ E)	**6,905**	**(4,941)**
These comprise the following		
Cash & cash equivalents	6,905	1,984
Bank overdraft	-	(6,926)
	6,905	**(4,941)**

Chairman | Managing Director | Director | Company Secretary

As per our report of same date

Dhaka, 14 March, 2016

Chartered Accountants

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Events



Annual General Meeting 2015 of Berger Paints Bangladesh Ltd.

The 42nd Annual General Meeting of Berger Paints Bangladesh Limited was held on April 19, 2015 at International Convention City, Dhaka. Gerald K. Adams, Chairman, presided over the meeting. Managing Director, Rupali Chowdhury, along with other directors K.R. Das, Anil Bhalla, Subir Bose, Jean-Claude Loutreuil, M. Azizul Huq, Rishma Kaur, Abhijit Roy and Abdul Khalek also attended the meeting. Dividend of Tk. 22 per ordinary share of Tk. 10 was declared in the meeting.











Berger Paints launches Mobile App: Berger Colors of Happiness

Berger Paints has recently launched paint application software for android mobile phones. Berger Colors of Happiness App has following features:

- Shades of Happiness: You can choose shades in 3 different ways. You can either choose from Berger Color Book, Popular Shades or anything in front of you! Just take a picture with the Capture Color option and you can pick a shade from that picture with a mere touch.
- Paint Your Imagination: Take a picture of your home and use different color combinations to see how it will look.
- Paint Calculator: Select the type of surface you want to paint, select your preferred brand and you will have an idea of how much the paint materials are going to cost to paint your room.
- Share Ideas: Save and share your ideas to this section to show the world your creativity.
- Find Berger: Find the nearest dealer to your location with this interactive feature.

The application can be downloaded from Google Play App store.

Berger wins Best Brand Award for the 5th time

Berger Paints has won the Best Paint Brand Award for the 5th consecutive time in the 7th Best Brand Award. The award program was organized by Bangladesh Brand Froum (BBF) in collaboration with Milward Brown. The award is a result of the relentless work and teamwork from members of all functions of Berger Paints and an honor for all the members of Berger Family. We hope that our hard work will help us achieve more and reach new heights in the coming years.



The National Board of Revenue awarded Jenson & Nicholson (Bangladesh) Limited as the best VAT compliant company in Chittagong Region in manufacturing category.





Berger Paints Contributes for the Welfare of Autistic Children

Berger Paints BD Ltd. continues to extend its support for the welfare of autistic and differently challenged children since 2009. Recently, in a ceremony organized at the corporate office of Berger Paints, financial and other material assistance were handed over to nine different organizations: SEID Trust, Scholars Special School, Tauri Foundation, Society for the Welfare of Autistic Children (SWAC), Autism Welfare Foundation (AWF), Concern Services for Disabled (CSD), Community Development Centre, Nowzuan and Alokito Shishu. The organizations were helped with financial aid for center operations, house rent, appliances for education, equipments like wheel chair, standing frame, sewing machine, computer, communication material etc. Ms. Rupali Chowdhury, Managing Director, Berger Paints Bangladesh Limited, handed over cheques and other materials.
Earlier, an art competition was organized to encourage the talents of the specially challenged children.

20th Berger Young Painters' Art Competition

The award giving ceremony of 20th Berger Young Painters' Art Competition (BYPAC) was held amidst great grandeur on December 11, 2015 at Lakeshore Hotel, Gulshan.
Rupali Chowdhury, Managing Director, Berger Paints Bangladesh Ltd., welcomed the guests and congratulated the winning artists in the program.
This year, the competition received 461 paintings. A 5 day-long exhibition, displaying the top 40 paintings of 20th BYPAC and printed images of winning paintings of BYPAC 1996-2014, was held from December 19-23, 2015 at Gallery Chitrak, Dhanmondi.



KUAD-Berger Award Giving Ceremony



On November 2, 2015, the award giving ceremony of 3rd & 4th KUAD-BERGER Award was arranged at the premise of Architecture Discipline, Khulna University.
In the award giving ceremony, Professor Dr. Mohammad Fayek Uzzaman, Vice-chancellor, Khulna University was the chief guest. Rupali Chowdhury, Managing Director, Berger Paints, Mohsin Habib Chowdhury, Senior General Manager-Sales & Marketing, Berger Paints, Khan Atiar Rahman, Treasurer, Khulna University, Prof. Dr. Mohammad Ismat Kabir, Dean, SET School, Khulna University were present as special guests. Prof. Anirban Mostofa, DSA & Head, Architecture Discipline was the chairman of the program.
Reputed architects and distinguished faculty members, Berger high officials and media personalities were present at the ceremony.

Award giving ceremony of 7th Berger Award for Excellence in Architecture

Since 2003, Berger has been proactively recognizing the talented architects of the country and awarding them for their accomplishments. Through joint collaboration of Berger Paints Bangladesh Limited and Institute of Architects Bangladesh, this competition has reached its 12th year. Berger Award for Excellence in Architecture has created the most prestigious national competitive platform where the unique and brilliant architectural projects are highlighted and rewarded. In this bi-annual event, awards are given in 5 different categories - Single Family Residence, Multi Family Residence, Commercial or Mercantile, Industrial and Others. In addition, there were two more categories - Young Architect Award and Lifetime Achievement Award.

This year in the program, Rupali Chowdhury, Managing Director, Berger Paints, welcomed the prominent architects and congratulated the winners in her speech. Architect Abu Sayed M Ahmad, President, IAB highlighted the achievements of this award program in the twelve years from its inception. Award Coordinator of 7th BAEA program, Ar. Ehsan Khan also spoke on the occasion.



Award Ceremony of Berger Award Programme for the Students of Architecture, BUET



On March 21, 2015, the Award Giving Ceremony of Berger Award Programme for the Students of Architecture, BUET (BASAB) was held at BUET Auditorium, Dhaka.

Under the BASAB competition, awards are given in 4 different categories, these are: Berger Travel Grant Award, Berger Promising Design Award, Berger Best Portfolio Award and Berger Best Design Award. In this event, the awards of the 2011-12 and 2012-13 round of the BASAB competition were handed over.

Ms. Rupali Chowdhury presented the certificates and Professor Khaleda Ekram handed over the crests to the award winners. Mr. Mohsin Habib Chowdhury, Sr. Gerneral Manager - Sales and Marketing; AKM Sadeque Nawaj, Gerneral Manager, Marketing; honorable teachers of Department of Architecture, BUET; students of the department and senior officials of Berger Paints Bangladesh Limited were also present on this occasion.

Berger Paints signed MoU with Institute of Architects (IAB)

Berger Paints Bangladesh Limited (BPBL) signed a Memorandum of Understanding with Institute of Architects Bangladesh (IAB) on May 17, 2015, to establish a seminar hall at IAB Centre, Agargaon. Under this MoU, Berger Paints will sponsor one Seminar Hall with the name of "BERGER SEMINAR HALL" at the IAB Center.

By signing this MoU with Berger Paints, IAB will be facilitated to conduct training and technical sessions for the architects and associated professionals to enhance the knowledge & expertise of the architect community.



Berger paints has officially inaugurated a depot in Brahmanbaria



Berger paints has officially inaugurated a depot in Brahmanbaria. This depot will facilitate better product availability and swift delivery for the dealers of the regions. Mrs. Rupali Chowdhury, Managing Director, Berger paints inaugurated this depot on December 14, 2015. Mr. Mohsin Habib Chowdhury, Senior General Manager-Sales & Marketing and Mr. Syed Salahuddin Abu Naser, General Manager-Sales Trade, were also present on this occasion along with distinguished influential(s), valued customers, and fellow colleagues.

Berger Paints sponsors Bashanta Utshob

Berger Paints had sponsored Bashanta Utshob for the second time, in association with Jatiyo Bashanta Udjapon Porishod. To celebrate advent of the Spring on 13th February 2015, cultural programs were arranged in three different venues: Charukola Institute at Dhaka University, Robindra Sarobor at Dhanmondi and Bahadurshah Park at Lokkhi Bazar. Berger Paints had set up an attractive stall and arranged a selfie contest at Charukola, based on the "Colors of Happiness" theme.





Certifications received by Berger and J&NBL

Recently both Berger Paints Bangladesh Limited and Jenson & Nicholson (Bangladesh) Limited (J&NBL) have been certified 14001 – Environmental Management System and OHSAS 18001 – Occupational Health and Safety Management System. J&NBL also received certificate for integrated management system i.e. ISO 9001-Quality Management System.

Re-launch of Berger Products



Re-launch of Berger Easy Clean

Berger Paints has recently re-launched its premium emulsion brand - Berger Easy Clean, with enhanced stain guard formula. The brand is available now in a new attractive container that portrays its superior washable properties. The logo of Berger Easy Clean has also been changed to highlight its image.

Robbialac Water Sealer in new container

Berger Paints has launched Robbialac Water Sealer in a new colorful container. The new attractive pack will enhance the visibility of the brand at the dealer shops. To ensure Berger quality, holograms will be used on the new containers.



Berger Paints celebrates Pohela Boishakh







On occasion of Pohela Boishakh 1422, Berger Paints had organized and sponsored different events in important locations to uphold its commitment to bring joy to the lives of people.

Berger was one of the sponsors of the "Surer Dhara Program" and Boisakhi Fair at BICC. A Photo booth was installed for a selfie contest, different attractions in the stall included Fortune wheel, photo sharing on screen and TVC airing. Other programs of Berger included various engagement activities like photo contest and hand printing on large canvas at three different venues: Rabindra Sarobar, Dhanmondi, Department of Architecture, BUET and Cadet College Club, Dhaka.

BERGER
Trusted Worldwide

BERGER PAINTS BANGLADESH LIMITED

Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka-1230

PROXY FORM

I/We .....

of .....

being a member of Berger Paints Bangladesh Limited do hereby appoint

Mr. / Ms. .....

of .....

as my/our proxy to attend and vote for me/us on my/our behalf at the 43rd Annual General Meeting of the Company to be held on Monday, April 18, 2016 at 10 a.m. at International Convention City (Pushpogusco, Hall No.-2), Bashundhara, Joarshahara, Dhaka and at any adjournment thereof.

As witness my hand this day of ..... 2016.

Affix taka 20/- Revenue Stamp

(Signature of the Proxy)

Dated.....

(Signature of the Shareholder)

Dated.....

BO ID No:

Note: The proxy form should reach the Corporate Office of the Company not less than 48 hours before the time fixed for the meeting.

Signature Verified

Authorized Signatory
Berger Paints Bangladesh Limited

BERGER
Trusted Worldwide

BERGER PAINTS BANGLADESH LIMITED

Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka-1230

Member's Attendance Slip

I hereby record my attendance at the 43rd Annual General Meeting being held on Monday, April 18, 2016 at 10 a.m. at International Convention City (Pushpogusco, Hall No.-2), Bashundhara, Joarshahara, Dhaka.

BO ID No:

Name of the Member/Proxy .....

Signature .....

Date ..... 2016.

Note: Please present this slip at the Reception Desk

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যেকোন সমাধানে

ভিজিট করুন:

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Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka-1230
Phone: 02 48953665 (Hunting), E-mail: info@bergerbd.com, Web: www.bergerbd.com

Concept, Design & Production: Unitrend Ltd.

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