

ANNUAL REPORT 2017

BERGER PAINTS BANGLADESH LIMITED

BERGER
Trusted Worldwide

ANNUAL REPORT 2017

BERGER PAINTS BANGLADESH LIMITED

Our lives are filled with colours that are inspired by the essence of nature. On that note of inspiration, this Annual Report has been created around the central idea of "Colouring your world: Borrowed from the Colours of Nature."

The abundance of colours around us means there are endless possibilities. With these possibilities, our colourful imagination takes flight.

We are here, to celebrate the colours of nature.

AAMARSTOCK

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
17, Old Jessore Road, Boyra, opposite of Port School, 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
Holding 1448, Ward 03, Colony- Jomshadipur, Motihar, Katakhali, 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



Board of Directors & Executive Management Team

BOARD OF DIRECTORS

Mr. Gerald K Adams	Non-Executive Chairman
Ms. Rupali Chowdhury	Managing Director
Mr. K. R. Das	Non-Executive Director
Mr. Anil Bhalla	Non-Executive Director
Mr. Jean-Claude Loutreuil	Non-Executive Director
Ms. Rishma Kaur	Non-Executive Director
Mr. Anis A. Khan	Non-Executive Independent Director
Mr. Kanwardip Singh Dhingra	Non-Executive Director
Mr. Masud Khan	Non-Executive Independent Director
Mr. Abdul Khalek	Executive Director

EXECUTIVE MANAGEMENT TEAM

Ms. Rupali Chowdhury	Managing Director
Mr. Abdul Khalek	Director and CFO
Mr. Md Mohsin Habib Chowdhury	Sr General Manager Sales & Marketing
Mr. Mohammad Nazim Uddin Helali	General Manager Projects
Mr. Mohammad Ahsun Ullah	General Manager T&FA
Mr. H M Rakib Ullah Bashar	General Manager FPM
Dr. A S M Obaidullah Mahmud	General Manager R&D
Mr. Mohammad Abu Nader Al Mokaddes	General Manager IT
Mr. Mushfequr Rahman	General Manager HR & Admin
Mr. Abul Kasem Md Sadeque Nawaj	General Manager Marketing
Mr. Syed Salahuddin Abu Naser	General Manager Sales - Trade
Mr. Anupam Paul	General Manager Works - DF
Mr. Muhammad Kawsar Hasan	General Manager Works - CF
Mr. Raquibul Alam	General Manager Supply Chain
Mr. Mohammad Azizul Hoque	GSM Project, Prolink & Home Decor
Mr. Syed Mizanur Rahman	HR BP Sales & Manufacturing
Mr. Imranul Kabir	General Sales Manager IND, Mar & Sp Chem
Mr. Mohammad Khasru Meah	Head Cost Accounting
Mr. A M M Sajjad	Head Admin & Employee Relations - CF
Mr. Md Jasim Uddin Chowdhury	Head QA & Process Control - CF
Mr. Md Razibur Rahman	Head ERP Administration
Mr. Nazrul Islam	Regional Manager
Mr. Shamim Ahmed Chowdhury	Regional Manager
Mr. Md Ata I Muneer	Regional Manager
Mr. A N M Hamidur Rahman Chowdhury	Head Technical Services & BD - IM & SC
Mr. Syed Rashedul Alam	Head Vendor Dev and R&D Compliance - DF
Ms. Fatema Baqui	Head Home Décor
Mr. Mohammad Shahadat Islam	Head Financial Accounting
Mr. Md Masudul Hasan	Head Production - CF
Mr. Golam Mohammad Moinuddin	Head Production - DF
Mr. Muhtashim Ahmed	Head Construction Chemical
Mr. Md Abdus Sabur Khan	Head VAT
Ms. Rahat Afroze	Head Organization Development
Mr. Md Mokhlechur Rahman	Head Special Coating & Chemicals
Mr. Iftekhar Ahmed Ronnie	Head Legal Affairs
Mr. Md Golam Mostofa	Head BPRC
Mr. Jamil Ahmed	Head Compensation & HR Operations

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

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, La Casa Del Formaggio (a cheese manufacturer in Australia); the University of Adelaide Business School Advisory Board; the Royal Society for the Prevention of Cruelty to Animals, South Australia. 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. 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.



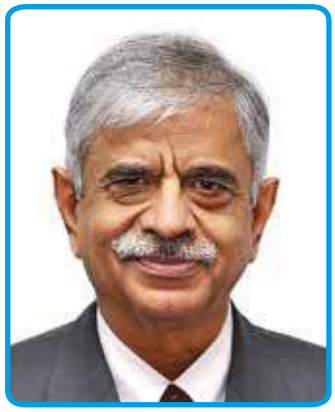
Ms. Rupali Chowdhury
Managing Director since 2008

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 is also a member of the Audit Committee of Berger Paints Bangladesh Limited.



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 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. Supervisory Board member : Bolix S.A Poland. She was born in 1972.



Mr. Kanwardip Singh Dhingra
Director Since September 2016

Mr. Kanwardip Singh Dhingra holds a Bachelor's Degree in Chemical Engineering from University of Akron, Akron, Ohio, USA, with Specialization in Polymer Engineering and Minor in Chemistry. He is a Director & National Business Development Manager of Berger Paints India Limited. Mr. Dhingra gathered working experience in the field of Paints and Specialty Coatings in The Rohm & Haas Company, Texas, USA and in the field of Sales and Marketing at The Sherwin Williams Company, Ohio, USA. Mr. Dhingra is also a member of the Entrepreneur's Organization. He is a member of the Audit Committee of Berger Paints Bangladesh Limited.



Mr. Anis A. Khan
Independent Director since April 2016

Mr. Anis A. Khan, a Fellow of the Institute of Bankers, Bangladesh, has over thirty-five years of experience with banks and NBFIs, both in Bangladesh and abroad. He is and the Managing Director & CEO of Mutual Trust Bank Limited (MTB), one of Bangladesh's leading private sector banks, since April 2009. Prior to joining MTB, he headed IDLC Finance Limited the country's largest financial institution (non-banking) for six years, as its CEO & Managing Director. Earlier on, he served the erstwhile Grindlays Bank pls, ANZ Grindlays Bank and Standard Chartered Bank for 21 years in a diverse array of roles and responsibilities. He currently serves as the Chairman of the Board of Governors of the Association of Bankers, Bangladesh Limited (ABB); Vice President of the Bangladesh Association of Public Listed Companies (BAPLC); Vice Chairman of Industrial and Infrastructure Development Finance Company Limited (IIDFC); Director of BD Ventures Limited, a venture capital company, member of the Board of Governors of the Bangladesh Institute of Bank Management (BIBM) and member of the Council of the Institute of Bankers, Bangladesh. Earlier, he served as Chairperson of the SWIFT Member & User Group of Bangladesh and Chairman of Primary Dealers Bangladesh Limited (PDBL). He is the Chairman of the Audit Committee of Berger Paints Bangladesh Limited.



Mr. Masud Khan
Independent Director since January 2017

Mr. Masud Khan is working as the Chief Financial Officer of LafargeHolcim Bangladesh Limited for the last 17 years. He is a seasoned professional with 37 years work experience in leading multinational companies in Bangladesh. He did his Bachelor of Commerce with Honours from St Xaviers' College under University of Kolkata. Thereafter, he qualified with distinction both as a Chartered as well as a Cost and Management Accountant from the Indian Institutes being a silver medalist at all India level in the Chartered Accountancy Examination in the year 1977. Prior to joining Lafarge Bangladesh as Finance Director in the year 1999, he worked for British American Tobacco for 20 years at both home and abroad. He is an independent director of Glaxo Smith Kline Bangladesh and Marico Bangladesh. He is also a lecturer in the Institute of Chartered Accountants of Bangladesh for the past 37 years. He is a member of the Audit Committee of Berger Paints Bangladesh Limited.



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 is an alumni of the Indian Institute of Management, Ahmedabad; Asian Institute of Management, Manila; and Euromoney Learning Solutions, UK. He joined 'Proshika Manobik Unnayan Kendra', a leading national NGO in 1985 as an Auditor and left the organization in 1993 as Chief Internal Auditor. He joined Berger Paints Bangladesh Limited in 1993 as Management Accountant and over the period he served the company in 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. He is the convener of Trade, Tariff, Taxation & Company Affairs Sub-committee of Foreign Investors' Chamber of Commerce & Industries. He is also member of the Taxation & Corporate Laws Committee of the Institute of Chartered Accountants of Bangladesh (ICAB), and Metropolitan Chamber of Commerce and Industries. He is one of the faculty members of ICAB 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 a member of the Audit Committee of Berger Paints Bangladesh Limited. He was born in 1959.

Notice

The 44th Annual General Meeting

Notice is hereby given to all Members of Berger Paints Bangladesh Limited that the 44th Annual General Meeting of the Members of the Company will be held on Sunday, 16 July 2017, at 10.00 am at International Convention City (Pushpoguscho, Hall No.-2), Bashundhara, Joarshahara, Dhaka to transact the following businesses:

Agenda

Ordinary Business

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 fifteen months period ended 31 March 2017.

2. **Dividends**

   To declare dividend for the fifteen months period ended 31 March 2017 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.

Special Business

To pass Special Resolution in order to increase the maximum number of Directors from ten to fifteen and to amend Article 109 of the Articles of Association in line with the decision

To increase the maximum number of Directors of the Company as allowed by the Articles of Association from ten to fifteen through amendment of Article 109 of the Articles of Association of the Company by passing a Special Resolution in the 44th Annual General Meeting.

By order of the Board of Directors

Khandker Abu Jafar Sadique, ACS
Company Secretary

Dhaka, 18 June 2017

NOTES:

a) The Record Date was 14 June 2017. 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 2017 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.

AMARSTOCK

Directors' Report

The Directors are pleased to present their 44th report of the Company along with the Audited Financial Statements and Auditors' Report for the fifteen months ended 31March 2017.

1. Change of Reporting Period:

The reporting period of the company was changed to April-March from January-December in order to conform to the provision of Section 2(35) of Income Tax Ordinance 1984 as amended by Finance Act 2016. As a result, the financial statements covering fifteen months period from 1January 2016 to 31 March 2017 are being placed before the members in the 44th Annual General Meeting.

2. Industry outlook and possible future developments in the industry

Paints industry experienced moderate growth in 2016. The growth slowed down in the first quarter of 2017 due to early monsoon. Despite the idle money in banking sector and lower interest on housing finance, the real estate sector is yet to get momentum. Shortage of gas supply in heavy industries was another predicament for industrial growth. The real estate sector continues to struggle due to high price of real estate and restriction on domestic gas supply. On the positive side, soft raw materials price and stable exchange rate of Bangladeshi Taka in 2016 has helped the manufacturing industry to reduce cost of goods manufactured.

Like previous year, the overall business environment in the country was good and we expect this to continue in future years. 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. The World Bank estimates Bangladesh's economic growth at 6.80% in the current fiscal, while government's estimation is 7.24%. The country's investment as a percentage of GDP is very low. We should focus more to mobilize investment from internal sources. To provide hassle-free land and infrastructure for industrialization the government is establishing a number of private-owned and government-owned Economic Zones. To ease business startup process, the government has unified Board of Investment and Privatization Commission into Bangladesh Investment Development Authority. 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.

3. Sales Growth

The Company achieved 24.33% sales growth in fifteen months period ended 31 March 2017 compared to the fifteen months ended 31 December 2015. We have also gained market share during the year. We hope to continue to do well in future.

4. New Products

Berger Paints has launched a number of new products and has undertaken new initiatives in 2016-2017 to fulfill the diversified customer needs and explore new frontiers.

Berger WeatherCoat AntiDirt Longlife is an addition to the Berger WeatherCoat umbrella brand – the complete exterior coating solution. Berger WeatherCoat AntiDirt LongLife is specially formulated with Nano Additives to keep the exterior surface free from all kinds of dust and dirt.

Always driven by innovation and challenges, Berger Paints has once again taken the lead to introduce Berger Express Painting. The mess created by dust and paint spillage and the long duration taken for completion of a painting job by the current manual process is being addressed by the Berger Express Painting system.

Berger Robbialac, the flagship brand of Berger Paints, is the number one paint brand in the country. For more than two decades, Robbialac has served as the most trusted paint brand among consumers. Recently a campaign titled "Rangao Jibon Icche Moton" was conducted for the brand, incorporating advertisements on TV and press, promotions online, trade and outdoor media, activations among consumers in shopping malls, universities and communities.

5. Green Label certification for Breathe Easy emulsions

Berger Paints Bangladesh Limited has obtained the Green Label Certification for its Breathe Easy Emulsion. The Green Label Certification is administered by the Singapore Environmental Council (SEC) through the Singapore Green Labeling Scheme (SGLS). SGLS is the region's most established eco-labeling scheme with over three thousand unique products certified across twenty eight countries. The Green Label is a seal of endorsement on a product's claim of being environmentally-friendly. This achievement entails that Breathe Easy is true to its claim of being a VOC-free and eco-friendly product. Furthermore the Green Label certification means that Breathe Easy Emulsion is now recognized and accepted by all countries who recognize SGLS.

6. Rewards and Recognitions

ICMAB Best Corporate Award: Berger Paints Bangladesh Limited won the 'Best Corporate Award-2015' from the Institute of Cost and Management Accountants of Bangladesh (ICMAB) in the Multinational category.

Top Tax Payer Award from the Government: Berger Paints has received the Top Tax Payer award in the Pharmaceuticals & Chemical sector category by the Government of Bangladesh. It is indeed a great honor for Berger to have been recognized for its exemplary tax compliance as well being able to contribute to the national exchequer in a significant way. This wonderful feat will go a long way in further consolidating Berger's name as a compliant, ethical and responsible corporate citizen.

Top VAT Payer Award from the Government: Berger Paints has been awarded as the Top VAT Payer in the 'Manufacturing Company' category in fiscal 2014-15.

Best Paint Brand Award from Brand Forum: Berger Paints Bangladesh Limited has been awarded the "Best Paint Brand" in Paint category for 6th time consecutively. The award program, organized by Bangladesh Brand Forum in collaboration with Kantar Millward Brown, has recognized the best brands across 33 categories. The award is based on the findings through a nation-wide survey based on MDS framework, which stands for - Meaningful, Different and Salient. The verdict represents entire nation in terms of age, gender, education, occupation, socio-economic class and income.

7. 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.

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.

8. Financial Performance

The Directors take pleasure in reporting the Financial Results of the Company for the fifteen months ended 31 March 2017 and recommend the following appropriations:

Taka in '000

Particulars	For the 15 months ended	
	31 March 2017	31 December 2015
Net Sales	18,603,715	14,963,300
Cost of Sales	(9,548,832)	(8,611,386)
Gross Profit	9,054,883	6,351,914
Income Before Tax	3,257,364	2,289,662
Current Tax Expenses	(838,985)	(557,703)
Deferred Tax Expenses	(25,731)	(23,670)
Net Income	2,392,648	1,708,289
Add: Retained Earning brought forward from previous year	3,055,455	2,205,157
Interim Dividend Paid	(405,806)	(231,889)
Other Comprehensive Income/(Expenses)	(32,519)*	-
Amount Available for Distribution	5,009,778	3,681,557
Final Dividend Proposed/Paid	(985,530)	(626,101)
Transfer to un-appropriated profit	4,024,248	3,055,455
Basic Earnings Per Share (Taka)	103.18	73.67
Net Operating Cash Flow Per Share (Taka)	111.45	114.62
Net Asset Value Per Share (Taka)	231.44	174.16
Gross Profit Margin (%)	48.67	42.45
Net Profit After Tax Margin (%)	12.86	11.42

* Past service liability for gratuity net of deferred tax

Compared to the corresponding fifteen months period, the company achieved 40.06% growth in profitability against 24.33% growth in sales. Improvement in performance and productivity coupled with reduction in the raw material price largely contributed to the higher growth in profit.

9. Dividend

The Company has invested a substantial amount for expansion of capacity as well as diversification of products and businesses. For improvement of efficiency, we have implemented a number of IT solutions. However, the Directors are pleased to recommend a final dividend of 425% i.e. Tk. 42.50 per share of Tk. 10 each for the year 2016-2017. The total dividend for the period therefore stands at 600% i.e. Tk. 60 per share of Tk. 10 each considering 175% (Tk. 17.50 per share) interim dividend paid during the period.

10. Corporate Social Responsibility

Being a responsible corporate citizen, Berger has been contributing to different social causes to bring positive changes in the society. Berger is providing financial and other material aids to several organizations working for the development of autistic and differently challenged children in Bangladesh since 2009.

Berger Paints organized the 21st round of Berger Young Painters' Art Competition (BYPAC) in 2016 to encourage young talents. This year, Berger Young Painters' Art Competition received tremendous response from all over the country. The exhibition of selected 40 paintings, including those by the winners of 21st BYPAC 2016, was held at Zainul Gallery, Faculty of Fine Arts, University of Dhaka during November 21-25, 2016. Competitive award-based scholarships were continued in 2016-2017 for the students of architecture departments of BUET & Khulna University.

Berger has celebrated the 'Community Engagement Day 2016' at various locations on 9 April 2016. On this day, associates of Berger Corporate Office visited the 'Centre for the Rehabilitation of Paralysed (CRP)' and provided a contribution for the welfare of the paralyzed people of CRP. Berger officials of different sales offices across the country and factories also undertook similar programs. They visited different welfare organizations and schools for underprivileged children and provided free painting services.

Berger is also supporting an organization working to provide access to basic human rights for marginalized women and children.

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.

11. Contribution to National Exchequer

During the period, the Company has contributed Tk. 4,907,371 thousand to the National Exchequer as Customs Duty, Income Tax, Value Added Tax and Supplementary Duty.

12. Subsidiary Company

Jenson & Nicholson (Bangladesh) Limited is a wholly owned subsidiary of the 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.

13. Election of Directors

a) In the meeting of the Board of Directors of the Company held on September 5, 2016 Mr. Kanwardip Singh Dhingra, nominee of J&N Investments (Asia) Limited, was appointed as an Additional Director in pursuance of the power conferred upon the Board by Article 111 of the Articles of Association of the Company. As required by section 91(1)(b) of the Companies Act 1994 Mr. Kanwardip Singh Dhingra, nominee of J&N Investments (Asia) Limited, is proposed as a candidate for election as a Director. As required by section 93 of the Companies Act 1994 Mr. Kanwardip Singh Dhingra has given consent to act as a Director of the Company. Mr. Kanwardip Singh Dhingra, being the nominee of J&N Investments (Asia) Limited, which is holding 95% shares in the Company, may be elected as a Director.

The Directors retiring by rotation under Article 121 and 122 are Mr. K. R. Das and Ms. Rishma Kaur who, being eligible, offered them for re-election.

b) Mr. Masud Khan was appointed Independent Director for three years in the 167th Board Meeting held on January 24, 2017. In accordance with Bangladesh Securities and Exchange Commission's notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 his appointment is placed before the shareholders at the 44th Annual General Meeting for approval.

The Board of Directors recommends the above election/re-election.

14. 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 for the third term.

15. Special Business

To pass Special Resolution in order to increase the maximum number of Directors from ten to fifteen and to amend Article 109 of the Articles of Association

The Board of Directors in the 168th meeting held on 24 May 2017 has decided to increase the maximum number of Directors of the Company allowed by the Articles of Association from ten to fifteen through amendment of Article 109 of the Articles of Association of the Company.

Therefore, a Special Resolution will be required to be passed in the 44th Annual General Meeting.

16. 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 7 August 2012 issued by Bangladesh Securities and Exchange Commission is attached as Annexure 1, 2, 3, 4 and 5 of this report.

17. 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.

18. 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
May 24, 2017

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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 2.29 of the Audited Financial Statements.

i) Details of related party transactions have been presented in note 41 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 39 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.

Annexure 2

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):	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	√		
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.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	√		
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	√		

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Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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	√		
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	√		

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Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
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.	√		

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.	√		
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	√		

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Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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	√		

Annexure-3

BERGER PAINTS BANGLADESH LIMITED

Performance for the period ended 31 March 2017 along with last five years

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	January 2016 - March 2017	October 2014 - December 2015	January- Deccember 2014	January- Deccember 2013	January- Deccember 2012	January- Deccember 2011
Revenue-net	18,603,715	14,963,300	10,881,046	8,796,778	7,611,213	6,321,274
Gross Profit	9,054,883	6,351,914	4,295,302	3,314,934	2,524,361	2,154,235
Profit Before Tax	3,257,364	2,289,662	1,488,774	1,228,511	1,022,343	894,799
Profit After Tax	2,392,649	1,708,289	1,097,609	860,939	752,790	721,163
Shareholders Equity	5,366,735	4,038,513	3,354,605	2,767,153	2,323,615	1,988,226
Total Assets	8,437,826	6,379,256	5,353,863	4,282,362	3,568,101	3,424,689
Total Current Assets	5,405,802	3,991,782	3,541,219	2,826,670	2,291,222	2,264,647
Total Current Liabilities	2,891,590	2,176,134	1,851,418	1,382,275	1,146,112	1,333,642
Current Ratio (Time)	1.87	1.83	1.91	2.04	2.00	1.70

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Annexure 4

Attendance at Board Meetings

The number of Board Meetings and the attendance of Directors from 1 January 2016 to 31 March 2017 were as follows:

Name of Director	Meetings held	Attended
Mr. Gerald K Adams, Non-Executive Chairman	8	6
Ms. Rupali Chowdhury, Managing Director	8	8
Mr. K. R. Das, Non-Executive Director	8	4
Mr. Anil Bhalla, Non-Executive Director	8	6
Mr. Jean-Claude Loutreuil, Non-Executive Director	8	4
Ms. Rishma Kaur, Non-Executive Director	8	6
Mr. Anis A. Khan, Non-Executive Independent Director*	8	3
Mr. Kanwardip Singh Dhingra, Non-Executive Director*	8	2
Mr. Masud Khan, Non-Executive Independent Director*	8	1
Mr. Abdul Khalek, Executive Director	8	8
Mr. Abhijit Roy, Non-Executive Director**	8	1

* Mr. Anis A. Khan, Mr. Kanwardip Singh Dhingra and Mr. Masud Khan joined the Board on 17 April 2016; 5 September 2016 and 24 January 2017 respectively.

** Mr. Abhijit Roy resigned from the Board on 24 January 2017.

Annexure 5

Pattern of Shareholding on 31 March 2017

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
Nominee Director	Mr. Anil Bhalla	Nil
Nominee Director	Mr. Jean-Claude Loutreuil	Nil
Nominee Director	Ms. Rishma Kaur	Nil
Nominee Director	Mr. Kanwardip Singh Dhingra	Nill
Independent Director	Mr. Anis A. Khan*	Nil
Independent Director	Mr. Masud Khan	Nil
Company Secretary	Mr. Khandker Abu Jafar Sadique	Nill
Head of Internal Audit	Mr. Md Golam Mostofa	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. Raquibul Alam	Nil

* Spouse of Mr. Anis A. Khan holds 50 shares. The spouses and minor children of other persons did not hold any share of the Company on 31 March 2017.

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Classification of shareholders by holding on 31 March 2017

Shareholding range	Type of shareholders	Number of shares	Number of shareholders	% of share holding
Less than 500 shares	G. Public& Inst	76,901	1,231	0.33
501 to 5,000 shares	G. Public& Inst	63,624	42	0.27
5,001 to 10,000 shares	Institution	56,076	8	0.24
10,001 to 20,000 shares	Institution	160,687	10	0.69
20,001 to 30,000 shares	Institution	80,321	3	0.35
30,001 to 40,000 shares	Institution	114,307	3	0.49
40,001 to 50,000 shares	Institution	44,445	1	0.19
50,001 to 100,000 shares	Institution	83,791	1	0.36
100,001 to 1,000,000 shares	Institution	479,418	4	2.07
Over 1,000,000 shares	Group	22,029,370	1	95.00
	Total	**23,188,940**	**1,304**	**100.00**

Audit Committee

1. Mr. Anis A. Khan (Chairman)
2. Mr. Masud Khan (Member)
3. Ms. Rupali Chowdhury (Member)
4. Mr. K. R. Das (Member)
5. Mr. Anil Bhalla (Member)
6. Ms. Rishma Kaur (Member)
7. Mr. Kanwardip Singh Dhingra (Member)
8. Mr. Abdul Khalek (Member)
9. Mr. Khandker Abu Jafar Sadique (Secretary)

The number of Audit Committee Meetings and the attendance of Directors from 1 January 2016 to 31 March 2017 were as follows:

Name of Director	Meeting Dates & Attendance				
	14.03.2016	18.04.2016	27.07.2016	18.10.2016	24.01.2017
Mr. Anis A. Khan	-	√	√	√	√
Mr. Masud Khan	-	-	-	-	-
Ms. Rupali Chowdhury	√	√	√	√	√
Mr. K. R. Das	√	-	-	√	√
Mr. Anil Bhalla	√	√	-	-	√
Ms. Rishma Kaur	√	√	-	√	√
Mr. Kanwardip Singh Dhingra	-	-	-	-	√
Mr. Abdul Khalek	√	√	√	√	√

Risk Committee

1. Ms. Rupali Chowdhury (Chairman)
2. Mr. Abdul Khalek (Member)
3. Mr. Md Golam Mostofa (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)

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. Dr. A. S. M. Obaidullah Mahmud (Member)
8. Mr. Mohammad Abu Nader Al Mokaddes (Member)
9. Mr. Raquibul Alam (Member)
10. Mr. Anupam Paul (Member)
11. Mr. Abul Kasem Md. Sadeque Nawaj (Member)
12. Mr. Syed Salahuddin Abu Naser (Member)
13. Mr. Muhammad Kawsar Hasan (Member)
14. Mr. Mohammad Azizul Hoque (Member)
15. Mr. Imranul Kabir (Member)
16. Mr. Mushfequr Rahman (Member Secretary)

Certificate from CEO and CFO regarding the Financial Statements for the fifteen months ended 31 March 2017

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 fifteen months period ended 31 March 2017 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 reporting period which are fraudulent, illegal or violation of the company's code of conduct.

Rupali Chowdhury
Managing Director

Abdul Khalek
Chief Financial Officer

Dhaka, 24 May 2017

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Audit Committee Report
for the period from 1 January 2016 to 31 March 2017

The Audit Committee of Berger Paints Bangladesh Limited is pleased to confirm that the following activities have been carried out from 1 January 2016 to 31 March 2017:

- 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 fifteen months ended 31 March 2017. 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 27 July 2011 and the Audit Committee recommends their reappointment for the third term.

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



Anis A. Khan
Chairman of Audit Committee
24 May 2017

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ম্যাবস এন্ড জে পার্টনার্স
MABS &J Partners
Chartered Accountants

CERTIFICATE OF COMPLIANCE TO THE SHAREHOLDERS OF Berger Paints Bangladesh Limited and its Subsidiary (As required under the BSEC Guidelines)

We have examined compliance to the BSEC guidelines on Corporate Governance Guidelines by Berger Paints Bangladesh Limited and its Subsidiary for the year ended 31 March 2017. These guidelines relate to the notification # SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 and subsequently amended through the notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance under section 2CC of the Securities and Exchange Ordinance, 1969.

Such compliance to the codes of Corporate Governance is the responsibility of the company's management. Our examination was limited to the procedures and implementation thereof as adopted by the company and its subsidiary in ensuring the compliance to the conditions of Corporate Governance Guidelines. This is a scrutiny and verification only and not 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 provided to us, we certify that, subject to the remarks and observations as reported in the attached Compliance Statements, the company and its subsidiary have complied with the conditions of Corporate Governance Guidelines as stipulated in the above-mentioned guidelines issued by the BSEC.

We also state that such compliance is neither an assurance as to the future viability of the company and its subsidiary, nor a certification on the efficiency or effectiveness with which the management has conducted the affairs of the company and its subsidiary. This is also no endorsement about quality of contents in the Annual Report of the company.

Dhaka, 24 May 2017

MABS & J Partners
Chartered Accountants

A member of Nexia International

Corporate Office:
SMC Tower (7th Floor)
33, Banani C/A, Road 17
Dhaka-1213, Bangladesh
Phone : +88-02-9821057-58
: +88-02-9821365-66
E-mail : info@mabsj.com
Web : www.mabsj.com

Motijheel Branch Office :
21, Purana Paltan Line (4th & 7th Floor)
Dhaka-1000, Bangladesh
Phone : +88-02-58315469 / 58315471
Fax : +88-02-9332836
E-mail : info@mabsj.com
Web : www.mabsj.com

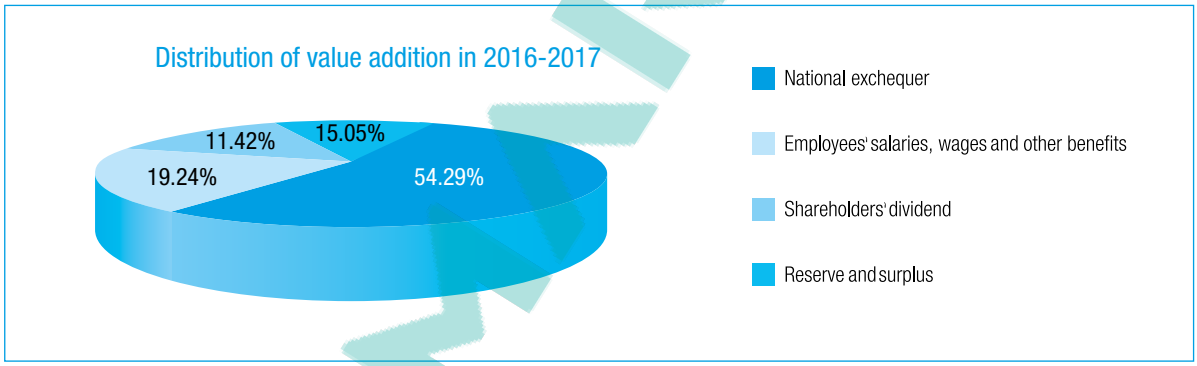
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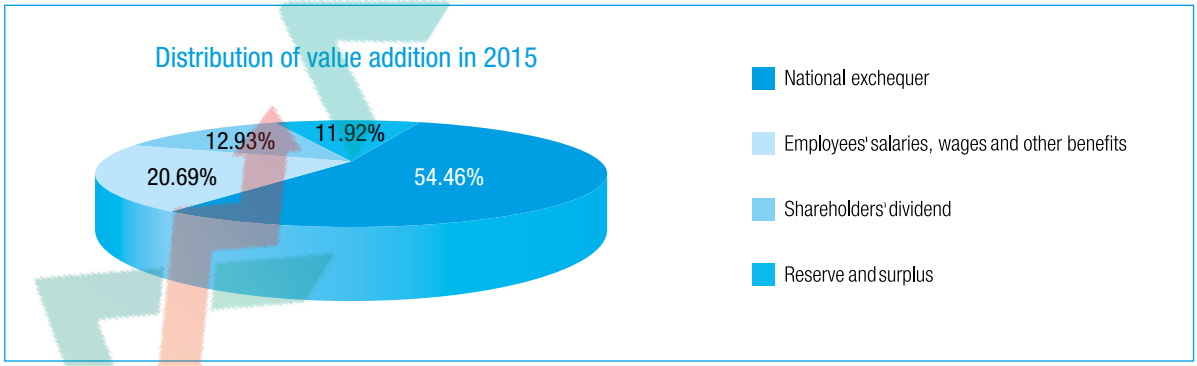
Value Added Statement

Taka in '000

	January 2016 - March 2017		January - December 2015	
	Amount	**%**	**Amount**	**%**
Turnover	22,241,697		14,682,551	
Less: Purchase of materials & Services	13,202,272		8,944,570	
Value added	**9,039,425**	**100.00**	**5,737,981**	**100.00**
Applications:				
National exchequer*	4,907,371	54.29	3,124,515	54.46
Employees' salaries, wages and other benefits	1,739,405	19.24	1,187,511	20.69
Shareholders' dividend	1,031,908	11.42	742,047	12.93
Reserve and surplus	1,360,741	15.05	683,908	11.92
	9,039,425	**100.00**	**5,737,981**	**100.00**

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





Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditors' Report
To the Shareholders of Berger Paints Bangladesh Limited

Introduction

We have audited the accompanying financial statements of Berger Paints Bangladesh Limited (the Company) which comprise the statement of financial position as at 31 March 2017, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 15 months period 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 Accounting Standards (BAS), Bangladesh Securities and Exchange Commission (BSEC) Rules 1987, 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 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, auditor 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 the 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 March 2017, its financial performance and cash flows for the 15 months period then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BAS), Bangladesh Securities and Exchange Commission (BSEC) 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 Bangladesh Securities and Exchange Commission 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 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 these books;

c) the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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, 24 May 2017

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

Amounts in Taka '000

	Notes	As at 31 March 2017	As at 31 December 2015
Assets			
Non-current assets			
Property, plant and equipment	3	2,515,556	1,843,340
Capital work-in-progress	4	338,372	390,590
Intangible assets	5	88,796	64,244
		2,942,724	**2,298,174**
Investment - at cost	6	89,300	89,300
Total non-current assets		**3,032,024**	**2,387,474**
Current assets			
Inventories	7	1,916,288	1,513,733
Trade and other receivables	8	1,091,553	939,573
Advances, deposits and prepayments	9	324,664	236,617
Term deposit	10	1,450,000	800,000
Cash and cash equivalents	10	497,774	373,342
Inter - company receivables	11	125,523	128,517
Total current assets		**5,405,802**	**3,991,782**
Total assets		**8,437,826**	**6,379,256**
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	5,009,778	3,681,556
Equity attributable to the Company's equity holders		**5,366,735**	**4,038,513**
Non-current liabilities			
Deferred tax liabilities	15	179,501	164,609
Total non-current liabilities		**179,501**	**164,609**
Current liabilities			
Bank overdraft (OD) & Short term loan (STL)	16	318,450	45,045
Trade and other payables	17	2,080,812	1,747,146
Provision for royalty	18	219,032	166,027
Provision for current tax	19	200,913	197,886
Provision for employees' retirement gratuity	20	63,930	11,961
Unclaimed dividend		8,306	7,922
Liability for unclaimed IPO application money	21	147	147
Total current liabilities		**2,891,590**	**2,176,134**
Total liabilities		**3,071,091**	**2,340,743**
Total equity and liabilities		**8,437,826**	**6,379,256**
Contingent liabilities	22	177,280	590,961
Net asset value per share	Taka	**231.4**	**174.2**

The accompanying notes 1 to 43 and Annexure-A form an integral part of these financial statements.

Managing Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 24 May 2017

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Berger Paints Bangladesh Limited
Statement of Profit or Loss and Other Comprehensive Income

Amounts in Taka '000

	Notes	For the 15 months ended 31 March 2017	31 December 2015
Revenue-net	23	18,603,715	14,963,300
Cost of sales	24	(9,548,832)	(8,611,386)
Gross profit		**9,054,883**	**6,351,914**
Selling, distribution and warehousing expenses	25	(5,181,316)	(3,592,543)
Administrative and general expenses	26	(607,024)	(462,218)
Other operating expenses	27	(137,142)	(109,792)
Other operating income	28	178,326	179,937
		(5,747,156)	**(3,984,616)**
Operating income		**3,307,727**	**2,367,298**
Finance costs	29	(4,946)	(9,027)
Investment income	30	110,446	53,736
Net finance income		**105,500**	**44,709**
Other non-operating income / (loss)	31	14,798	(2,088)
Income before WPPF and tax		**3,428,025**	**2,409,919**
Workers' profit participation and welfare fund (WPPF)		(170,661)	(120, 257)
Income before tax		**3,257,364**	**2,289,662**
Current tax expenses	2.18 & 19	(838,985)	(557,703)
Deferred tax expenses	2.18 & 15.2	(25,730)	(23,670)
		(864,715)	**(581,373)**
Net profit for the period		**2,392,649**	**1,708,289**
Other comprehensive income	32	(32,519)	-
Total comprehensive income		**2,360,130**	**1,708,289**
Basic earnings per share (Taka)	40	**103.2**	**73.7**

The accompanying notes 1 to 43 and Annexure-A form an integral part of these financial statements.

Managing Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 24 May 2017

Berger Paints Bangladesh Limited
Statement of Changes in Equity

Amounts in Taka '000

Particulars	Share capital	General reserve	Share premium	Retained earning	Total equity
Balance at 1 October 2014	231,889	10,000	115,068	2,715,314	3,072,271
Net profit for the period	-	-	-	1,708,289	1,708,289
Other comprehensive income expenses	-	-	-	-	-
Dividend distributed during the period - note 14	-	-	-	(742,047)	(742,047)
Balance at 31 December 2015	**231,889**	**10,000**	**115,068**	**3,681,556**	**4,038,513**

Particulars	Share capital	General reserve	Share premium	Retained earning	Total equity
Balance at 1 January 2016	231,889	10,000	115,068	3,681,556	4,038,513
Net profit for the period	-	-	-	2,392,649	2,392,649
Other comprehensive income expenses				(32,519)	(32,519)
Dividend distributed during the period - note 14	-	-	-	(1,031,908)	(1,031,908)
Balance at 31 March 2017	**231,889**	**10,000**	**115,068**	**5,009,778**	**5,366,735**
Note	12.2		13	14	

The accompanying notes 1 to 43 and Annexure-A form an integral part of these financial statements.

Managing Director | Director & CFO | Company Secretary

Dhaka, 24 May 2017

Berger Paints Bangladesh Limited
Statement of Cash Flows

	Notes	Amounts in Taka '000 For the 15 months ended 31 March 2017	 31 December 2015
Cash flows from operating activities (A)			
Cash received from customers		18,462,261	14,881,882
Cash received from other operating income		273,300	221,272
Cash paid to suppliers and employees		(15,315,232)	(11,886,271)
Income tax paid	19	(835,958)	(558,890)
Net cash flows from operating activities	40	**2,584,371**	**2,657,993**
Cash flows from investing activities (B)			
Capital expenditures	3, 4 & 5	(1,069,265)	(1,004,641)
Investment in J&N (B) L		-	(50,000)
Proceeds from disposal of assets	3.3	17,445	4,340
Net cash used in investing activities		**(1,051,820)**	**(1,050,301)**
Cash flows from financing activities (C)			
Dividend paid		(1,031,524)	(741,715)
Net cash used in financing activities		**(1,031,524)**	**(741,715)**
Increase in cash and bank balance (D) = (A+B+C)		**501,027**	**865,977**
Opening cash and cash equivalents (E)		1,128,297	262,320
Closing net cash and cash equivalents (D+E)		**1,629,324**	**1,128,297**
Reconciliation of cash in hand & at bank and operational OD:			
Term deposit	10	1,450,000	800,000
Cash and cash equivalents	10	497,774	373,342
Operational overdraft (OD) & Short term deposit (STL)	16	(318,450)	(45,045)
Closing net cash and cash equivalents		**1,629,324**	**1,128,297**

The accompanying notes 1 to 43 and Annexure - A form an integral part of these financial statements.

Managing Director | Director & CFO | Company Secretary

Dhaka, 24 May 2017

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Berger Paints Bangladesh Limited
Notes to the Financial Statements

As at and for the period ended 31 March 2017

1 Company profile and overview of its operational activities

1.1 Legal from of the Company

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 was 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 law. The company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) of Bangladesh w.e.f. 27 December 2005 and 21 December 2005 respectively.

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 Description of the companies and Nature of business

Berger Paints Bangladesh Limited

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

Jenson & Nicholson (Bangladesh) Limited

Berger Paints Bangladesh Limited owns 100% shares of Jenson & Nicholson (Bangladesh) Limited – J&N (B) L. 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. The Corporate office of the company is located at 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 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. Registered office and Corporate office of the company is located at Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka 1230. The company commenced commercial production with effect from 11 September 2012 in its factory located at Building No - 03, Plot No - 102, Mouza -Taksur, Nabinagar, Savar, Dhaka -1340.

2 Summary of significant accounting policies

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

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 Bangladesh Financial Reporting Standards (BFRS), the Companies Act (#18) 1994 and the Bangladesh Securities Exchange Rules 1987 as much as practicable. The statement of financial position and statement of profit or loss and other comprehensive income have been prepared according to Bangladesh Accounting Standards (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 and has been presented under direct method as required by the Bangladesh 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 period's figures were re-arranged according to the same accounting principles. Compared to the previous period, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company.

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 period 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 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 judgments

The preparation of financial statements in conformity with BFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

In particular, information about significant areas of estimation, uncertainty and critical judgments 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 : 3.1 Depreciation

Note : 5.1 Amortization

Note : 8 Trade and other receivables

Note : 17 Trade and other payables

Note : 19 Provision for current tax

Note : 20 Provision for employees retirement gratuity

2.6 Reporting period

In order to conform to Section 2(35) of Income Tax Ordinance 1984 as amended by Finance Act 2016, the board of directors of the Company has passed a resolution on 5 September, 2016 changing income year to April – March from January - December and the Deputy Commissioner of Taxes, Circle 2 (Companies), Tax Zone 1, Chittagong has accorded approval to that change on 21 September 2016. Accordingly, the Company will place the audited financial statements covering 15 (fifteen) months period from 1 January 2016 to 31 March 2017 before the members in the Annual General Meeting 2017. Thereafter the income year of the Company shall continue as April-March every year.

2.7 Going concern

The company has adequate resources to continue its operation for foreseeable future. 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. For this reason the financial statements have been prepared on going concern basis.

2.8 Functional and presentational currency and level of precision

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

2.9 previous Period's figures and phrases

Wherever considered necessary, previous Period's figures and phrases have been re-arranged to conform to the current Period's presentation and relevant accounting periods have enumerated below:

Elements of financial statements	Current period	Comparative period
Statement of financial position and related notes	As at 31 March 2017	As at 31 December 2015
Statement of profit or loss and other comprehensive income and related notes	For the period from 01 January 2016 to 31 March 2017 (15 months)	For the period from 01 October 2014 to 31 December 2015 (15 months)
Statement of changes in equity	For the period from 01 January 2016 to 31 March 2017 (15 months)	For the period from 01 October 2014 to 31 December 2015 (15 months)
Statement of cash flows	For the period from 01 January 2016 to 31 March 2017 (15 months)	For the period from 01 October 2014 to 31 December 2015 (15 months)

2.10 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 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 or loss and other comprehensive income.

iii. Depreciation of property, plant & equipment

Depreciation on property, plant and equipment is provided on a straight line basis over their estimated useful lives.

Depreciation for addition to property, plant and equipment, is charged from the month in 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 (%)
Long lease hold land:	
Chittagong factory	2
Corporate office - Dhaka	1
Buildings – on freehold and leasehold lands	2
Buildings – other construction	10
Plant and machinery	10
Factory and laboratory equipment	20
Other machinery and equipment	12.5
Office equipment	15
Furniture, fixtures and fittings	12.5
Computer	20
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 profit or loss and other comprehensive income.

2.11 Capital work-in-progress

Capital work-in-progress is stated at cost of acquisition and also 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.

2.12 Intangible assets

Intangible assets for the period includes IT Software 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. 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 day to day maintenance charge if any are charged to profit or loss and other comprehensive income as incurred.

ii. Subsequent costs

Subsequent costs are capitalized only when the future economic benefits embodied in the specific asset and it is probable that the future economic benefit will follow to the Company and such cost can be measures reliably. All other costs are charged to the statement of profit or loss and other comprehensive income as incurred.

iii. Amortization

Amortization is recognized in the statement of profit or loss and other comprehensive income on a straight line basis over the estimated useful life of each items of intangible assets from the month they are available for use.

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 -20

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

iv. Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use if it 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 profit or loss and other comprehensive income.

2.13 Inventories

i. Recognition and measurement

Inventories are measured at the lower of cost and net realizable value (NRV) in compliance with the requirements 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 profit or loss and other 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.

Category of inventory	Basis of valuation
Raw and packing materials	At weighted average cost
Semi finished goods	At standard cost
Finished goods in Chittagong & Dhaka Factory	At standard cost
at warehouses and depots	At standard cost
Stores and consumable items	At weighted average cost
Promotional items	At weighted average cost

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.

iii. Goods in transit (GIT)

W.e.f. 1 January 2016 the Company has adopted the policy to recognize GIT on FOB basis.

2.14 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 Company 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 Company 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 Company 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.

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i. Investment in associate

Investment in associate is recognized initially at cost.

ii. Trade and other receivables

Assets are carried at original invoice amount less the outstanding over 360 days.

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. There is an insignificant risk of change in value of the same. 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.

2.15 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.

2.16 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 Provisions, contingent liabilities and contingent assets are those disclosed in the notes to the financial statements.

2.17 Employee benefits

i. Defined benefit plan (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. Based on Actuarial valuation, during the period from 1 July 2016 to 31 March 2017 provision were made @ 20.77% (up to 30 June 2016 @ 15%) of the basic salary of all permanent employees on the payroll of the Company. The company has also adjusted past service deficit on Tk. 43,358 thousand against the accumulated profit carried from previous period as per said Actuarial valuation and Bangladesh Accounting Standard 19.

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 as mentioned above has replaced the scheme and enacted similar benefits for employees is duly approved by the National Board of Revenue.

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 profit as per provision of the Bangladesh Labour Act 20106 and Bangladesh Labour (Amendment) Act 2013 and payable to these Funds and Government controlled Sramik Kallyan Foundation.

2.18 Taxation

Income tax expenses represent the sum of the tax currently payable and deferred tax. Income tax expense is recognized in the statement of profit or loss and other 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:

Provision is made at the rate of 25% applied on 'estimated' taxable profit as a "Publicly Traded Company".

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

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 rate of 25%.

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 rate applied on the amount of temporary difference between accounting and fiscal written down value of fixed assets.

2.19 Revenue recognition

Revenue is recognized when invoice for products and service are made and the significant risk and reward of ownership are transferred to the customers, 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 from the sale of goods shall be recognized when all the following conditions have been satisfied:

a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;

b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

c) the amount of revenue can be measured reliably;

d) it is probable that the economic benefits associated with the transaction will flow to the entity; and

e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

ii. Income derived from color bank operation

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

iii. Income derived from management services

Revenue from management services is recognized in statement of profit or loss and other comprehensive income when:

a) the amount of revenue can be measured reliably;

b) it is probable that the economic benefits associated with the transaction will flow to the entity;

c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and

d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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.

2.20 Borrowing costs

In compliance with the requirements of BAS 23 Borrowing Costs, borrowing costs of operational period on short term loan and overdraft facilities are charged off as revenue expenditure as they were incurred.

2.21 Repairs, upkeep and maintenance charges

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

2.22 Bad and doubtful debts

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

2.23 Advertising and promotional expenses

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

2.24 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 are recognized in the statement of profit or loss and other comprehensive income as per BAS 21 The Effects of Changes in Foreign Exchange Rates.

2.25 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.

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2.26 Event after the reporting period

i. Material event and date of issue:

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.

ii. Date of authorization:

The financial statements were authorized by the Board of Directors on 24 May 2017 for publication.

2.27 Comparatives and reclassification

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

2.28 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 profit or loss and other comprehensive income.

i. Basic Earnings per share (BEPS)

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

ii. Diluted earning per share (DEPS)

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

2.29 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 period ended 31 March 2017 and segment assets and liabilities on that date are as follows:

Amounts in Taka 000

Particulars	Own manufactured items	Imported items	Total
Net sales	18,346,773	256,942	18,603,715
Gross profit	8,929,823	125,060	9,054,883
Operating expenses & income	5,563,737	77,919	5,641,656
Profit before tax	3,212,375	44,989	3,257,364
Segment total assets	8,321,288	116,538	8,437,826
Segment liabilities	3,028,676	42,416	3,071,092

		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
3	**Property, plant and equipment-notes 2.5, 2.10, 3.1 & 3.3**		
	At cost		
	Opening balance	3,267,659	2,757,204
	Addition during the period	1,073,189	542,143
	Disposal during the period - note 3.3	(49,313)	(31,688)
	Closing balance	**4,291,535**	**3,267,659**
	Accumulated depreciation		
	Opening balance	1,424,318	1,178,540
	Charged or addition during the period - note 3.1	398,327	271,039
	Adjustment on disposal - note 3.3	(46,666)	(25,260)
	Closing balance	**1,775,979**	**1,424,319**
	Written down value	**2,515,556**	**1,843,340**

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, 2.10.3 and 3**		
	Manufacturing overhead - note 24.3	203,784	132,195
	Selling, distribution and warehousing expenses - note 25	153,864	112,996
	Administrative and general expenses - note 26	40,678	25,848
	Total	**398,326**	**271,039**
3.2	**Fully depreciated items - cost thereof**	**753,264**	**647885**

3.3 Following items were disposed off during the period - note 31

Particulars	Cost (Note 3)	Acc. Dep (Note 3)	WDV	Sale proceeds	Mode of sale
Office equipment	3,112	3,029	83	118	Quotation
Factory and laboratory equipment	8,623	8,519	104	9	Quotation
Computer	2,306	2,101	205	35	Quotation
Furniture & fixtures	1,822	1,379	443	118	Quotation
Motor vehicles	33,417	31,605	1,812	17,147	Quotation & Co. Policy
Loose tools	33	33	-	18	Quotation
Balance at 31 March 2017	**49,313**	**46,666**	**2,647**	**17,445**	
Balance at 31 December 2015	**31,688**	**25,260**	**6,428**	**4,340**	

4	**Capital work in progress - notes 2.11 and 4.1**		
	Opening balance	390,590	171,604
	Addition during the period	325,132	324,068
	Transferred to property, plant and equipment	(377,350)	(105,082)
	Closing balance	**338,372**	**390,590**
4.1	**Details of capital work in progress**		
	Building	172,228	206,036
	Plant and machinery	124,514	148,230
	Factory equipment	41,630	1,540
	Computer	-	21,250
	Software	-	13,187
	Furniture and fixtures	-	347
	Total	**338,372**	**390,590**

Amounts in Taka '000

	As at 31 March 2017	As at 31 December 2015

5 Intangible assets - notes 2.5, 2.12, and 5.1

Particulars	Software	Trade marks	Total	Total
At cost				
Opening balance	130,559	965	131,524	83,932
Addition during the period	48,123	171	48,294	47,592
Closing balance	**178,682**	**1,136**	**179,818**	**131,524**
Accumulated amortization				
Opening balance	66,767	513	67,280	60,856
Charged during the period - note 5.1	23,645	97	23,742	6,424
Closing balance	90,412	610	91,022	67,280
Carrying amount	**88,270**	**526**	**88,796**	**64,244**

5.1 Segregation of amortization amount to selling and administrative units - notes 2.5, 2.12.3, 5 and 5.1

Selling, distribution and warehousing expenses - note 25	97	57
Administrative and general expenses - note 26	23,645	6,367
Total	**23,742**	**6,424**

6 Investments - at cost

6.1 Make-up:

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

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 a carry forwarded retained earnings of Tk 345,172 thousand at the end of 31 March 2017. BPBL earned Tk 2,500 thousand from J&N (B) L as management charges during the period. Other pertinent transactions with and interest in J&N (B) L are reported in notes 2.19 (iii), 6.1, 11, 24.3, 26, 30.1 and 41.

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 174,354 thousand at the end of 31 March 2017. During the period BPBL earned Tk 4,667 (2015: Tk 4,084) thousand from BBBL as management charges. Other pertinent transactions with and interest in BBBL are reported in notes 2.14 (i), 2.19 (iii), 6.1, 11, 24.3, 25, 26, 28 and 41.

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		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
7	**Inventories - notes 2.13, 24 and 24.1**		
	Raw materials	793,535	633,916
	Packing materials	47,422	47,229
	Work in process	107,280	91,213
	note - 24.1	948,237	772,358
	Finished goods - notes 24 and 24.4		
	Own manufactured items	510,667	379,330
	Imported items	81,627	57,622
		592,294	436,952
	Inventories in transit - GIT - note 2.13 (iii)	333,866	266,407
	Store, consumables and promotional items		
	Stores and consumables	35,397	24,129
	Promotional items	6,494	13,887
		41,891	38,016
		1,916,288	**1,513,733**
8	**Trade and other receivables - notes 2.5, 2.14 a (ii) and 34**		
8.1	**Trade receivables**		
	Unsecured - note 8.2	1,106,405	954,185
	General provision for bad and doubtful debts - notes 2.22, 8.2 and 15	(29,895)	(19,129)
	Considered to be good	1,076,510	935,056
	Other receivables	15,043	4,517
		1,091,553	**939,573**
8.2	**Maturity wise presentation of trade receivable-unsecured:**		
	Outstanding over 360 days - note 8.1	29,895	19,129
	Outstanding over 180 days to below 360 days	26,190	28,621
	Outstanding below 180 days	1,050,320	906,435
	note 8.1	**1,106,405**	**954,185**
8.3	**Other receivables include interest accrued on investments**	12,997	4,517
9	**Advances, deposits and prepayments - note 2.15**		
9.1	The make-up		
	Advances		
	Employees		
	House building loans - notes 9.3	43,148	28,084
	Other	4,041	5,005
		47,189	**33,089**
	Goods and services	38,844	42,809
	Value Added Tax - VAT	47,983	39,610
	Supplementary Duty - SD	5,578	9,231
	Rental	159,125	99,781
		251,530	**191,431**
		298,719	**224,520**
	Deposits-		
	Security deposits	14,832	9,498
	Prepaid expenses		
	Other - insurance premium	11,113	2,599
		324,664	**236,617**

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		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
9.2	These include dues realizable/adjustable after one year from the date of statement of financial position	171,874	96,721
9.3	Advance recoverable in cash - note 9.1	43,148	28,084
10	**Cash and cash equivalents - note 2.14 a (iii)**		
	Current:		
	Term deposit accounts (FDR) - notes 30.1 and 34		
	Three months	1,100,000	800,000
	Six months	350,000	-
		1,450,000	**800,000**
	Current and collection accounts	378,531	271,844
	Short term deposit accounts (STD) - notes 30.1 and 34		
	Operational account	98,600	80,919
	Dividend account	10,063	9,427
	IPO account	318	311
		108,981	**90,657**
	Foreign currency current accounts - notes 2.24, 29 and 34		
	Operational account	5,104	6,478
	IPO account	60	59
		5,164	**6,537**
	Cash in hand	5,098	4,304
	Cash and cash equivalents	**497,774**	**373,342**
		1,947,774	**1,173,342**
11	**Inter- company receivables - notes 6 and 41**		
	Due from / (to) J&N (B) L - note 6.2	124,643	119,654
	Due from / (to) BBBL - note 6.3	880	8,863
		125,523	**128,517**
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.

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12.3 Composition of shareholding

Shareholders	Number of share	% of share holding	Taka '000	Taka '000
Foreign shareholders				
J & N Investments (Asia) Limited - Group	22,029,370	95.00	220,294	220,294
Institutions & General public	357,277	1.54	3,572	3,572
Bangladeshi shareholders				
Institutions (financial & others)	692,764	2.99	6,928	6,748
General public	109,529	0.47	1,095	1,275
Total	**23,188,940**	**100.00**	**231,889**	**231,889**

12.4 Classification of shareholders by range

Shareholding range	Type of shareholders	31 March 2017			31 December 2015
		Number of shares	Number of shareholders	% of share holding	Number of share holders
Less than 500 shares	G. Public& Inst	76,901	1,231	0.33	1,331
501 to 5,000 shares	G. Public& Inst	63,624	42	0.27	62
5,001 to 10,000 shares	Institution	56,076	8	0.24	8
10,001 to 20,000 shares	Institution	160,687	10	0.69	3
20,001 to 30,000 shares	Institution	80,321	3	0.35	3
30,001 to 40,000 shares	Institution	114,307	3	0.49	3
40,001 to 50,000 shares	Institution	44,445	1	0.19	2
50,001 to 100,000 shares	Institution	83,791	1	0.36	3
100,001 to 1,000,000 shares	Institution	479,418	4	2.08	3
Over 1,000,000 shares	Group	22,029,370	1	95.00	1
Total		**23,188,940**	**1,304**	**100.00**	**1,419**

12.5 Market price per share

Traded stock exchanges	Last trade date		In Taka	
	As at 31 March 2017	As at 31 December 2015	As at 31 March 2017	As at 31 December 2015
Dhaka Stock Exchange	30 March 2017	30 Dec 2015	2,130.00	1,903.60
Chittagong Stock Exchange	30 March 2017	24 Dec 2015	2,035.50	1,861.60

Amounts in Taka '000

	As at 31 March 2017	As at 31 December 2015
13 Share premium		
Closing balance	**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.

		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015

14 Retained earnings

Opening balance		3,681,556	2,715,314
Net profit during the period		2,392,649	1,708,289
		6,074,205	**4,423,603**
Dividend distributed during the period		(1,031,908)	(742,047)
Other comprehensive income / (expenses) - note 32		(32,519)	-
Closing balance		**5,009,778**	**3,681,556**

15 Deferred tax liabilities - note 2.18.ii

	Carrying amount on reporting date	Tax base	Taxable/ (deductible) temporary difference
Property, plant and equipment	2,226,655	1,414,736	811,919
Provision for employee benefit plan - note 20	(63,930)	-	(63,930)
Provision for bad debts - 8.1	(29,985)	-	(29,985)
Net temporary difference			718,004
Effective tax rate			25%
Deferred tax liabilities as at 31 March 2017- note 15.1			**179,501**
Deferred tax liabilities as at 31 December 2015			164,609

15.1 Net deferred tax expenses - note 15.2

Opening balance		164,609	140,939
Closing balance	note 15	179,501	164,609
Deferred tax expenses	note 15.2	**14,892**	**23,670**

15.2 Details of deferrred tax expenss:

Property pland and equipment		35,381	23,670
Bad debts provision		(7,498)	-
Gratuity on current provision		(2,153)	-
		25,730	**23,670**
Gratuity on actuarial valuation - note 32		(10,840)	-
	note 15.1	**14,891**	**23,670**

16 Bank overdraft (OD) & STL - notes 29 and 34

Operational overdraft - Current accounts	98,450	45,045
Short term loan - STL	220,000	-
	318,450	**45,045**

		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
17	**Trade and other payables - notes 2.5, 2.14 (b) (i) and 34**		
17.1	The make-up		
	For revenue expenses - note 17.2	967,847	1,045,190
	For trading supplies	889,047	485,834
	For other finance - note 17.3	118,778	94,048
	For capital expenditure	20,690	20,565
		1,996,362	**1,645,637**
	Workers' profits participation and welfare funds - note 2.17 (iii)	84,450	101,509
		2,080,812	**1,747,146**
17.2	Creditors for revenue expenses - note 17.1		
	Accrued charges	918,146	902,784
	Provision for trade rebate	41,312	136,666
	Training and consultancy fee	8,389	5,740
		967,847	**1,045,190**
17.3	Creditors for other finance - note 17.1		
	Clearing account	48,481	18,481
	Security deposits	19,332	17,616
	Tax deduction at source	32,751	52,444
	Staff income tax	11,954	5,507
	Others	6,260	-
		118,778	**94,048**
18	**Provision for royalty**		
	Opening balance	166,027	142,515
	Remitted during the period	(78,370)	(64,145)
		87,657	78,370
	Charged for the period - notes 27, 34 and 36.1	131,375	87,657
	Closing balance	**219,032**	**166,027**

The service provider-wise break down of current charge is as follows:

Name of the trade marks provider	**Name of the product**		
J&N Investments (Asia) Limited	Robbialac, Colorizer Apexior 1 & 3 and Protecton	131,375	87,657
		131,375	**87,657**

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 for using the trademarks owned by former. The agreement was valid for five years from 01 January 2012 to 31 December 2016 and renewed further for five years from 1 January 2017 to 31 December 2021 by reducing the rate of royalty from 1.25% to 1.00%.

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		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
19	**Provision for current tax - notes 2.5 and 2.18 (i)**		
	Opening balance	197,886	199,073
	Provision made during the period	838,985	557,703
		1,036,871	**756,776**
	Tax deducted at source and paid in advance	(835,958)	(558,890)
	Closing balance	**200,913**	**197,886**
20	**Provision for employees' retirement gratuity - notes 2.5, 2.17 (i) and 15**		
	Opening balance	11,961	15,114
	Provision made during the period	79,008	17,931
		90,969	33,045
	Transferred to gratuity fund	(27,039)	(21,084)
	Closing balance	**63,930**	**11,961**
21	**Liability for unclaimed IPO application money**		
	Opening balance	147	147
	Refunded during the period	-	-
	Closing balance	**147**	**147**
22	**Contingent liabilities - note 2.16 (ii)**		
22.1	Bank guarantees issued by the Company's banker on counter indemnities given by the Company there against and secured.	1,286	1,586
22.2	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
22.3	Financial commitments by confirmed irrevocable letters of credit which are secured against usual shipping documents.	73,735	500,970
22.4	Capital expenditure commitments.		
	Contracted for but not taken into account	28,759	14,905
	Authorized but not contracted for	-	-
		177,280	**590,961**

23 Revenue - note 2.19 (i) and 24.4

Amounts in Taka '000

	Unit	For the 15 months ended			
		31 March 2017		31 December 2015	
		Quantity	Taka	Quantity	Taka
Own manufactured items - Paints & others					
Liquid	KL	87,806.3	19,113,064	70,886.4	15,640,858
Non-liquid	MT	33,159.5	2,976,427	23,945.6	2,183,092
			22,089,491		**17,823,950**
Imported items - Paints & others					
Liquid	KL	137.5	137,214	87.1	88,065
Non-liquid	MT	329.4	99,250	454.6	113,565
Others	Pcs	-	72,894	-	58,602
			309,358		**260,232**
		note 24.4	**22,398,849**		**18,084,182**
Trade rebate			(157,152)		(186,702)
Value added tax - VAT			(3,011,050)		(2,412,867)
Supplementary duty - SD			(626,932)		(521,313)
			(3,795,134)		**(3,120,882)**
			18,603,715	*	**14,963,300**
Thereof, exports sales amounted to - notes 34 and 36.2			48,428		67,693

* 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 15 months ended	
	31 March 2017	31 December 2015
24 Cost of sales		
Opening finished goods - notes 7 & 24.4		
Own manufactured items	379,330	390,395
Imported items	57,622	51,028
	436,952	441,423
Purchases - imported - note 24.4	240,905	193,290
	677,857	**634,713**
Cost of production		
Material consumed - notes 24.1, 24.5 & 24.6	8,494,943	7,613,858
Manufacturing overheads - note 24.3	968,326	799,767
	9,463,269	8,413,625
Cost of finished goods available for sale	**10,141,126**	**9,048,338**
Closing finished goods - notes 7 & 24.4		
Own manufactured items	(510,667)	(379,330)
Imported items	(81,627)	(57,622)
	(592,294)	(436,952)
Cost of sales	**9,548,832**	**8,611,386**
24.1 Materials consumed		
Opening stock - note 7		
Raw materials	633,916	773,321
Semi - finished products	91,213	91,315
Packing materials	47,229	41,300
	772,358	905,936
Purchases - note 24 .2		
Raw materials	7,027,402	6,027,633
Packing materials	1,643,420	1,452,647
	8,670,822	7,480,280
	9,443,180	8,386,216
Closing stock - note 7		
Raw materials	(793,535)	(633,916)
Semi - finished products	(107,280)	(91,213)
Packing materials	(47,422)	(47,229)
	(948,237)	(772,358)
Notes - 24, 24.5 & 24.6	**8,494,943**	**7,613,858**

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		Amounts in Taka '000	
		For the 15 months ended	
		31 March 2017	31 December 2015
24.2	**Materials purchase - cost and direct charges - note 24.1**		
	Raw materials		
	Imported	5,924,177	4,966,081
	Indigenous	1,103,225	1,061,552
		7,027,402	6,027,633
	Packing materials - indigenous	1,643,420	1,452,647
		8,670,822	**7,480,280**
24.3	**Manufacturing overheads - note 24**		
	Personnel cost - notes 2.17, 38, 39.1 and 39.2	571,956 *	480,541
	Salary, wages and welfare	203,784	162,442
	Depreciation - note 3.1	80,466	54,029
	Fuel, water and power	47,007	39,576
	Repairs and maintenance - note 2.21	12,575	14,848
	Raw materials shifting charges	20,085	15,401
	Stores and spares consumed - note 24.6	9,411	12,009
	Rent, rates and other taxes	5,671	4,274
	Research, development and experimental costs	7,169	5,912
	Travelling and conveyance	5,029	5,250
	Other overhead	4,514	4,035
	Insurance	659	1,450
	L/C and bank charges	**968,326**	**799,767**

* The amount has been arrived after crediting Tk 1,000 thousand from JNBL and Tk 1,400 thousand from BBBL being realization of management charges - notes 6.2 & 6.3.

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

Figures in '000

	Unit	Opening Stock		Closing Stock		Sales for the 15 months ended 31 March'17		Purchase	
		Qty	Taka	Qty	Taka	Qty	Taka	Qty	Taka
Own manufactured items - Paints & others									
Liquid	Ltr	3,066.6	321,172	4,099.0	435,358	87,806.3	19,113,064	-	-
Non-Liquid	KG	974.5	58,159	1,373.4	75,303	33,159.5	2,976,427	-	-
			379,330		**510,661**		**22,089,491**		
Imported items - Paints & others									
Liquid	Ltr	31.7	25,628	43.8	32,999	137.5	137,214	-	-
Non-Liquid	KG	45.7	10,367	81.6	18,264	329.4	99,250	-	-
Brush & Rollers	Pcs	-	21,628	-	30,370	-	72,894	-	-
			57,622		81,633		309,358		240,905
For the 15 months ended 31 March 2017	**Taka**		**436,952**		**592,294**		**22,398,849**		**240,905**
For the 15 months ended 31 December 2015	**Taka**		**441,423**		**436,952**		**18,084,182**		**193,290**
	Notes		24 & 7		24 & 7		23		24

24.5 Analysis of materials consumed

Figures in '000

	For the 15 months ended			
	31 March 2017		31 December 2015	
	Qty - KG	Taka	Qty - KG	Taka
Raw materials				
Resin	2,102	386,556	1,616	344,407
Pigments	9,895	1,857,519	7,774	1,611,503
Extenders and white cements	54,074	917,965	45,590	813,808
Solvents and oils	16,193	1,311,479	15,266	1,250,976
Additives and chemicals	23,272	2,378,197	14,776	2,146,446
	105,536	6,851,716	85,022	6,167,140
Packing materials		1,643,227		1,446,718
Notes - 24, 24.1 and 24.6		**8,494,943**		**7,613,858**

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

Amounts in Taka '000

	For the 15 months ended			
	31 March 2017		31 December 2015	
	Taka	%	Taka	%
Imports	5,767,246	84.2	5,054,169	82.0
Indigenous	1,084,470	15.8	1,112,971	18.0
Note 24.5	6,851,716	100.0	6,167,140	100.0
Check - consumption				
Raw materials	6,851,716	80.7	6,167,140	81.0
Packing materials	1,643,227	19.3	1,446,718	19.0
Notes 24, 24.1 and 24.5	8,494,943	100.0	7,613,858	100.0
Stores and spares - note 24.3	20,085		15,401	
	8,515,028		**7,629,259**	

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		Amounts in Taka '000		
		For the 15 months ended		
		31 March 2017		31 December 2015
25	**Selling, distribution and warehousing expenses**			
	Advertising expenses - note 2.23	2,534,345		1,487,254
	Personnel cost - notes 2.17, 38, 39.1 and 39.2			
	Salary, wages and welfare	774,682	*	648,367
	Warehousing and distribution expenses			
	Transportation and handling charges	201,706	**	160,651
	Repair & maintenance - others - note 2.21	23,784		25,106
	Rent, rates and fees	31,056		25,255
	Electricity, water and gas	11,768		10,050
	Insurance	2,003		3,866
		270,317		224,928
	Selling expenses			
	Sales promotional expenses - note 2.23	1,112,019		793,183
	Paint delivery expenses	177,939		139,068
	Salesmen travelling	71,098		62,383
	Rent, rates and fees	62,154		48,831
	Bad debts - note 2.22	12,835		13,987
	Color Bank operational expenses - note 28	3,680		12,018
	Illusion expense - note 28	1,295		19,244
	Amortization of trade marks - note 5.1	97		66
		1,441,117		**1,088,780**
	Depreciation - note 3.1	153,864		136,788
	Cost of free issue	6,991		6,426
		5,181,316		**3,592,543**

* This amount arrived after crediting Tk 233 thousand from BBBL being earning of management fees from BBBL - note 6.3.

** This amount arrived at after netting recoveries from carrying contractor as loss in transit. 4,303 1,640

26	**Administrative and general expenses**			
	Personnel cost - notes 2.17, 38, 39.1 and 39.2			
	Salary, wages and welfare	392,767	*	305,333
	Postage and telecommunication	11,081		10,444
	Depreciation and amortization - notes 3.1 and 5.1	64,323		41,511
	Travelling, haultage and passage	9,237		8,191
	Repair and maintenance - others - note 2.21	58,535		40,635
	AGM expense	4,123		3,056
	Bank charges	14,939		8,835
	Vehicle expenses	12,660		8,516
	Electricity, fuel and water	7,567		6,278
	Printing and stationery	5,489		4,451
	Rates and fees	1,273		573
	Subscription and donation	1,404		863
	CSR activity	5,679		3,302
	Entertainment	7,572		5,739
	Corporate affairs department's expenses	309		342
	Insurance	380		289
	Legal and professional charges	7,258		11,912
	Auditors' remuneration			
	Audit fee	1,213		958
	Others	174		161
	Newspaper and periodicals	1,387		1,119
	Directors fees	831		563
		210		265
		607,024		**462,218**

* The amount has been arrived after crediting Tk 1,500 thousand from JN(B)L and Tk 3,034 thousand from BBBL being realization of management charges - notes 6.2 & 6.3.

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		Amounts in Taka '000	
		For the 15 months ended	
		31 March 2017	31 December 2015
27	**Other operating expenses**		
	Royalty - notes 18, 34 and 36.1	131,375	105,454
	Training, consultancy and technical know how fees - note 34	5,767	4,338
		137,142	**109,792**
28	**Other operating income**		
	Service charges from house building loans	512	453
	Scrap sales and sundry recoveries	29,283	34,777
	Color Bank operational income - notes 2.19 (ii) and 25	112,164	102,789
	Insurance claim and other realizations	6,522	6,542
	Income from illusion - note 25	23,975	29,477
	Rental income from BBBL	5,816	5,864
	Other	54	35
		178,326	**179,937**
29	**Finance costs**		
	Interest paid for operational overdraft - OD - notes 2.20, 16 and 34	4,851	8,793
	Exchange loss - notes 2.14, 10 and 34	95	234
		4,946	**9,027**
30	**Investment income**		
30.1	**Finance income**		
	Interest earned on - note 2.19 (v)		
	Interest on term deposits - notes 10 and 34	103,840	40,555
	Interest from loan to subsidiary - J & N (Bangladesh) Limited - note 6.2	6,606	6,321
		110,446	**46,876**
30.2	**Dividend income**		
	J&N (B) L - note 6.2	-	-
	BBBL - note 6.3	-	6,860
		-	**6,860**
		110,446	**53,736**
31	**Other non-operating income/(loss)**		
	Income/(loss) on sale of property, plant and equipment - note 3.3	**14,798**	**(2,088)**
32	**Other comprehensive income/(expenses) - note 14**		
	Actuarial gain/ (loss) on defined benefit plans	(43,358)	-
	Deferred tax gain/(loss) for Actuarial valuation on defined benefit plans - note 15.2	10,840	-
		(32,519)	**-**

33 Capacity & production

33.1 Own manufacture

Figures in '000

Line of Business	Unit	Installed capacity (Single shift)		Actual Production (Multiple shifts as applicable)	
		For the 15 month ended 31 March 2017	For the 15 months ended 31 December 2015	For the 15 month ended 31 March 2017	For the 15 months ended 31 December 2015
Liquid	LT	103,079	79,800	88,839	71,090
Non-liquid	KG	35,200	30,133	33,558	24,215

33.2 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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34 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.

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

Amounts in Taka' 000

Financial liabilities	As at 31 March 2017			
	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months
Trade and other payables including unclaimed dividend	2,089,118	2,089,118	2,089,118	-
Bank overdraft - note 16	318,450	318,450	318,450	-

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	1,755,068	1,755,068	1,755,068	-
Bank overdraft - note 16	45,045	45,045	45,045	-

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 (in thousand Taka)

Foreign currency denominated assets	As at 31 March 2017	As at 31 December 2015
	Taka '000	Taka '000
Receivable from customers - Export	19,702	37,892
Cash at bank - note 10	5,164	6,537

Foreign currency denominated liabilities	As at 31 March 2017	As at 31 December 2015
	Taka '000	Taka '000
Trade payables - note 17.1	889,047	485,834
Royalty - note 18	219,032	166,027

The foreign exchange loss is Tk 95 thousand for the period ended 31 March 2017 and Tk 234 thousand was for the Period ended 31 December 2015.

The company has applied the following significant foreign exchange rates:

	As at 31 March 2017	As at 31 December 2015
US Dollar	80.65	78.99
EURO	88.04	87.80
GBP	101.48	118.33

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:

Financial instruments	Amounts in Taka' 000	
	As at 31 March 2017	As at 31 December 2015
Financial assets		
Investment in FDR - note 10	1,450,000	800,000
Cash at bank - note 10	492,676	369,038
Financial liabilities		
Operational overdraft - note 16	98,450	45,045
Short term loan (STL) - note 16	220,000	-

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.

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		Amounts in Taka '000	
		For the 15 months ended	
		31 March 2017	31 December 2015
The maximum exposure to credit risk at the reporting date was as follows:			
Trade receivable			
Local receivable		1,086,703	916,293
Export receivable		19,702	37,892
	Note - 8	**1,106,405**	**954,185**
Other receivable			
Accrued interest		15,043	4,517
Inter-company receivable		125,523	128,517
	Note - 8	**140,566**	**133,034**
35 Value of imports - at CIF basis			
Raw materials		5,294,772	4,438,650
Capital goods		265,348	376,691
Stores and spares		13,367	13,191
		5,573,487	**4,828,532**
36 Transactions in equivalent foreign currency			
36.1 Expenses			
Royalty - notes 18, 27 and 34		131,375	87,657
Training and consultancy fee		-	2,370
Foreign travel for Company's business		9,237	6,216
		140,612	**96,243**
36.2 Earnings			
Export sales - note 23		**48,428**	**67,693**
37 Dividend remitted in terms of foreign currency to			
J & N Investments (Asia) Limited - Net of TDS		**882,279**	**634,448**

	In Number	
	As at 31 March 2017	As at 31 December 2015
38 Expenditure incurred on employees - note 39		
* 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	504	480
b. Employment for a part of the year and in receipt of remuneration aggregating Tk 3,000 or more per month	83	78
c. Rest	-	-
	587	**558**

** 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.

		Amounts in Taka '000	
		For the 15 months ended	
		31 March 2017	31 December 2015

39 Remuneration of Directors, Executives, Managers & Officers - notes 24.3, 25, 26 and 38

39.1 Managerial remuneration for directors, executives, managers & officers

Salary, allowances and benefits		1,053,744	860,563
Contributions to employees' benefit scheme - notes 2.17 (i) and 2.17 (ii)		47,412	39,083
Reimbursable expenses		80,097	43,132
	Taka	**1,181,253**	**942,778**
	Number	**421**	**399**

39.2 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 accommodation 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.

39.3 Board meeting fee

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

40 Basic Earnings per share (EPS) - Basic - note 2.28 (i)

The computation of EPS is given below

Earning (PAT) attributable to the ordinary shareholders - Taka in '000		2,392,649	1,708,289
Net cash inflow from operating activities (NOCF) - Taka in '000		2,584,371	2,657,993
Number of ordinary shares outstanding during the year - notes 12.3 & 12.4		23,188,940	23,188,940
EPS - Basic	Taka	**103.2**	**73.7**
Net operating cash flow per share (NOCFPS)	Taka	**111.4**	**114.6**

41 Related party transactions - notes 2.25, 6, 11 and 18

During the Period 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

Related party transections for the 15 months ended 31 March 2017

Name of the related party	Nature of relationship	Nature of transaction	Transections during the period		Balance as at 31 March 2017	
			Purchase of goods/services	Sale of goods/ Services	Receivable	Payable
Jenson & Nicholson (Bangladesh) Ltd	Subsidiaries	Packing container purchase	638,953	-	124,643	-
Berger Becker Bangladesh Limited	Associates	Joint Venture	-	10,408	880	-
Total inter-company receivables			**638,953**	**10,408**	**125,523**	**-**
J&N Investments (Asia) Limited	Group	Trade marks	131,375			219,032
Total inter-company payable			**131,375**			**219,032**

Related party transections for the 15 months ended 31 December 2015

Name of the related party	Nature of relationship	Nature of transaction	Transections during the period		Balance as at 31 December 2015	
			Purchase of goods/services	Sale of goods/Sevices	Receivable	Payable
Jenson & Nicholson (Bangladesh) Ltd	Subsidiaries	Packing container purchase	531,203	-	119,654	
Berger Becker Bangladesh Limited	Associates	Joint Venture	-	9,536	8,863	
Total inter-company receivables			**531,203**	**9,536**	**128,517**	**-**
J&N Investments (Asia) Limited	Group	Trade marks	87,657			166,027
Total inter-company payable			**87,657**			**166,027**

42 Events after the reporting period - note 2.26

Subsequent to the date of statement of financial position the Board of Directorsagaing recommended 425% final cash dividend i.e. Tk 42.50 per ordinary share out of retained earnings. The payment is subject to the approval by the shareholders in the Annual General Meeting scheduled on on 16 July 2017. During the period the company paid 175% interim dividend and along with that total dividend for the period from 1 January 2016 to 31 March 2017 stands at 600% i.e. Tk 60 per ordinary share.

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

43 General

43.1 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 & CFO | Company Secretary

Annexure - A

Schedule of Property, plant and equipment and depreciation thereon as at 31 March 2017

Amounts in Taka '000

Category of assets	Cost				Accumulateddepreciation				Written down valueas at 31 March 2017
	Balance as at 01 January 2016	Addition during the period	Disposal during the period	Balance as at 31 March 2017	Balance as at 01 January 2016	Charged during the period	Adjustment on disposal	Balance as at 31 March 2017	
Land	171,038	124,231	-	295,269	5,828	541	-	6,369	288,900
Building	679,457	288,328		967,785	185,451	32,456	-	217,907	749,878
Plant and machinery	1,080,048	225,712	-	1,305,760	436,156	115,879	-	552,035	753,726
Office equipment	138,264	32,575	(3,112)	167,727	69,153	20,936	(3,029)	87,060	80,667
Factory and laboratory equip-ment	846,336	171,322	(8,623)	1,009,035	538,658	130,728	(8,519)	660,867	348,168
Computer	86,568	53,349	(2,306)	137,611	57,685	19,168	(2,101)	74,752	62,859
Furniture and fixtures	87,457	12,489	(1,822)	98,124	41,735	12,892	(1,379)	53,248	44,875
Motor vehicles	172,328	161,810	(33,417)	300,721	83,772	62,560	(31,605)	114,727	185,993
Loose tools	6,164	3,373	(33)	9,504	5,880	3,167	(33)	9,014	490
Total as at 31 March 2017	**3,267,659**	**1,073,189**	**(49,313)**	**4,291,535**	**1,424,318**	**398,327**	**(46,666)**	**1,775,979**	**2,515,556**
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**

Managing Director

Director & CFO

Company Secretary

ANNUAL REPORT STOCK

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent 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 March 2017, the consolidated statement of profit or loss and other comprehensive income , consolidated statement of changes in equity and consolidated statement of cash flows for the period 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 Accounting Standards (BAS), Bangladesh Securities and Exchange Commission (BSEC) Rules 1987, 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 consolidated 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 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 March 2017, 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 consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, statement of cash flows and 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, 24 May 2017

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
Consolidated Statement of Financial Position

Amounts in Taka '000

	Notes	As at 31 March 2017	As at 31 December 2015
Assets			
Non-current assets			
Property, plant and equipment	4	2,918,710	2,184,232
Capital work-in-progress	5	348,204	397,912
Intangible assets	6	94,236	70,544
		3,361,150	**2,652,688**
Investment in associate	7	124,633	76,968
Total non-current assets		**3,485,783**	**2,729,656**
Current assets			
Inventories	8	2,075,005	1,619,623
Trade and other receivables	9	1,102,580	954,289
Advances, deposits and prepayments	10	330,714	242,896
Term deposit	11	1,450,000	800,000
Cash and cash equivalents	12	508,438	380,247
Total current assets		**5,466,737**	**3,997,055**
Total assets		**8,952,520**	**6,726,711**
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	5,428,930	3,965,859
Equity attributable to the Company's equity holders		**5,785,887**	**4,322,816**
Non-current liabilities			
Deferred tax liabilities	16	250,211	217,582
Total non-current liabilities		**250,211**	**217,582**
Current liabilities			
Operational overdraft	17	318,450	45,045
Trade and other payables	18	2,134,319	1,779,661
Provision for royalty	19	219,032	166,027
Provision for current tax	20	161,871	167,541
Provision for employees' retirement gratuity	21	74,297	19,970
Unclaimed dividend		8,306	7,922
Liability for unclaimed IPO application money	22	147	147
Total current liabilities		**2,916,422**	**2,186,313**
Total liabilities		**3,166,633**	**2,403,895**
Total equity and liabilities		**8,952,520**	**6,726,711**
Contingent liabilities	23	219,057	679,041

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

Managing Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 24 May 2017

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Berger Paints Bangladesh Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Amounts in Taka '000 For the 15 months ended 31 March 2017	 31 December 2015
Revenue	24	18,640,103	14,979,565
Cost of sales	25	(9,387,281)	(8,488,162)
Gross profit		**9,252,822**	**6,491,403**
Selling, distribution and warehousing expenses	26	(5,200,242)	(3,607,601)
Administrative and general expenses	27	(645,115)	(489,896)
Other operating expenses	28	(137,142)	(109,792)
Other operating income	29	199,347	194,167
Total operating expenses		**(5,783,152)**	**(4,013,122)**
Income from operation		**3,469,670**	**2,478,281**
Finance cost	30	(5,013)	(9,845)
Investment income	31	103,840	47,415
		98,827	**37,570**
Other non-operating income	32	14,798	(1,728)
Share of profit of associate-BBBL		47,665	21,985
		62,463	**20,257**
Profit before WPPF and Tax		**3,630,960**	**2,536,108**
Workers' profit participation and welfare fund (WPPF)		(178,505)	(125,601)
Net profit before tax		**3,452,455**	**2,410,507**
Income tax expenses:			
Current tax expense	20	(881,488)	(576,667)
Deferred tax expense	16	(43,469)	(42,989)
		(924,957)	**(619,656)**
Net profit for the period		**2,527,498**	**1,790,851**
Other comprehensive income		(32,519)	-
Total comprehensive income		**2,494,980**	**1,790,851**
Basic Earnings Per Share (EPS) Taka	34	**109.00**	**77.23**

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

Managing Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 24 May 2017

AMARSTOCK

Berger Paints Bangladesh Limited
Consolidated Statement of Changes in Equity

Amounts in Taka '000

Particulars	Share capital	General reserve	Share premium	Retained earning	Total
Balance as at 01 October 2014	231,889	10,000	115,068	2,917,055	3,274,012
Net profit during the period	-	-	-	1,790,851	1,790,851
Dividend paid during the period	-	-	-	(742,047)	(742,047)
Balance as at 31 December 2015	**231,889**	**10,000**	**115,068**	**3,965,859**	**4,322,816**

Particulars	Share capital	General reserve	Share premium	Retained earning	Total
Balance as at 01 January 2016	231,889	10,000	115,068	3,965,859	4,322,816
Net profit during the period	-	-	-	2,527,498	2,527,498
Other comprehensive expenses	-	-	-	(32,519)	(32,519)
Dividend paid during the period	-	-	-	(1,031,908)	(1,031,908)
Balance as at 31 March 2017	**231,889**	**10,000**	**115,068**	**5,428,930**	**5,785,887**

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

Managing Director | Director & CFO | Company Secretary

Dhaka, 24 May 2017

AMARSTOCK

Berger Paints Bangladesh Limited
Consolidated Statement of Cash Flows

	Notes	Amounts in Taka '000 For the 15 months ended 31 March 2017	 31 December 2015
Cash flows from operating activities			
Cash received from customers		18,369,712	14,778,121
Cash received from other operating income		294,321	235,502
Cash paid to suppliers and employees		(15,023,283)	(11,664,815)
Payment of interest		(11,686)	(16,984)
Income tax paid		(930,517)	(595,988)
A. Net cash flows from operating activities		**2,698,547**	**2,735,836**
Cash flows from investing activities			
Capital expenditures		(1,179,682)	(1,112,596)
Proceeds from sale of property, plant and equipment		17,445	4,700
B. Net cash used in investing activities		**(1,162,237)**	**(1,107,896)**
Cash flows from financing activities			
Dividend paid		(1,031,524)	(741,715)
C. Net cash used in financing activities		**(1,031,524)**	**(741,715)**
Net increase in cash and cash equivalent (A+B+C)		**504,786**	**886,225**
Opening cash and cash equivalents		1,135,202	248,977
Closing cash and cash equivalents		**1,639,988**	**1,135,202**
Reconciliation of closing cash and cash equivalents			
Term deposit-short term portion	11	1,450,000	800,000
Cash and cash equivalents	12	508,438	380,247
Operational overdraft	17	(318,450)	(45,045)
		1,639,988	**1,135,202**

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

Managing Director | Director & CFO | Company Secretary

Dhaka, 24 May 2017

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Berger Paints Bangladesh Limited
Notes to the Consolidated Financial Statements

As at and for the period ended 31 March 2017

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 was 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 law. The company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) of Bangladesh w.e.f. 27 December 2005 and 21 December 2005 respectively.

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 period ended 31 March 2017 comprise the company, its subsidiary and the group's interest in associate as 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 Description of the companies and nature of business

Berger Paints Bangladesh Limited

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

Jenson & Nicholson (Bangladesh) Limited

"Berger Paints Bangladesh Limited owns 100% shares of Jenson & Nicholson (Bangladesh) Limited – J&N (B) L. 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. The Corporate office of the Company is located at 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 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. Registered office and Corporate office of the Company is located at Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka 1230. The Company commenced commercial production with effect from 11 September 2012 in its factory located at Building No - 03, Plot No - 102, Mouza -Taksur, Nabinagar, Savar, Dhaka -1340.

2 Basis of preparation and presentation of the consolidated financial statements

2.1 Statement of compliance

The consolidated financial statements have been prepared and the disclosures of information are made in accordance with the Bangladesh Financial Reporting Standards (BFRS), the Companies Act (# 18)1994 and the Bangladesh Securities Exchange Rules 1987 as much as practicable. The consolidated statement of financial position and statement of profit or loss and other comprehensive income have been prepared according to Bangladesh Accounting Standards (BAS) 1 Presentation of Financial Statements and Bangladesh Financial Reporting Standard (BFRS) 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 Bangladesh Securities and Exchange Rules 1987.

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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.

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 period's figures were re-arranged according to the same accounting principles. Compared to the previous period, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company.

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 period 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 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 judgments

The preparation of consolidated financial statements in conformity with BFRSs requires management to make judgments, 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 judgments 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

In order to conform to Section 2(35) of Income Tax Ordinance 1984 as amended by Finance Act 2016, the board of directors of the Company has passed a resolution on 5 September, 2016 changing income year to April – March from January - December and the Deputy Commissioner of Taxes, Circle 2 (Companies), Tax Zone 1, Chittagong has accorded approval to that change on 21 September 2016. Accordingly, the Company will place the audited financial statements covering 15 (fifteen) months period from 1 January 2016 to 31 March 2017 before the members in the Annual General Meeting 2017. Thereafter the income year of the Company shall continue as April to March.

2.7 Previous period's figures and phases

Wherever considered necessary, previous Period's figures and phrases have been re-arranged to conform to the current Period's presentation and relevant accounting periods have enumerated below:

Elements of financial statements	Current period	Comparative period
Statement of financial position and related notes	As at 31 March 2017	As at 31 December 2015
Statement of profit or loss and other comprehensive income and related notes	For the period from 01 January 2016 to 31 March 2017 (15 months)	For the period from 01 October 2014 to 31 December 2015 (15 months)
Statement of changes in equity	For the period from 01 January 2016 to 31 March 2017 (15 months)	For the period from 01 October 2014 to 31 December 2015 (15 months)
Statement of cash flows	For the period from 01 January 2016 to 31 March 2017 (15 months)	For the period from 01 October 2014 to 31 December 2015 (15 months)

2.8 Going concern

The Company has adequate resources to continue its operation for foreseeable future. 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. For this reason the financial statements have been prepared on going concern basis.

2.9 Functional and presentational currency and level of precision

These financial statements are presented in Taka, which is also 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 profit or loss and other 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 statement of profit or loss and other comprehensive income. 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 with the Group
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 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 in 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 consolidated statement of profit or loss and other comprehensive income.

3.3 Capital work-in-progress

Capital work-in-progress is stated at cost of acquisition and also 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.

3.4 Intangible assets

Intangible assets for the period 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 day to day maintenance charge if an are charged to profit or loss and other 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 consolidated statement of profit or loss and other 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 consolidated statement of profit or loss and other comprehensive income for the period 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 relates and it is probable that the future economic benefit will follow to the Company and such cost can be measures reliably. All other costs are charged to the statement of profit or loss and other comprehensive income as incurred.

iii. Amortization

Amortization is recognized in the consolidated statement of profit or loss and other 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	10-20

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

iv. Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use of it 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 consolidated statement of profit or loss and other 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 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 consolidated statement of profit or loss and other 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.

iii. Goods in transit (GIT)

W.e.f. 1 January 2016 the company has adopted the policy to recognize GIT on FOB basis.

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.

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. There is an insignificant risk of change in value of the same. 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.

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 profit of individual company, as per provision of the Bangladesh Labour Act 2016 and Bangladesh Labour (Amendment) Act 2013 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 profit or loss and other 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 period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous period. 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 period. Taxable profit differs from net profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted till the date of statement of financial position.

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.

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 from the sale of goods shall be recognized when all the following conditions have been satisfied:

a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;

b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

c) the amount of revenue can be measured reliably;

d) it is probable that the economic benefits associated with the transaction will flow to the entity; and

e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 profit or loss and other comprehensive income when:

a) the amount of revenue can be measured reliably;

b) it is probable that the economic benefits associated with the transaction will flow to the entity;

c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and

d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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 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 for the period incurred.

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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 consolidated statement of profit or loss and other comprehensive income as per BAS 21 The Effects of Changes in Foreign Exchange Rates.

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.

i. Date of authorization:

The consolidated financial statements were authorized by the Board of Directors on 24 May 2017 for publication.

3.19 Comparatives and reclassification

Comparative information has been 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 period's financial statements. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified whenever considered necessary to confirm to current period'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 consolidated statement of profit or loss and other comprehensive income.

i. Basic Earnings per share (BEPS)

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

ii. Diluted earning per share (DEPS)

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

		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
4	**Property, plant and equipment**		
	At cost		
	Opening balance	3,752,819	3,152,603
	Addition during the period	1,181,025	631,904
	Disposal during the period	(49,313)	(31,688)
	Closing balance	**4,884,531**	**3,752,819**
	Accumulated depreciation		
	Opening balance	1,568,587	1,297,266
	Charged during the period	443,900	296,581
	Adjustment on disposal	(46,666)	(25,260)
	Closing balance	**1,965,821**	**1,568,587**
	Written down value	**2,918,710**	**2,184,232**

Note: *Schedule of consolidated property, plant and equipment is presented in Annexure-A.*

4.1 Segregation of depreciation amount to manufacturing, selling and administrative units - notes 2.5, 2.10.3 and 3

Manufacturing overhead	244,111	154,991
Selling, distribution and warehousing expenses	153,864	112,996
Administrative and general expenses	45,925	28,594
Total	**443,900**	**296,581**

5 Capital work-in-progress

Opening balance	397,912	175,616
Addition during the period	334,777	413,350
	732,689	588,966
Transferred to property, plant and equipment	(384,485)	(191,054)
Closing balance	**348,204**	**397,912**

5.1 Details of capital work-in-progress

Building	180,399	207,269
Plant and machinery	125,604	148,250
Factory equipment	42,201	22,862
Software	-	13,187
Furniture and fixtures	-	347
Electrical installation	-	5,997
	348,204	**397,912**

6	Intangible assets	Software	Corporate membership	Trade marks	Total	Total
	At cost					
	Opening balance	134,937	3,300	965	139,202	90,890
	Addition during the period	48,194	-	171	48,365	48,312
	Closing balance	**183,131**	**3,300**	**1,136**	**187,567**	**139,202**
	Accumulated amortization					
	Opening balance	68,145	-	513	68,658	61,581
	Charged during the period	24,576	-	97	24,673	7,077
	Closing balance	**92,721**	**-**	**610**	**93,331**	**68,658**
	Carrying amount	**90,410**	**3,300**	**526**	**94,236**	**70,544**

6.1 Segregation of amortization amount to selling and administrative units

Selling, distribution and warehousing expenses	97	57
Administrative and general expenses	24,576	7,020
	24,673	**7,077**

		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
7	**Investment in associate**		
	Opening balance	76,968	58,551
	Share of profit of associate	47,665	25,277
	Dividend of associates	-	(6,860)
		47,665	**18,417**
	Closing balance	**124,633**	**76,968**
8	**Inventories**		
	Raw materials	853,366	660,560
	Packing materials	47,422	37,389
	Semi finished goods	154,098	140,065
		1,054,886	**838,014**
	Finished goods		
	Own manufactured products	515,130	381,920
	Imported products	81,627	57,622
		596,757	**439,542**
	Goods in-transit	373,366	296,363
	Store, consumables and promotional items	49,996	45,704
		423,362	**342,067**
		2,075,005	**1,619,623**
9	**Trade and other receivables**		
	Trade receivables-unsecured	1,113,748	960,038
	Provision for bad and doubtful debt on unsecured trade receivables	(29,895)	(19,129)
	Considered to be good	1,083,853	940,909
	Other receivables	17,847	4,517
	Receivables with associate	880	8,863
		1,102,580	**954,289**
	Maturity wise presentation of trade receivables-unsecured:		
	Outstanding over 360 days	36,633	24,982
	Outstanding over 180 days to below 360 days	26,258	28,621
	Outstanding below 180 days	1,050,857	906,435
		1,113,748	**960,038**
10	**Advances, deposits and prepayments**		
	Advances to employees		
	House building loans	43,148	28,084
	Others	4,806	5,892
		47,954	33,976
	Advance for goods and services	41,443	46,195
	Value Added Tax-VAT	48,623	40,727
	Supplementary Duty	5,578	9,231
	Advance for rent	159,125	99,781
		254,769	195,934
	Deposits-Security deposits	15,806	10,387
	Prepayments-insurance premium	12,185	2,599
		27,991	12,986
		330,714	**242,896**

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		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
11	**Term deposit**		
	Opening balance	800,000	400,000
	Addition during the period	650,000	400,000
	Closing balance	**1,450,000**	**800,000**
11.1	**Maturity wise presentation**		
	Three months	1,100,000	800,000
	Six months	350,000	-
		1,450,000	**800,000**
12	**Cash and cash equivalents**		
	Cash at banks:		
	Current and collection accounts	389,088	279,402
	Short term deposit accounts	108,981	89,920
	Foreign currency current accounts	5,164	6,537
		503,233	375,859
	Cash in hand	5,205	4,388
		508,438	**380,247**
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	% of share holding	Taka '000	Taka '000
Foreign shareholders				
J & N Investments (Asia) Limited - Group	22,029,370	95.00	220,293	220,293
Institutions & General public	357,277	1.54	3,572	3,572
Bangladeshi shareholders		-		
Institutions (financial & others)	692,764	2.99	6,928	6,748
General public	109,529	0.47	1,095	1,275
Total	**23,188,940**	**100.00**	**231,889**	**231,889**

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13.2 Classification of shareholders by range

Shareholding range	Type of shareholders	31 March 2017			31 December 2015
		Number of shares	Number of shareholders	% of share holding	Number of share holders
Less than 500 shares	G. Public& Inst	76,901	1,231	0.33	1,331
501 to 5,000 shares	G. Public& Inst	63,624	42	0.27	62
5,001 to 10,000 shares	Institution	56,076	8	0.24	8
10,001 to 20,000 shares	Institution	160,687	10	0.69	3
20,001 to 30,000 shares	Institution	80,321	3	0.35	3
30,001 to 40,000 shares	Institution	114,307	3	0.49	3
40,001 to 50,000 shares	Institution	44,445	1	0.19	2
50,001 to 100,000 shares	Institution	83,791	1	0.36	3
100,001 to 1,000,000 shares	Institution	479,418	4	2.08	3
Over 1,000,000 shares	Group	22,029,370	1	95.00	1
Total		**23,188,940**	**1,304**	**100.00**	**1,419**

Amounts in Taka '000

	As at 31 March 2017	As at 31 December 2015
14 Share premium		
Closing balance	**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.

15 Retained earnings		
Opening balance	3,965,859	2,917,055
Net profit during the period	2,527,498	1,790,851
	6,493,357	**4,707,906**
Other comprehensive expenses	(32,519)	-
Dividend distributed during the period	(1,031,908)	(742,047)
Closing balance	**5,428,930**	**3,965,859**

16 Deferred tax liabilities

	Carrying amount on reporting date	Tax base	Taxable/ (deductible) temporary difference
Property, plant and equipment excluding land	2,623,009	1,598,694	**1,024,315**
Provision for employee benefit plans	(74,297)	-	**(74,297)**
Provision for bad debts	(29,985)	-	**(29,985)**
Net temporary difference			**920,033**
Deferred tax liabilities as at 31 March 2017			**250,211**
Deferred tax liabilities as at 31 December 2015			217,582

		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
16.1	**Movement of deferred tax liabilities**		
	Opening balance	217,582	174,593
	Closing balance	250,211	217,582
		32,629	**42,989**
16.2	**Details of deferred tax expenses:**		
	Property plan and equipment	53,942	46,315
	Bad debts provision	(7,495)	-
	Gratuity provision	(2,978)	(3,326)
	Reognised in statement of profit or loss	**43,469**	**42,989**
	Gratuity on actuarial valuation recognised on equity statement	(10,840)	-
		32,629	**42,989**
17	**Operational overdraft**		
	Operational overdraft - current accounts	98,450	45,045
	Short term loan	220,000	-
		318,450	**45,045**
18	**Trade and other payables**		
	For revenue expenses - note 18.1	975,585	1,046,321
	For trading supplies	925,947	508,425
	For other finance - note 18.2	124,337	98,424
	For capital expenditure	20,690	20,565
		2,046,559	**1,673,735**
	Workers' profit participation and welfare fund (WPPF)	87,760	105,926
		2,134,319	**1,779,661**
18.1	**Payable for revenue expenses**		
	Accrued charges	925,884	903,915
	Provision for trade rebate	41,312	136,666
	Training and consultancy fee	8,389	5,740
		975,585	**1,046,321**
18.2	**Payable for other finance**		
	Clearing account	48,481	18,481
	Security deposits	19,762	18,796
	Tax and VAT deduction at source	34,890	53,634
	Staff income tax	12,097	5,527
	Others	9,107	1,986
		124,337	**98,424**

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		Amounts in Taka '000	
		As at 31 March 2017	As at 31 December 2015
19	**Provision for royalty**		
	Opening balance	166,027	142,515
	Remitted during the period	(78,370)	(64,145)
		87,657	78,370
	Charged for the period	131,375	87,657
	Closing balance	**219,032**	**166,027**
20	**Provision for current tax**		
	Opening balance	167,541	186,862
	Provision made during the period	881,488	576,667
		1,049,029	763,529
	Payment and adjustment made during the period	(887,158)	(595,988)
	Closing balance	**161,871**	**167,541**
21	**Provision for employees' retirement gratuity**		
	Opening balance	19,970	22,164
	Provision made during the period	81,714	19,305
		101,684	41,469
	Transferred to gratuity fund	(27,387)	(21,499)
	Closing balance	**74,297**	**19,970**
22	**Liability for unclaimed IPO application money**		
	Opening balance	147	147
	Refunded during the period	-	-
	Closing balance	**147**	**147**
23	**Contingent liabilities**		
	Bank guarantees issued by the Company's banker on counter indemnities given by the Company there against and secured	1,370	1,670
	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	115,428	588,966
	Capital expenditure commitments		
	Contracted for but not taken into account	28,759	14,905
	Authorized but not contracted for	-	-
		219,057	**679,041**

		Amounts in Taka '000	
		For the 15 months ended	
		31 March 2017	31 December 2015
24	**Revenue**		
	Net revenue of group-BPBL	18,603,715	14,963,300
	Net revenue of subsidiary-J & N (Bangladesh) Limited	675,341	547,468
		19,279,056	15,510,768
	Inter-company sales	(638,953)	(531,203)
		18,640,103	**14,979,565**
25	**Cost of sales**		
	Opening stock of finished goods	439,542	442,631
	Purchases of finished goods during the period	240,905	193,290
		680,447	**635,921**
	Cost of goods manufacture		
	Raw material consumed - notes 25.1	8,231,559	7,386,550
	Manufacturing overhead - note 25.2	1,098,127	905,233
		9,329,686	**8,291,783**
		9,984,038	8,927,704
	Closing stock of finished goods	(596,757)	(439,542)
	Cost of sales	**9,387,281**	**8,488,162**
25.1	**Raw materials consumed**		
	Opening stock		
	Raw materials	660,560	838,177
	Packing materials	37,389	91,315
	Semi finished goods	140,065	41,300
		838,014	970,792
	Purchases during the period		
	Raw materials	7,443,964	6,354,864
	Packing materials	1,643,420	1,430,111
	Intercompany sales	(638,953)	(531,203)
		8,448,431	7,253,772
	Closing stock		
	Raw materials	(853,366)	(660,560)
	Packing materials	(47,422)	(37,389)
	Semi finished goods	(154,098)	(140,065)
		(1,054,886)	(838,014)
		8,231,559	**7,386,550**

	Amounts in Taka '000	
	For the 15 months ended	
	31 March 2017	31 December 2015

25.2 Manufacturing overhead

Personnel cost (salary, wages and welfare)	625,271	527,377
Depreciation	244,111	192,000
Fuel, water and power	91,432	63,501
Repairs and maintenance	65,017	55,398
Raw material shifting charge	12,575	14,848
Stores and spares consumed	20,085	15,401
Rent, rates and other taxes	9,978	12,424
Research, development and experimental costs	5,671	4,274
Travelling and conveyance	7,804	6,208
Other overhead	9,555	6,894
Insurance	5,969	5,458
L/C and bank charges	659	1,450
	1,098,127	**905,233**

26 Selling, distribution and warehousing expenses

Advertising	2,534,345	1,487,254
Personnel cost	774,682	648,367
Warehousing and distribution	289,243	239,986
Selling expenses	1,441,020	1,088,780
Depreciation and amortization	153,961	136,788
Cost of free issue	6,991	6,426
	5,200,242	**3,607,601**

27 Administrative and general expenses

Personnel cost (Salary, wages and welfare)	410,311	319,074
Postage and communication	11,840	11,368
Depreciation and amortization	70,501	44,808
Travelling, haulage and passage	10,579	9,659
Repair and maintenance	61,817	43,080
AGM expense	4,123	3,056
Bank charges	15,175	8,989
Vehicle expenses	13,148	9,056
Electricity, fuel and water	7,567	6,278
Printing and stationery	5,634	4,707
Rent, rates and fees	1,273	573
Subscription and donation	1,454	913
CSR activity	5,679	3,302
Entertainment	8,692	6,544
Corporate affairs department's expenses	309	342
Insurance	380	289
Legal and professional charges	8,703	12,642
General charges	2,294	1,500
Auditors' remuneration		
Audit fee	1,363	1,114
Others	241	222
	1,604	1,336
Newspaper and periodicals	831	563
Directors fee	210	265
Market Survey	124	747
ISO Expenses	2,867	805
	645,115	**489,896**

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		Amounts in Taka '000	
		For the 15 months ended	
		31 March 2017	31 December 2015
28	**Other operating expenses**		
	Royalty fees	131,375	105,454
	Training and consultancy	5,767	4,338
		137,142	**109,792**
29	**Other operating income**		
	Service charges from house building loan	512	453
	Scrap sales and sundry recoveries	50,304	49,007
	Income from color bank operation	112,164	102,789
	Insurance claim and other realizations	6,522	6,542
	Income from illusion	23,975	29,477
	Rental income from BBBL	5,816	5,864
	Others	54	35
		199,347	**194,167**
30	**Finance cost**		
	Finance cost on bank overdraft	11,524	15,932
	Exchange loss / (gain)	95	234
		11,619	**16,166**
	Inter-company transaction	(6,606)	(6,321)
		5,013	**9,845**
31	**Investment income**		
	Dividend income from associates-BBBL	-	6,860
	Interest on term deposit	110,446	46,876
		110,446	**53,736**
	Inter-company transaction	(6,606)	(6,321)
		103,840	**47,415**
32	**Other non-operating income/(loss)**		
	Income/(loss) on sale of property, plant and equipment	14,798	(1,728)
		14,798	**(1,728)**

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.

The following are the contractual maturities of financial liabilities of the Company: Amounts in Taka' 000

Financial liabilities	As at 31 March 2017			
	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months
Trade and other payables including unclaimed dividend	2,142,772	2,142,772	2,142,772	-
Operational overdraft	318,450	318,450	318,450	-

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	45,045	45,045	45,045	-

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 (in thousand Taka)

Foreign currency denominated assets	As at 31 March 2017	As at 31 December 2015
Receivable from customers-Export	19,702	37,892
Cash at bank	5,164	6,537

Foreign currency denominated liabilities	As at 31 March 2017	As at 31 December 2015
Trade payables	925,947	508,425
Royalty and technical fees	219,032	166,027

The company has applied the following significant foreign exchange rates:

	As at 31 March 2017	As at 31 December 2015
US Dollar	80.65	78.99
EURO	88.04	87.80
GBP	101.48	118.33

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:

Financial instruments	As at 31 March 2017	As at 31 December 2015
	Amounts in Taka '000	
Financial assets		
Investment in FDR	1,450,000	800,000
Cash at bank	503,233	375,859
Financial liabilities		
Operational overdraft	98,450	45,045
Short term loan	220,000	-

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:

	As at 31 March 2017	As at 31 December 2015
	Amounts in Taka '000	
Trade receivable		
Local receivable	1,094,046	922,146
Export receivable	19,702	37,892
	1,113,748	**960,038**
Other receivables:		
Accrued interest	17,847	4,517
Inter-company receivable	880	8,863
	18,727	**13,380**

34 Basic earnings per share (EPS)

Net profit attributable to ordinary shareholders (Taka' 000)	2,527,498	1,790,851
Number of ordinary share	23,188,940	23,188,940
Earnings per share (EPS) Taka	**109.00**	**77.23**

35 Name of the auditors of other companies

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

Managing Director | Director & CFO | Company Secretary

Annexure-A

Schedule of consolidated property, plant and equipment and depreciation thereon as at 31 March 2017

Amounts in Taka '000

Category of assets	Cost				Accumulated depreciation				Written down value as at 31 March 2017
	Balance as at 01 January 2016	Addition during the period	Disposal made during the period	Balance as at 31 March 2017	Balance as at 01 January 2016	Charged during the period	Adjustment on disposal	Balance as at 31 March 2017	
Land	177,838	124,231	-	302,069	5,828	541	-	6,369	295,700
Building	792,633	303,725	-	1,096,358	202,836	37,048	-	239,884	856,474
Plant and machinery	1,371,806	297,519	-	1,669,325	522,046	145,116	-	667,162	1,002,163
Office equipment	142,056	32,586	(3,112)	171,530	70,636	21,611	(3,029)	89,218	82,312
Factory and laboratory equipment	902,216	190,792	(8,623)	1,084,385	570,449	140,428	(8,519)	702,358	382,027
Computer	89,239	54,197	(2,306)	141,130	59,437	19,673	(2,101)	77,009	64,121
Furniture and fixtures	89,770	12,630	(1,822)	100,578	43,391	13,082	(1,379)	55,094	45,484
Motor vehicles	174,764	161,810	(33,417)	303,157	84,842	63,072	(31,605)	116,309	186,848
Loose tools	6,164	3,535	(33)	9,666	5,880	3,329	(33)	9,176	490
Electrical installation	6,333	-	-	6,333	3,242	-	-	3,242	3,091
Total as at 31 March 2017	**3,752,819**	**1,181,025**	**(49,313)**	**4,884,531**	**1,568,587**	**443,900**	**(46,666)**	**1,965,821**	**2,918,710**
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**

Managing Director

Director & CFO

Company Secretary

ANNUAL STOCK

পরিচালনা পর্ষদের প্রতিবেদন

কোম্পানির পরিচালকবৃন্দ আনন্দের সাথে আপনাদের সামনে তাদের ৪৪তম প্রতিবেদন এবং তার সাথে ৩১ মার্চ ২০১৭ তারিখে সমাপ্ত ১৫ মাসের নিরীক্ষিত আর্থিক প্রতিবেদনসমূহ ও নিরীক্ষকের প্রতিবেদন পেশ করছেন।

১. হিসাব বছর পরিবর্তন

অর্থ আইন ২০১৬-এর মাধ্যমে আনীত সংশোধনী অনুযায়ী আয়কর অধ্যাদেশ ১৯৮৪ এর ধারা ২(৩৫) এর সাথে সঙ্গতি রেখে কোম্পানির হিসাব বছর জানুয়ারি-ডিসেম্বর এর পরিবর্তে এপ্রিল-মার্চ করা হয়েছে। অতএব, ৪৪তম বার্ষিক সাধারণ সভায় ১ জানুয়ারি ২০১৬ থেকে ৩১ মার্চ ২০১৭ পর্যন্ত পনের মাসের আর্থিক প্রতিবেদন পেশ করা হলো।

২. রঙ শিল্পের সার্বিক অবস্থা ও সম্ভাব্য ভবিষ্যৎ পরিস্থিতি

২০১৬ সালে রঙ শিল্পে মধ্যম মাত্রার প্রবৃদ্ধি লক্ষ্য করা যায়। ২০১৭ সালের প্রথমার্ধের মৌসুমী বৃষ্টিপাতের কারণে এ প্রবৃদ্ধি কিছুটা বিঘ্নিত হয়। ব্যাংকিং খাতে অলস তারল্য এবং গৃহায়ণ ঋণের নিম্ন সুদের হার সত্ত্বেও আবাসন খাতের বিনিয়োগে গতি আসেনি। গ্যাস সরবরাহে ঘাটতিও ছিলো শিল্প প্রবৃদ্ধির আর এক অন্তরায়। অ্যাপার্টমেন্টের উচ্চ মূল্য ও গ্যাস সংযোগ বন্ধ থাকার কারণে আবাসন খাত প্রতিকূল অবস্থার মধ্য দিয়ে যাচ্ছে। তথাপি, কাঁচামালের সহনশীল মূল্য এবং ২০১৬ সালে টাকার স্থিতিশীল বিনিময় হার শিল্পের উৎপাদন খরচ কমাতে ইতিবাচক ভূমিকা পালন করেছে।

গত বছরের মতো এই বছরেও দেশের ব্যবসায়িক পরিবেশ ভালো ছিলো এবং সামনের বছরগুলোতেও ভালো থাকবে বলে আমরা আশা করি। বাংলাদেশ ধীরে ধীরে মধ্যম আয়ের অর্থনীতিতে পরিণত হতে যাচ্ছে। মুদ্রাস্ফীতি, রপ্তানি এবং সুদের হার ইত্যাদি সূচকসমূহ এখন অভ্যন্তরীণ বিনিয়োগের অনুকূল। বিশ্ব ব্যাংকের হিসাবে চলতি অর্থবছরে বাংলাদেশের অর্থনৈতিক প্রবৃদ্ধির হার ৬.৮০% এবং বাংলাদেশ সরকারের হিসাব অনুযায়ী এ হার ৭.২৪%। জিডিপির শতকরা হিসেবে দেশের বিনিয়োগ অনেক কম। দেশের অভ্যন্তরীণ বিনিয়োগে গতি আনতে আমাদের আরো পদক্ষেপ নেওয়া দরকার। শিল্পায়নের জন্য ঝামেলামুক্ত জমি এবং অবকাঠামো সুবিধা দিতে সরকার বেশ কয়েকটি সরকারি এবং বেসরকারি অর্থনৈতিক অঞ্চল স্থাপন করছে। ব্যবসা শুরু করার পদ্ধতি আরো সহজ করতে বাংলাদেশ সরকার বিনিয়োগ বোর্ড এবং বেসরকারিকরণ কমিশনকে একত্রিত করে বাংলাদেশ বিনিয়োগ উন্নয়ন কর্তৃপক্ষ গঠন করেছে। অতীতের মতই বাংলাদেশের উন্নয়নের সুস্থির ধারাবাহিকতা বজায় থাকার পাশাপাশি আগামী বছরগুলোতেও দেশের অর্থনীতির উর্ধ্বগতি চলমান থাকবে বলে আমাদের দৃঢ় বিশ্বাস।

৩. বিক্রয় প্রবৃদ্ধি

৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত ১৫ মাসের তুলনায় ৩১ মার্চ ২০১৭ তারিখে সমাপ্ত ১৫ মাসে কোম্পানি ২৪.৩৩% বিক্রয় প্রবৃদ্ধি অর্জন করে। এ সময়ে আমাদের মার্কেট শেয়ারও বৃদ্ধি পেয়েছে। আগামী বছরগুলোতেও আমরা আরো ভালো ফলাফল অর্জন করতে পারব বলে আশা রাখি।

৪. নতুন পণ্য

গ্রাহকদের ক্রমবর্ধমান চাহিদা মেটাতে এবং ব্যবসা বহুমুখী করার উদ্দেশ্যে ২০১৬-২০১৭ সালে বার্জার পেইন্টস্ বেশ কয়েকটি নতুন পণ্য বাজারজাত করে।

বার্জার ওয়েদারকোট ব্র্যান্ডের অধীনে নতুন সংযোজন বার্জার ওয়েদারকোট অ্যান্টিডার্ট লংলাইফ- এক্সটেরিয়র কোটিংয়ের সম্পূর্ণ সমাধান। বিশেষ ফর্মুলা এবং ন্যানো অ্যাডিটিভস্যুক্ত বার্জার ওয়েদারকোট অ্যান্টিডার্ট লংলাইফ বাড়ির বাহিরের দেয়ালকে ধুলা এবং ময়লা থেকে রক্ষা করে। এছাড়া প্রথমবারের মতো বার্জার নিয়ে এসেছে বার্জার এক্সপ্রেস পেইন্টিং টুলস। পেইন্টিংয়ের কাজের সময় ধুলা-বালি এবং ময়লা সৃষ্টি হওয়া রোধ করা এবং আরো দ্রুত পেইন্ট করার জন্যই বার্জার তৈরি করেছে এই এক্সপ্রেস পেইন্টিং সিস্টেম।

বার্জার পেইন্টস্-এর ফ্ল্যাগশিপ ব্র্যান্ড, বার্জার রবিয়াল্যাক এখন দেশের এক নম্বর পেইন্ট ব্র্যান্ড। দুই দশকের বেশি সময় ধরে রবিয়াল্যাক গ্রাহকদের মাঝে সবচেয়ে নির্ভরযোগ্য পেইন্ট ব্র্যান্ড হিসেবে পরিচিত। সম্প্রতি বার্জার রবিয়াল্যাক 'রাঙাও জীবন ইচ্ছে মতন' - নামক ক্যাম্পেইন পরিচালনা করেছে। টিভি এবং পত্রিকা বিজ্ঞাপন, অনলাইন প্রমোশন, ট্রেড এবং আউটডোর মিডিয়ায় ব্যাপক প্রচারণার মাধ্যমে, শপিং মল, বিশ্ববিদ্যালয় এবং বিভিন্ন কমিউনিটিতে গ্রাহকদের মধ্যে অ্যাকটিভেশন দ্বারা এই ক্যাম্পেইনটি সফলভাবে সম্পন্ন হয়।

৫. ব্রিদ ইজি ইমালশনের গ্রীন লেবেল সনদ প্রাপ্তি

ব্রিদ ইজি ইমালশনের জন্য বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড গ্রীন লেবেল সনদ অর্জন করেছে। সিঙ্গাপুর এনভায়রনমেন্টাল কাউন্সিল (এসইসি), সিঙ্গাপুর গ্রীন লেবেলিং স্কিম (এসজিএলএস)-এর মাধ্যমে এই গ্রীন লেবেল সনদ প্রদান করে থাকে। এসজিএলএস দক্ষিণ-পূর্ব এশিয়ার সবচেয়ে প্রতিষ্ঠিত ইকো-লেবেলিং স্কিম, ২৮টি দেশজুড়ে যার অনুমোদিত ৩ হাজারেরও বেশি পণ্য রয়েছে। গ্রীন লেবেল সীলটি হলো একটি পণ্যের পরিবেশবান্ধব গুণাগুণের সাক্ষীস্বরূপ। বার্জার ব্রিদ ইজি-এর এই অর্জন তার ভিওসি-মুক্ত পরিবেশবান্ধব পণ্য হওয়ার দাবীকে সমর্থন করে। উপরন্তু, এই গ্রীন লেবেল অনুমোদনের ফলে এখন ব্রিদ ইজি ইমালশন এসজিএলএস-এর আওতাভুক্ত সকল দেশে সুপরিচিত এবং গ্রহণযোগ্য হবে।

৬. পুরস্কার এবং স্বীকৃতি

আইসিএমএবি বেস্ট কর্পোরেট অ্যাওয়ার্ড: ইন্সটিটিউট অফ কস্ট অ্যান্ড ম্যানেজমেন্ট অ্যাকাউন্ট্যান্টস অফ বাংলাদেশ (আইসিএমএবি)-এর কাছ থেকে বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড মাল্টিন্যাশনাল ক্যাটাগরিতে 'বেস্ট কর্পোরেট অ্যাওয়ার্ড-২০১৫' অর্জন করেছে।

বাংলাদেশ সরকারের নিকট হতে *'সর্বোচ্চ করদাতা'*-এর স্বীকৃতি: বাংলাদেশ সরকার ফার্মাসিউটিক্যালস্ অ্যান্ড কেমিক্যালস্ ক্যাটাগরিতে বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড-কে 'সর্বোচ্চ করদাতা' পদক প্রদান করেছে। রাষ্ট্রীয় কোষাগারে উল্লেখযোগ্য অবদান রাখার জন্য এই মর্যাদা অর্জন কোম্পানির জন্য সত্যিই সম্মানজনক। এই রাষ্ট্রীয় স্বীকৃতি বার্জারকে আরো নীতিবান এবং দায়িত্বশীল কর্পোরেট নাগরিক হিসেবে সুপরিচিত করে তুলবে।

বাংলাদেশ সরকারের নিকট হতে *'সর্বোচ্চ ভ্যাটদাতা'* হিসেবে স্বীকৃতি: বাংলাদেশ সরকার 'ম্যানুফ্যাকচারিং কোম্পানি' ক্যাটাগরিতে বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড-কে ২০১৪-১৫ অর্থবছরের 'সর্বোচ্চ ভ্যাটদাতা' পদক প্রদান করেছে।

ব্র্যান্ড ফোরাম থেকে *'বেস্ট পেইন্ট ব্র্যান্ড অ্যাওয়ার্ড'* অর্জন: এইবার নিয়ে একাধারে ৬ বার বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড পেইন্ট ক্যাটাগরিতে 'বেস্ট পেইন্ট ব্র্যান্ড' পুরস্কার অর্জন করেছে। ক্যান্টার মিলওয়ার্ড ব্রাউন এবং বাংলাদেশ ব্র্যান্ড ফোরামের যৌথ উদ্যোগে আয়োজিত এই অনুষ্ঠানে ৩৩টি ক্যাটাগরির অধীনে সেরা ব্র্যান্ডগুলোকে পুরস্কৃত করা হয়। দেশব্যাপী এমডিএস ফ্রেমওয়ার্ক অনুসারে জরিপ চালিয়ে প্রচলিত ব্র্যান্ডসমূহের অর্থবহতা, ভিন্নতা এবং বৈশিষ্ট্য বিচার করে এই পুরস্কার দেওয়া হয়। বয়স, লিঙ্গ, শিক্ষা, পেশা, আর্থ-সামাজিক শ্রেণি এবং আয়ের উপর ভিত্তি করে এই জরিপ চালানো হয়।

৭. 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 মিলিয়ে 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 পেইন্টস্ আন্তর্জাতিক মানের ইফ্লুয়েন্ট ট্রিটমেন্ট প্লান্ট এবং ইনসিনারেটর স্থাপন করে এক্ষেত্রে পথপ্রদর্শকের ভূমিকা পালন করেছে।

৮. আর্থিক ফলাফল

পরিচালকগণ আনন্দের সাথে ৩১ মার্চ, ২০১৭ তারিখে সমাপ্ত ১৫ মাসের আর্থিক প্রতিবেদন পেশ করছেন এবং নিম্নলিখিত পদ্ধতিতে মুনাফা বণ্টনের সুপারিশ করছেন:

টাকা '০০০

বিবরণ	৩১ মার্চ ২০১৭ তারিখে সমাপ্ত ১৫ মাসের জন্য	৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত ১৫ মাসের জন্য
নিট বিক্রয়	১৮,৬০৩,৭১৫	১৪,৯৬৩,৩০০
বিক্রিত পণ্যের ব্যয়	(৯,৫৪৮,৮৩২)	(৮,৬১১,৩৮৬)
মোট লাভ	৯,০৫৪,৮৮৩	৬,৩৫১,৯১৪
কর-পূর্ব মুনাফা	৩,২৫৭,৩৬৪	২,২৮৯,৬৬২
কর সঞ্চিতি	(৮৩৮,৯৮৫)	(৫৫৭,৭০৩)
বিলম্বিত কর সঞ্চিতি	(২৫,৭৩১)	(২৩,৬৭০)
কর-পরবর্তী মুনাফা	২,৩৯২,৬৪৮	১,৭০৮,২৮৯
যোগ: পূর্ববর্তী বছরের অবন্টিত মুনাফা	৩,০৫৫,৪৫৫	২,২০৫,১৫৭
অন্তর্বর্তীকালীন লভ্যাংশ	(৪০৫,৮০৬)	(২৩১,৮৮৯)
অন্যান্য সম্মিলিত আয়/(ব্যয়)	(৩২,৫১৯)*	-
বিতরণের জন্য প্রাপ্ত লভ্যাংশ	৫,০০৯,৭৭৮	৩,৬৮১,৫৫৭
চূড়ান্ত লভ্যাংশ (প্রস্তাবিত/বিতরণকৃত)	(৯৮৫,৫৩০)	(৬২৬,১০১)
অবন্টিত মুনাফায় স্থানান্তর	৪,০২৪,২৪৮	৩,০৫৫,৪৫৫
মৌলিক শেয়ার প্রতি আয় (টাকা)	১০৩.১৮	৭৩.৬৭
শেয়ার প্রতি নীট পরিচালন অর্থ প্রবাহ (টাকা)	১১১.৪৫	১১৪.৬২
শেয়ার প্রতি নীট সম্পদের মূল্য (টাকা)	২৩১.৪৪	১৭৪.১৬
মোট লাভের হার (%)	৪৮.৬৭	৪২.৪৫
নীট কর-পরবর্তী মুনাফার হার (%)	১২.৮৬	১১.৪২

* গ্র্যাচুইটি তহবিলে পূর্বের চাকুরী জনিত ঘাটতির দায় সমন্বয়

পূর্ববর্তী ১৫ মাসের তুলনায় আলোচ্য ১৫ মাসে কোম্পানির মুনাফা ৪০.০৬% এবং বিক্রয় ২৪.৩৩% বৃদ্ধি পেয়েছে। কর্মদক্ষতা ও উৎপাদনশীলতার উন্নতির সাথে কাঁচামালের মূল্যহ্রাস কোম্পানির মুনাফার এই বৃদ্ধিতে বড় ভূমিকা রেখেছে।

৯. লভ্যাংশ:

উৎপাদন ক্ষমতা বৃদ্ধি এবং পণ্য ও ব্যবসায় বহুমুখীকরণের উদ্দেশ্যে কোম্পানি প্রচুর অর্থ বিনিয়োগ করেছে। দক্ষতা বৃদ্ধির জন্য আমরা বেশ কয়েকটি আইটি সলিউশন স্থাপন করেছি। এ সত্ত্বেও পরিচালনা পর্ষদ ২০১৬-২০১৭ সালের জন্য ৪২৫% চূড়ান্ত লভ্যাংশ অর্থাৎ ১০ টাকা মূল্যের প্রতিটি সাধারণ শেয়ারে ৪২.৫০ টাকা চূড়ান্ত লভ্যাংশ ঘোষণার সুপারিশ করেছেন। বছরের অন্তর্বর্তী ১৭৫% (শেয়ার প্রতি ১৭.৫০ টাকা) লভ্যাংশ সহ ২০১৬-২০১৭ সালের মোট লভ্যাংশ দাঁড়ায় ৬০০% অর্থাৎ ১০ টাকা মূল্যের প্রতিটি শেয়ারে ৬০ টাকা।

১০. সামাজিক দায়বদ্ধতা

দায়িত্বশীল কর্পোরেট প্রতিষ্ঠান হিসেবে বার্জার বিভিন্ন সামাজিক কর্মকাণ্ডে অবদান রেখে চলেছে। সামাজিক দায়বদ্ধতার অংশ হিসেবে বাংলাদেশে অটিস্টিক ও শারীরিক প্রতিবন্ধী শিশুদের নিয়ে কাজ করে এমন কয়েকটি প্রতিষ্ঠানকে ২০০৯ সাল থেকে বার্জার বিভিন্ন ধরনের সহযোগিতা করছে।

নবীন শিল্পীদের সৃজনশীল কর্মকাণ্ডে উৎসাহ দেয়ার লক্ষে ২১তম বার্জার ইয়াং পেইন্টার্স আর্ট কম্পিটিশন ২০১৬ আয়োজন করা হয়। এই বছর সারাদেশ থেকে প্রভূত সাড়া লক্ষ্য করা যায়। ঢাকা বিশ্ববিদ্যালয়ের চারুকলা অনুষদের জয়নুল গ্যালারিতে ২১ থেকে ২৫ নভেম্বর ২০১৬-তে অনুষ্ঠিত প্রতিযোগীতায় বিজয়ীদেরসহ নির্বাচিত ৪০টি ছবির প্রদর্শনী অনুষ্ঠিত হয়। বুয়েট ও খুলনা বিশ্ববিদ্যালয়ের স্থাপত্য বিভাগের শিক্ষার্থীদের জন্য প্রতিযোগীতামূলক বৃত্তিসমূহ ২০১৬-২০১৭ সালেও চালু ছিল।

বার্জার ৯ এপ্রিল ২০১৬ তারিখে বিভিন্ন স্থানে 'কমিউনিটি এনগেজমেন্ট ডে' পালন করে। এই দিন কোম্পানির প্রধান কার্যালয়ের সদস্যগণ 'সিআরপি' পরিদর্শন করে এবং সিআরপি-র পক্ষাঘাতগ্রস্থ রোগীদের কল্যাণে অনুদান প্রদান করে। কোম্পানির অন্যান্য কার্যালয় ও কারখানার সদস্যগণও এই দিন সারাদেশে অনুরূপ কার্যক্রমে অংশগ্রহণ করে। তারা দুঃস্থ শিশুদের কল্যাণে নিয়োজিত বিভিন্ন প্রতিষ্ঠান ও শিক্ষাপ্রতিষ্ঠান পরিদর্শন করে এবং বিনামূল্যে পেইন্টিং সেবা প্রদান করে।

প্রান্তিক মহিলা ও শিশুদের কল্যাণে নিয়োজিত একটি প্রতিষ্ঠানের জন্যও বার্জার সহযোগিতা করে আসছে।

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

১১. জাতীয় কোষাগারে অবদান

আবগারী শুল্ক, আয়কর, মূল্য সংযোজন কর এবং সম্পূরক শুল্ক বাবদ এ বছর কোম্পানি জাতীয় কোষাগারে প্রায় ৪৯০ কোটি ৭৩ লক্ষ ৭১ হাজার টাকা প্রদান করেছে।

১২. 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।

১৩. পরিচালক নির্বাচন:

ক) সংঘবিধির ১১১ অনুচ্ছেদে প্রদত্ত ক্ষমতাবলে পরিচালনা পর্ষদ ৫ সেপ্টেম্বর ২০১৬ তারিখের সভায় জেএন্ডএন ইনভেস্টমেন্টস্ (এশিয়া) লিমিটেডের মনোনয়ন অনুসারে জনাব কানওয়ারদিপ সিং ধিঙরাকে পরিচালক নিয়োগ করে। কোম্পানি আইন ১৯৯৪ এর ধারা ৯১(১)(খ) অনুসারে জনাব কানওয়ারদিপ সিং ধিঙরাকে নির্বাচনের জন্য পেশ করা হলো। কোম্পানি আইন ১৯৯৪ এর ধারা ৯৩ অনুসারে জনাব কানওয়ারদিপ সিং ধিঙরা পরিচালক পদে দায়িত্ব পালনে সম্মতি জ্ঞাপন করেছেন। কোম্পানির ৯৫% শেয়ারধারী জেএন্ডএন ইনভেস্টমেন্টস্ (এশিয়া) লিমিটেডের মনোনিত জনাব কানওয়ারদিপ সিং ধিঙরাকে পরিচালক হিসাবে নির্বাচিত করা যেতে পারে।

সংঘবিধির ১২১ ও ১২২ অনুচ্ছেদ অনুসারে জনাব কে আর দাশ এবং মিসেস রিশমা কাউর অবসর গ্রহণ করেছেন এবং যোগ্য বিধায় পুনর্নির্বাচিত হওয়ার ইচ্ছা পোষণ করেছেন। পরিচালক পর্ষদ উক্ত পরিচালকগণের পুনর্নির্বাচন অনুমোদনের সুপারিশ করেন।

খ) ২৪ জানুয়ারি ২০১৭ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের ১৬৭তম সভায় জনাব মাসুদ খান স্বতন্ত্র পরিচালক হিসাবে তিন বছরের জন্য নিয়োজিত হন। বাংলাদেশ সিকিউরিটি এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/অ্যাডমিন/৪৪ তারিখ ৭ আগস্ট ২০১২ অনুসারে জনাব মাসুদ খানের নিয়োগ অনুমোদনের জন্য ৪৪তম বার্ষিক সাধারণ সভায় পেশ করা হলো।

পরিচালনা পর্ষদ এসকল নির্বাচন/পুনর্নির্বাচনের সুপারিশ করেন।

১৪. নিরীক্ষক নিয়োগ

মেসার্স হোদা ভাসী চৌধুরী এন্ড কোং চার্টার্ড অ্যাকাউন্ট্যান্টস নিরীক্ষক পদ হতে আসন্ন বার্ষিক সাধারণ সভার শেষে অবসর গ্রহণ করবেন এবং কোম্পানি আইন ১৯৯৪ এর ধারা ১১০ ও বাংলাদেশ সিকিউরিটি এক্সচেঞ্জ কমিশনের আদেশ নং এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১০৪/অ্যাডমিন তারিখ ২৭ জুলাই ২০১১ অনুসারে যোগ্য বিধায় তৃতীয় মেয়াদে নিজেদের পুনঃনিয়োগের জন্য সুপারিশ করেছেন।

১৫. বিশেষ কার্যক্রম

পরিচালকের সর্বোচ্চ সংখ্যা দশ থেকে পনেরো জনে উন্নীত করে 'আর্টিকেলস্ অফ অ্যাসোসিয়েশন'-এর অনুচ্ছেদ ১০৯ সংশোধনকরণ:

২৪ মে ২০১৭ তারিখে অনুষ্ঠিত ১৬৮তম সভায় পরিচালনা পর্ষদ 'আর্টিকেলস্ অফ অ্যাসোসিয়েশন' কর্তৃক অনুমোদিত পরিচালকের সর্বোচ্চ সংখ্যা দশ হতে পনেরো জনে উন্নীত করার সিদ্ধান্ত গ্রহণ করেন। এ সিদ্ধান্ত বাস্তবায়নকল্পে ৪৪তম বার্ষিক সাধারণ সভায় একটি বিশেষ সিদ্ধান্ত অনুমোদন করা প্রয়োজন।

১৬. কর্পোরেট সুশাসন

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

১৭. 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।

১৮. 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
২৪ মে ২০১৭

বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড-এর শেয়ারহোল্ডারদের প্রতি স্বতন্ত্র নিরীক্ষকের প্রতিবেদন

আর্থিক বিবরণীসমূহের উপর প্রতিবেদন

আমরা বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড-এর আর্থিক বিবরণীসমূহ নিরীক্ষা করেছি যার মধ্যে রয়েছে ৩১ মার্চ ২০১৭ তারিখের আর্থিক অবস্থার বিবরণী, উক্ত তারিখে সমাপ্ত ১৫ মাসের জন্য লাভ ও ক্ষতি এবং অন্যান্য সম্মিলিত আয়ের বিবরণী, মালিকানা স্বত্বের পরিবর্তন বিবরণী, নগদ অর্থপ্রবাহ বিবরণী এবং গুরুত্বপূর্ণ হিসাবরক্ষণ নীতির সারাংশ এবং অন্যান্য ব্যাখ্যামূলক তথ্য।

আর্থিক বিবরণীতে ব্যবস্থাপনা কর্তৃপক্ষের দায়িত্ব

বাংলাদেশ ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বিএফআরএস), বাংলাদেশ অ্যাকাউন্টিং স্ট্যান্ডার্ডস (বিএএস), কোম্পানি আইন (#১৮) ১৯৯৪, সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ বিধিমালা ১৯৮৭ এবং অন্যান্য আইন ও বিধানের সাথে সঙ্গতি রেখে এসব আর্থিক বিবরণী প্রস্তুতকরণ ও সুষ্ঠুভাবে উপস্থাপন ব্যবস্থাপনা কর্তৃপক্ষের দায়িত্ব। এছাড়াও ব্যবস্থাপনা কর্তৃপক্ষ অভ্যন্তরীণ নিয়ন্ত্রণের মাধ্যমে বস্তুগত ত্রুটি-বিচ্যুতি মুক্ত আর্থিক বিবরণী উপস্থাপনা নিশ্চিত করে।

নিরীক্ষকের দায়িত্ব

আমাদের দায়িত্ব হচ্ছে, আমাদের নিরীক্ষার উপর ভিত্তি করে এই আর্থিক প্রতিবেদনের উপর মতামত প্রকাশ করা। আমাদের এই নিরীক্ষা বাংলাদেশ স্ট্যান্ডার্ডস অন অডিটিং (বিএসএ)-এর নীতিমালা অনুসারে পরিচালনা করা হয়েছে। এ নীতিমালা অনুসারে আমাদেরকে সংশ্লিষ্ট নৈতিক শর্তসমূহ মেনে চলতে হয় এবং আর্থিক বিবরণীসমূহ বস্তুগত অসঙ্গতি থেকে মুক্ত কিনা সেই মর্মে যৌক্তিক নিশ্চয়তা অর্জনের লক্ষ্যে নিরীক্ষা পরিকল্পনা ও পরিচালনা করতে হয়।

একটি নিরীক্ষার প্রধান কার্যাবলির মধ্যে রয়েছে আর্থিক প্রতিবেদনের অর্থের অংক সংক্রান্ত উপাত্ত ও ব্যাখ্যাসমূহের যথেষ্ট প্রমাণাদি সংগ্রহ করা। নিরীক্ষায় কোন কার্যপদ্ধতি অনুসরণ করা হবে তা নির্ভর করে আমাদের বিচার-বিবেচনার ওপর এবং সেই সাথে আর্থিক বিবরণীসমূহে প্রতারণা বা ভুলের কারণে সৃষ্ট কোন বস্তুগত অসঙ্গতির ঝুঁকি মূল্যায়নের উপর। এ সকল ঝুঁকি নির্ধারণের ক্ষেত্রে আমরা কোম্পানির আর্থিক প্রতিবেদন প্রস্তুতকরণ ও উপস্থাপনের জন্য প্রাসঙ্গিক অভ্যন্তরীণ নিয়ন্ত্রণ বিবেচনা করি, যা আমাদের পরিস্থিতির উপর নির্ভর করে নিরীক্ষার পন্থা নির্বাচনের ক্ষেত্রেও সহযোগিতা করে। তবে এক্ষেত্রে অভ্যন্তরীণ নিয়ন্ত্রণের যথার্থতা নিয়ে মতামত প্রকাশ করা এর উদ্দেশ্য নয়। নিরীক্ষায়, হিসাবরক্ষণে ব্যবহৃত পন্থাসমূহের যথার্থতা এবং ব্যবস্থাপনা কর্তৃক নির্ধারিত আনুমানিকতার যৌক্তিক অংশসমূহ নিশ্চিত করা হয় এবং আর্থিক প্রতিবেদনের প্রকাশনার মানদণ্ড বিচার করা হয়।

আমরা বিশ্বাস করি, আমরা যেসব নিরীক্ষা প্রমাণাদি পেয়েছি সেগুলা আমাদের নিরীক্ষা মতামতের ভিত্তি গঠনে যথেষ্ট ও যথার্থ।

মতামত

আমাদের মতে, আর্থিক বিবরণীসমূহ বাংলাদেশ ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বিএফআরএস), বাংলাদেশ অ্যাকাউন্টিং স্ট্যান্ডার্ডস (বিএএস), কোম্পানি আইন (#১৮) ১৯৯৪, সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ বিধিমালা ১৯৮৭ এবং অন্যান্য আইন ও বিধান অনুযায়ী ৩১ মার্চ ২০১৭ তারিখে কোম্পানির আর্থিক অবস্থা এবং সেই তারিখে সমাপ্ত ১৫ মাসের জন্য লাভ ও ক্ষতি এবং অন্যান্য সম্মিলিত আয় ও নগদ অর্থপ্রবাহের সত্য ও নিরপেক্ষ চিত্র প্রদান করে।

কোম্পানি আইন ১৯৯৪ এবং সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ বিধিমালা ১৯৮৭ অনুযায়ী আমরা আরো উল্লেখ করছি যে–

ক) আমাদের জানামতে এই নিরীক্ষাকার্যের জন্য প্রয়োজনীয় যাবতীয় তথ্যাদি ও ব্যাখ্যাসমূহ আমরা পেয়েছি এবং যথাযথভাবে যাচাই করেছি,

খ) আমাদের অভিমত ও পরীক্ষণ অনুযায়ী, কোম্পানি কর্তৃক হিসাবরক্ষণের জন্য আইন অনুযায়ী যথাযথ বই সংরক্ষণ করা হয়ে থাকে,

গ) কোম্পানির আর্থিক অবস্থার বিবরণী এবং লাভ-ক্ষতি ও অন্যান্য বিশদ আয়ের বিবরণী হিসাবরক্ষণ বইয়ের সাথে সঙ্গতিপূর্ণ, এবং

ঘ) যাবতীয় ব্যয় সংঘটিত হয়েছে কোম্পানির ব্যবসায়িক উদ্দেশ্যে।

ঢাকা, ২৪ মে ২০১৭

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্টস্

বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড
আর্থিক অবস্থার বিবরণী

টাকা '০০০

	টীকা	৩১ মার্চ ২০১৭	৩১ ডিসেম্বর ২০১৫
সম্পদ			
স্থায়ী সম্পদ			
সম্পত্তি, কারখানা ও যন্ত্রপাতি	৩	২,৫১৫,৫৫৬	১,৮৪৩,৩৪০
প্রক্রিয়াধীন মূলধন	৪	৩৩৮,৩৭২	৩৯০,৫৯০
অস্পর্শনীয় সম্পদ	৫	৮৮,৭৯৬	৬৪,২৪৪
		২,৯৪২,৭২৪	**২,২৯৮,১৭৪**
বিনিয়োগ–ক্রয়মূল্যে	৬	৮৯,৩০০	৮৯,৩০০
মোট স্থায়ী সম্পদ		**৩,০৩২,০২৪**	**২,৩৮৭,৪৭৪**
চলতি সম্পদ			
মজুদ	৭	১,৯১৬,২৮৮	১,৫১৩,৭৩৩
বিবিধ দেনাদার	৮	১,০৯১,৫৫৩	৯৩৯,৫৭৩
অগ্রিম, জামানত ও আগাম প্রদান	৯	৩২৪,৬৬৪	২৩৬,৬১৭
মেয়াদী জমা	১০	১,৪৫০,০০০	৮০০,০০০
নগদ অর্থ ও সদৃশ সম্পদ	১০	৪৯৭,৭৭৪	৩৭৩,৩৪২
আন্ত: কোম্পানি পাওনা	১১	১২৫,৫২৩	১২৮,৫১৭
মোট চলতি সম্পদ		**৫,৪০৫,৮০২**	**৩,৯৯১,৭৮২**
মোট সম্পদ		**৮,৪৩৭,৮২৬**	**৬,৩৭৯,২৫৬**
মালিকানা স্বত্ব ও দায় সমূহ			
শেয়ার মূলধন	১২.২	২৩১,৮৮৯	২৩১,৮৮৯
শেয়ার প্রিমিয়াম	১৩	১১৫,০৬৮	১১৫,০৬৮
সাধারণ তহবিল		১০,০০০	১০,০০০
অবণ্টিত মুনাফা	১৪	৫,০০৯,৭৭৮	৩,৬৮১,৫৫৬
মোট মালিকানা স্বত্ব		**৫,৩৬৬,৭৩৫**	**৪,০৩৮,৫১৩**
দীর্ঘমেয়াদী দায়			
বিলম্বিত কর	১৫	১৭৯,৫০১	১৬৪,৬০৯
মোট দীর্ঘমেয়াদী দায়		**১৭৯,৫০১**	**১৬৪,৬০৯**
চলতি দায়			
ব্যাংক জমাতিরিক্ত ও স্বল্প মেয়াদী ঋণ	১৬	৩১৮,৪৫০	৪৫,০৪৫
বিবিধ পাওনাদার	১৭	২,০৮০,৮১২	১,৭৪৭,১৪৬
রয়্যালটি সঞ্চিতি	১৮	২১৯,০৩২	১৬৬,০২৭
আয়কর সঞ্চিতি	১৯	২০০,৯১৩	১৯৭,৮৮৬
কর্মচারীদের অবসর গ্রাচ্যুইটি	২০	৬৩,৯৩০	১১,৯৬১
অদাবিকৃত লভ্যাংশ		৮,৩০৬	৭,৯২২
অদাবিকৃত শেয়ার আবেদনের অর্থ	২১	১৪৭	১৪৭
মোট চলতি দায়		**২,৮৯১,৫৯০**	**২,১৭৬,১৩৪**
মোট দায়		**৩,০৭১,০৯১**	**২,৩৪০,৭৪৩**
মোট মালিকানা স্বত্ব ও দায় সমূহ		**৮,৪৩৭,৮২৬**	**৬,৩৭৯,২৫৬**
সম্ভাব্য দায়	২২	১৭৭,২৮০	৫৯০,৯৬১
শেয়ার প্রতি নিট সম্পদ মূল্য	টাকা	**২৩১.৪**	**১৭৪.২**

সংযুক্ত টীকা নং ১ থেকে ৪৩ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

আমাদের একই তারিখের প্রতিবেদন অনুসারে

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্ট

ঢাকা, ২৪ মে ২০১৭

বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড
লাভ ও ক্ষতি এবং অন্যান্য সম্মিলিত আয়ের বিবরণী

টাকা '০০০

	টীকা	৩১ মার্চ ২০১৭ তারিখে সমাপ্ত ১৫ মাসের জন্য	৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত ১৫ মাসের জন্য
নিট বিক্রয়	২৩	১৮,৬০৩,৭১৫	১৪,৯৬৩,৩০০
বিক্রিত পণ্যের ব্যয়	২৪	(৯,৫৪৮,৮৩২)	(৮,৬১১,৩৮৬)
মোট লাভ		**৯,০৫৪,৮৮৩**	**৬,৩৫১,৯১৪**
বিক্রয়, বিতরণ ও সংরক্ষণ ব্যয়	২৫	(৫,১৮১,৩১৬)	(৩,৫৯২,৫৪৩)
প্রশাসনিক ব্যায় ও সাধারণ খরচ	২৬	(৬০৭,০২৪)	(৪৬২,২১৮)
অন্যান্য পরিচালন ব্যয়	২৭	(১৩৭,১৪২)	(১০৯,৭৯২)
অন্যান্য পরিচালন আয়	২৮	১৭৮,৩২৬	১৭৯,৯৩৭
		(৫,৭৪৭,১৫৬)	**(৩,৯৮৪,৬১৬)**
পরিচালন মুনাফা		**৩,৩০৭,৭২৭**	**২,৩৬৭,২৯৮**
ঋণ জনিত ব্যয়	২৯	(৪,৯৪৬)	(৯,০২৭)
বিনিয়োগ হতে আয়	৩০	১১০,৪৪৬	৫৩,৭৩৬
নিট আর্থিক আয়		**১০৫,৫০০**	**৪৪,৭০৯**
অন্যান্য পরিচালন বহির্ভূত আয়/(ব্যয়)	৩১	১৪,৭৯৮	(২,০৮৮)
ডব্লিউপিপিএফ ও আয়করপূর্ব মুনাফা		**৩,৪২৮,০২৫**	**২,৪০৯,৯১৯**
মুনাফায় শ্রমিকের অংশ (ডব্লিউপিপিএফ)		(১৭০,৬৬১)	(১২০, ২৫৭)
আয়করপূর্ব মুনাফা		**৩,২৫৭,৩৬৪**	**২,২৮৯,৬৬২**
আয়কর	২.১৮ ও ১৯	(৮৩৮,৯৮৫)	(৫৫৭,৭০৩)
বিলম্বিত কর	২.১৮ ও ১৫.২	(২৫,৭৩০)	(২৩,৬৭০)
		(৮৬৪,৭১৫)	**(৫৮১,৩৭৩)**
নিট লাভ		**২,৩৯২,৬৪৯**	**১,৭০৮,২৮৯**
অন্যান্য সম্মিলিত আয়	৩২	(৩২,৫১৯)	-
সর্বমোট সম্মিলিত আয়		**২,৩৬০,১৩০**	**১,৭০৮,২৮৯**
শেয়ার প্রতি আয় (টাকা)	৪০	**১০৩.২**	**৭৩.৭**

সংযুক্ত টীকা নং ১ থেকে ৪৩ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

আমাদের একই তারিখের প্রতিবেদন অনুসারে

হোদা ভাসী চৌধুরী এন্ড কোং
চার্টার্ড অ্যাকাউন্ট্যান্টস্

ঢাকা, ২৪ মে ২০১৭

বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড
মালিকানা স্বত্বের পরিবর্তন বিবরণী

টাকা '০০০

বিবরণ	শেয়ার মূলধন	সাধারণ তহবিল	শেয়ার প্রিমিয়াম	অবণ্টিত মুনাফা	মোট
১ অক্টোবর, ২০১৪-এ স্থিতি	২৩১,৮৮৯	১০,০০০	১১৫,০৬৮	২,৭১৫,৩১৪	৩,০৭২,২৭১
চলতি বছরের নিট লাভ	-	-	-	১,৭০৮,২৮৯	১,৭০৮,২৮৯
অন্যান্য সম্মিলিত আয়/ব্যয়	-	-	-	-	-
চলতি বছরে 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

বিবরণ	শেয়ার মূলধন	সাধারণ তহবিল	শেয়ার প্রিমিয়াম	অবণ্টিত মুনাফা	মোট
১ জানুয়ারি, ২০১৬-এ স্থিতি	২৩১,৮৮৯	১০,০০০	১১৫,০৬৮	৩,৬৮১,৫৫৬	৪,০৩৮,৫১৩
চলতি বছরের নিট লাভ	-	-	-	২,৩৯২,৬৪৯	২,৩৯২,৬৪৯
অন্যান্য সম্মিলিত আয়/ব্যয়				(৩২,৫১৯)	(৩২,৫১৯)
চলতি বছরে লভ্যাংশ বিতরণ - টীকা ১৪	-	-	-	(১,০৩১,৯০৮)	(১,০৩১,৯০৮)
৩১ মার্চ, ২০১৭-এ স্থিতি	২৩১,৮৮৯	১০,০০০	১১৫,০৬৮	৫,০০৯,৭৭৮	৫,৩৬৬,৭৩৫
টীকা	১২.২		১৩	১৪	

সংযুক্ত টীকা নং ১ থেকে ৪৩ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

ঢাকা, ২৪ মে ২০১৭

বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড
অর্থপ্রবাহ বিবরণী

টাকা '০০০

	টীকা	৩১ মার্চ ২০১৭ তারিখে সমাপ্ত ১৫ মাসের জন্য	৩১ ডিসেম্বর ২০১৫ তারিখে সমাপ্ত ১৫ মাসের জন্য
পরিচালন কার্য খাতে অর্থপ্রবাহ (ক)			
ক্রেতাদের থেকে প্রাপ্ত অর্থ		১৮,৪৬২,২৬১	১৪,৮৮১,৮৮২
অন্যান্য পরিচালন কার্য থেকে প্রাপ্ত অর্থ		২৭৩,৩০০	২২১,২৭২
সরবরাহকারী ও কর্মচারীদের প্রদত্ত অর্থ		(১৫,৩১৫,২৩২)	(১১,৮৮৬,২৭১)
আয়কর পরিশোধ	১৯	(৮৩৫,৯৫৮)	(৫৫৮,৮৯০)
পরিচালন কার্য খাতে নিট অর্থপ্রবাহ	৪০	**২,৫৮৪,৩৭১**	**২,৬৫৭,৯৯৩**
বিনিয়োগ কার্যক্রম খাতে অর্থপ্রবাহ (খ)			
স্থায়ী সম্পদ ক্রয়	৩, ৪ ও ৫	(১,০৬৯,২৬৫)	(১,০০৪,৬৪১)
জেএন্ডএনবিএল-এ বিনিয়োগ		-	(৫০,০০০)
স্থায়ী সম্পদ বিক্রয়	৩.৩	১৭,৪৪৫	৪,৩৪০
বিনিয়োগ কার্যক্রম খাতে নিট অর্থপ্রবাহ		**(১,০৫১,৮২০)**	**(১,০৫০,৩০১)**
আর্থিক কার্যক্রম খাতে অর্থপ্রবাহ (গ)			
লভ্যাংশ প্রদান		(১,০৩১,৫২৪)	(৭৪১,৭১৫)
আর্থিক কার্যক্রম খাতে নিট অর্থপ্রবাহ		**(১,০৩১,৫২৪)**	**(৭৪১,৭১৫)**
নগদ অর্থ ও ব্যাংকে জমার বৃদ্ধি (ঘ) = (ক+খ+গ)		**৫০১,০২৭**	**৮৬৫,৯৭৭**
প্রারম্ভিক নগদ অর্থ ও সদৃশ সম্পদ (ঙ)		১,১২৮,২৯৭	২৬২,৩২০
বছরান্তে নগদ অর্থ ও সদৃশ সম্পদ (ঘ+ঙ)		**১,৬২৯,৩২৪**	**১,১২৮,২৯৭**
নগদ অর্থ, ব্যাংকে জমা ও ব্যাংক জমাতিরিক্ত এর সমন্বয়:			
মেয়াদী জমা	১০	১,৪৫০,০০০	৮০০,০০০
নগদ অর্থ ও সদৃশ সম্পদ	১০	৪৯৭,৭৭৪	৩৭৩,৩৪২
ব্যাংক জমাতিরিক্ত ও স্বল্প মেয়াদী ঋণ	১৬	(৩১৮,৪৫০)	(৪৫,০৪৫)
বছরান্তে নগদ অর্থ ও সদৃশ সম্পদ		**১,৬২৯,৩২৪**	**১,১২৮,২৯৭**

সংযুক্ত টীকা নং ১ থেকে ৪৩ এবং সংযুক্তি-এ এই আর্থিক প্রতিবেদনসমূহের অবিচ্ছেদ্য অংশ

ব্যবস্থাপনা পরিচালক | পরিচালক ও সিএফও | কোম্পানি সচিব

ঢাকা, ২৪ মে ২০১৭

AMAR STOCK

Subsidiary Company Profile
Jenson & Nicholson (Bangladesh) Limited

Directors' Report

The Directors of Jenson & Nicholson (Bangladesh) Limited are pleased to present their 27th report for the fifteen months period ended March 31, 2017 along with the Audited Financial Statements and the Auditors' Report thereon.

The income before tax of the company was Tk. 149,037 thousand against Tk. 101,894 thousand of the previous year. The company is gradually expanding customer base and recently an agreement was signed with Nestlé Bangladesh to supply food grade metal containers conforming to international standards for the first time in Bangladesh. This will benefit the nation in saving foreign currency by substituting imported food grade metal containers and also create scope of local employment.

During the period the company has made substantial investment for enhancement of production capacity and development of food grade safety in production process (ISO 22000).

In view of the above, the Board of Directors did not recommend any dividend for fifteen months period ended March 31, 2017.

The Directors retiring by rotation under Article 32 are Mr. Anil Bhalla and Mr. Mohammad Nazimuddin Helali who, being eligible, offered themselves for re-election. As required by section 91(1)(b) of the Companies Act 1994 the name of Mr. Kanwardip Singh Dhingra, nominee of Berger Paints Bangladesh Limited, is proposed as a candidate for election as a Director. As required by section 93 of the Companies Act 1994 Mr. Kanwardip Singh Dhingra has given consent to act as a Director of the Company. The Board of Directors recommends their election/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.

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
May 23, 2017

AMARSTOCK

Hoda Vasi Chowdhury & Co
Chartered Accountants

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

Introduction

We have audited the accompanying financial statements of Jenson & Nicholson (Bangladesh) Limited (the Company) which comprise the statement of financial position as at 31 March 2017, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 15 months period 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 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 consolidated 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 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, we considered 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 their 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 the 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 Jenson & Nicholson (Bangladesh) Limited as at 31 March 2017, its financial performance and cash flows for the 15 months period then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BAS), comply with the Companies Act (#18) 1994 and other applicable laws and regulations.

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 these books;

c) the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows dealt with by the report are in agreement with the books of account.

Dhaka, 23 May 2017

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

Amounts in Taka '000

	As at 31 March 2017	As at 31 December 2015
Assets		
Non- Current Assets		
Property, plant and equipment	403,154	340,892
Capital work-in-progress	9,832	7,322
Intangible assets	5,440	6,300
Total non- current assets	**418,426**	**354,514**
Current Assets		
Inventories	170,168	115,730
Trade & Other Receivables	10,147	5,853
Advances, deposits and prepayments	6,050	6,279
Advance Tax	39,042	30,345
Cash and cash equivalent	10,664	6,905
Total current assets	**236,071**	**165,112**
Total Assets	**654,497**	**519,626**
Equity and Liabilities		
Share capital	50,100	50,100
Retained earnings	345,172	256,375
	395,272	**306,475**
Non-current Liabilities		
Deferred tax liabilities	70,710	52,973
Total non-current liabilities	**70,710**	**52,973**
Current Liabilities		
Inter-company payable	124,643	119,654
Trade and other payables	53,505	32,515
Employees' retirement gratuity	10,367	8,009
Total current liabilities	**188,515**	**160,178**
Total Liabilities	**259,225**	**213,151**
Total equity and liabilities	**654,497**	**519,626**
Contingent Liabilities	**41,777**	**79,999**

Managing Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 23 May 2017

AMARSTOCK

Jenson & Nicholson (Bangladesh) Limited

Statement of Profit or Loss and Other Comprehensive Income

	Amounts in Taka '000 For the 15 months ended 31 March 2017	 31 December 2015
Revenue	675,341	547,468
Cost of sales	(474,791)	(403,945)
Gross profit	**200,550**	**143,523**
Expenses		
Warehouse and distribution	(18,926)	(15,058)
Administrative	(36,591)	(26,178)
Other operating income-net	21,021	14,230
	(34,496)	(27,006)
Profit from operation	**166,054**	**116,517**
Service charges	(2,500)	(2,500)
Financial charges	(6,673)	(7,139)
	(9,173)	(9,639)
Other non-operating income	-	360
Profit before WPPF and tax	**156,881**	**107,238**
Workers' profit participation and welfare fund (WPPF)	(7,844)	(5,344)
Income before tax	**149,037**	**101,894**
Provision for current tax	(42,503)	(18,964)
Provision for deferred tax	(17,737)	(19,319)
	(60,240)	**(38,283)**
Net Income for the period	**88,797**	**63,611**
Other comprehensive income	-	-
Total comprehensive income	**88,797**	**63,611**

Managing Director | Director & CFO | Company Secretary

As per our report of same date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 23 May 2017

AMAR STOCK

Jenson & Nicholson (Bangladesh) Limited
Statement of Cash Flows

	Amounts in Taka '000	
	For the 15 months ended	
	31 March 2017	31 December 2015
Cash flows from Operating Activities (A)		
Cash received from customers	671,047	547,096
Cash received from other operating income	21,021	14,230
Cash paid to suppliers and employees	(520,019)	(439,246)
Payment of interest	(6,673)	(7,139)
Income tax paid	(51,200)	(37,098)
Net cash from operating activites	**114,176**	**77,843**
Cash flows from Investing Activities (B)		
Capital expenditures	(110,417)	(107,955)
Proceeds from sale of assets	-	360
Net cash used in investing activities	**(110,417)**	**(107,595)**
Cash flows fro Financing Activities (C)		
Increase of share capital	-	50,000
Net cash used in financing activities	**-**	**50,000**
(Decrease)/Increase in cash and bank balance (D)=(A+B+C)	3,759	20,248
Cash & cash equivalents at the beginning of the period (E)	6,905	(13,343)
Cash & cash equivalents at the end of the period (D + E)	**10,664**	**6,905**
These comprise the following		
Cash & Bank balances	10,664	6,905
	10,664	**6,905**

Managing Director | Director & CFO | Company Secretary

Dhaka, 23 May 2017