Annual Report
2016-17

MAKE IN INDIA
FOR A COLOURFUL FUTURE

BERGER PAINTS INDIA LIMITED

MAKE IN INDIA FOR A COLOURFUL FUTURE

Berger Paints' relationship with India began in 1923. From a humble beginning, our growth has been from the ground upwards, without any outside support, utilizing home grown ideas, innovative thought processes and indigenous R&D technology. We strive to become the most admired Indian paint and coating solutions company with globally recognized competencies. For this, we had to have a strategy which would inspire, empower and enable in equal measure. At Berger, we have endeavoured to inspire confidence in our home grown capabilities proving that we are as good as any international organization. Today, our presence in Europe and other international arenas is a testimony to our growth and success as a brand, and our ability to compete with the best in the industry. Our initiative has been built on layers of collaborative effort permeating through the organization. It is a matter of pride for us that over the years what we have made lives up to our Prime Minister's dream of "Make in India". By focusing on innovation, product differentiation, raw material security, sustainability and creating a long-term value for our customers and stakeholders, our credibility has grown stronger than ever. There is visible momentum, energy and optimism all round. **Our initiatives have raised our stakeholders' confidence.**

DEVELOPING PRODUCTS FOR INDIAN INFRASTRUCTURE

With the continuous economic growth in the country, the demand for roads, bridges, new buildings (both residential and commercial) and dams is consistently increasing, which in turn is boosting the paints and coatings market. Berger Paints' aspiration to contribute to a future of rapid progress and prosperity through its home grown products is fulfilling.

IN-HOUSE MAKING OF WORLD-CLASS BRANDS FOR INDIAN CONDITIONS

Our strategy has always been to create products that will contribute positively to the Indian scenario and ensure maximum advantage to the society. We have strived to provide a class of products which will bring complete satisfaction to the end customer for which they need not look around. The basket is big – few noteworthy innovative products and services are :

BERGER EXPRESS PAINTING

This is the latest innovation from the Berger stable. We are so tied up with our fast paced lives that we forget the things we can do to slow down and savour the moments, and let others take charge. Berger Express Painting is one such answer to 'saving time' and reducing hassles of painting by offering a Faster, Cleaner and Better way to paint homes at no extra cost.

WEATHERCOAT LONG LIFE

A new line of highly durable exterior coatings has been developed keeping the Indian climatic conditions in mind. This can last up to 10 years in the sub-continental climatic conditions and will reduce the need for frequent painting on exteriors.

WEATHERCOAT ANTI DUSTT

A new dust resistant coating for exteriors specially manufactured for the dry and dusty regions of India. Painting the exterior with WeatherCoat Anti Dustt will reduce dust accumulation, keep the building looking new and reduce painting frequency.

ANTI DUSTT CLEAR

This newly developed industrial coating reduces dirt pick-up on fans and similar machineries.

- A new product based on fluoro-chemistry for application on structures such as bridges has been developed that is virtually non-reactive and lasts for a longer time frame - which is required under the Indian climatic conditions.

- Development of Low VOC Products for interior walls and also for our industrial customers
- A new range of metallic shades has been offered
- Reduction of Painting Cycle Time
- Paints for Affordable Housing keeping in mind "Pradhan Mantri Awas Yojana" programme
- New products launched to address dampness in the Indian climatic conditions and enhance durability
- Berger's Prolinks division is a solution provider for big projects and is technology driven by our in-house Prolinks experts who ensure specific solutions to all types of problems, be it that of a particular shade, climatic factor or application factor

TRANSFORMING INDIA THROUGH R&D AND TECHNOLOGY

Berger's R&D facility is truly Indian and adapts technologies tailored to the Indian ethos and most importantly for the Indian climate. This covers all fields, from chemicals to paints.

Best efforts are taken to keep the environment factor in mind during our journey from product development in our own laboratories to delivery at customer end. Our efforts to achieve these are mainly based on three principles - **A) Making more durable products thus reducing maintenance frequency, B) Making products with low carbon footprints and C) Making manufacturing processes energy sensitive.** Berger R&D at Howrah, West Bengal, already recognized by the Government of India, has been modernized for adopting the new technologies being received through various collaborations and alliances.

The latest innovation from the Berger stable is the External Thermal Insulation and Composite Systems (ETICS) which lowers energy bills up to 35%. ETICS is the most environmentally responsible material tested so far in our laboratories. In addition to reducing greenhouse gases, it also enhances the aesthetics of buildings.

CREATING JOBS FOR THOSE WHO MAKE FOR INDIA

Through Berger's I-Train Centres, we are providing training to unskilled and semi-skilled painters to help them become more employable. As part of our CSR initiative, these Centres function as new avenues of employment generation for some, besides offering opportunities to others to enhance their skills.

FACILITATING CLEANER AIR FOR INDIA - RETAIL SECTOR

Berger, with its deep commitment for a **GREENER TOMORROW**, promotes the use of environment friendly products and practices. We also make our employees adhere to the cause. Best practices are part of our sustainability programme, which directly or indirectly influences our clients, vendors and customers.

The outcome of our efforts is reflected in the development of some of the world class brands in the Decorative segment - Breathe Easy, Silk Luxury Emulsion, Rangoli Total Care, Easy Clean, WeatherCoat All Guard, WeatherCoat Smooth. All our decorative products are free of **LEAD, MERCURY, CHROMIUM** and other heavy metals **AND WITH ACCEPTABLE LEVELS OF VOC.**

It is for this reason, and on the basis of criteria such as efficient manufacturing process, use of raw materials, energy sensitive machines, alternative fuel, use of solar energy, recycling / disposal, that we have been conferred with the Green Pro Certification by CII - IGBC. The certificate promotes safe living and healthy working environments. This award is an encouragement for all of us to continue on our journey towards **A GREENER HOME, A GREENER SOCIETY AND A GREENER LIVING.**

INDUSTRIAL SECTOR

From household appliances to metal fittings in various industries including automobiles and OEMs, Berger Paints' Industrial Coating Solutions cover them all. The Berger Protecton range of high-performance protective coatings specializes in extending life and operational performance in addition to freeing industrial areas from the risk of corrosion, fire and harmful environmental pollution.

To serve the customers in this segment in areas where we were yet to tread in, we have recently entered into two MOUs – one with Promat International Limited NV of Belgium for co-operation in the field of passive fire protective coatings, in India and neighbouring countries, and the other with Chugoku Marine Paints Limited of Japan for co-operation and collaboration in the field of Marine and related industrial paints in India. These gaps which had existed in the customer servicing areas have thus been filled up. Berger Powder Coatings are environmentally friendly products with Zero VOC. They meet the strict demands and requirements of industrial design and can be applied on all kinds of metal substrates.

MADE IN EVERY CORNER OF INDIA

Berger has its manufacturing units present in almost all corners of India – it has now added two jewels to its crown in the form of state of the art, modern factories in the North East – at Naltali and Nalbari – that will enable faster distribution, propel employment generation in and around the region and the development of the entire region.

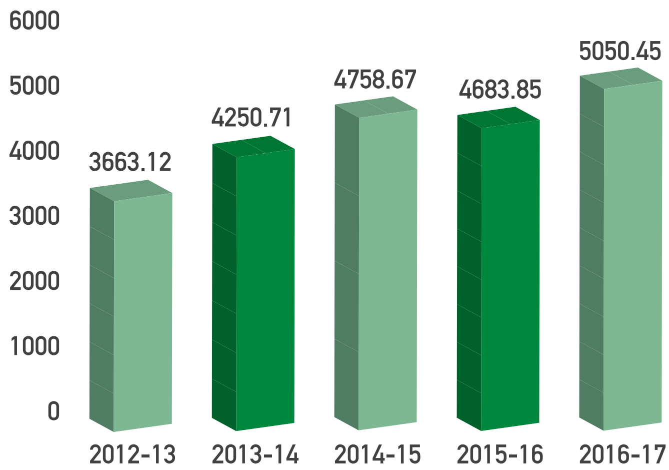
Nalbari


Naltali

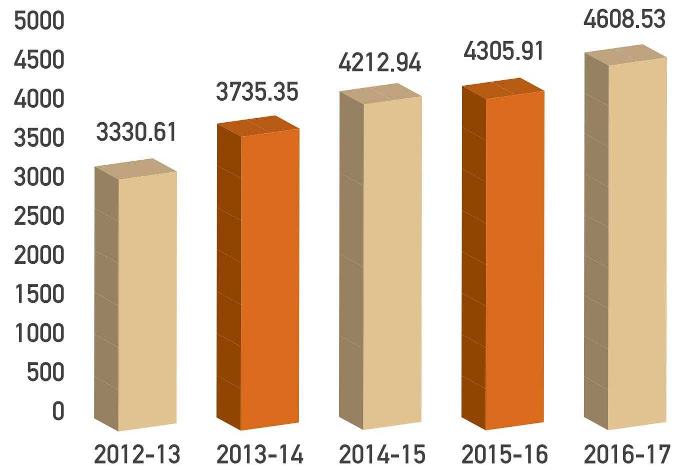

Naltali

Since independence, India has moved up to a position of global acclaim, both as an economic power as well as in cultural influence. Berger's growth to global recognition has been of a similar nature – steady and focused- based on sustainability and consumer centric innovation. Ours is a "Make in India"success story, a story we expect to repeat again and again in the years to come.

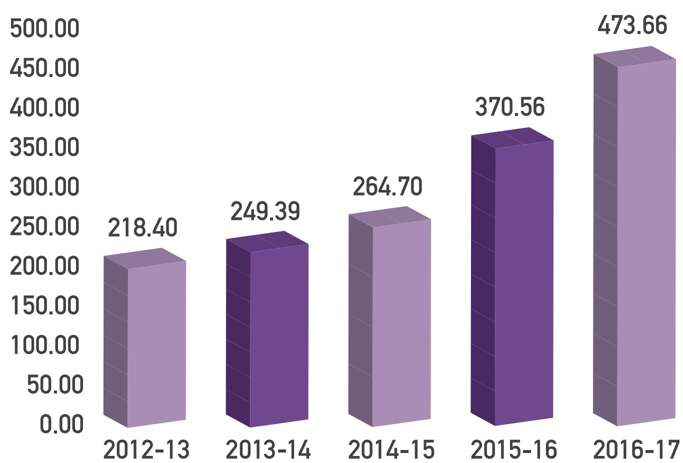
Gross Revenue-Consolidated (₹ in Crores)*



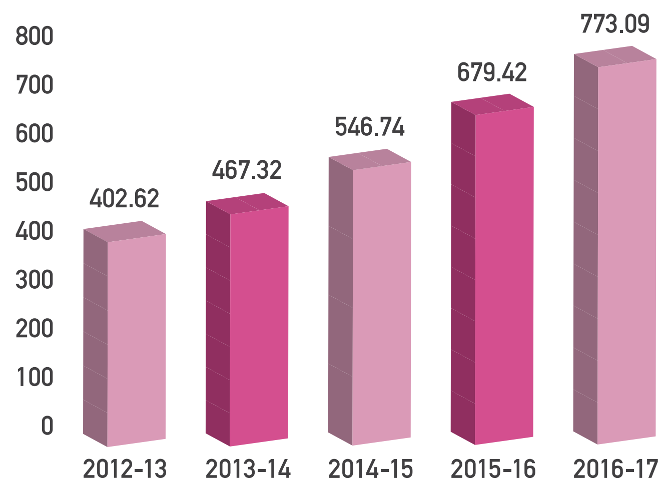
Gross Revenue-Standalone (₹ in Crores)*



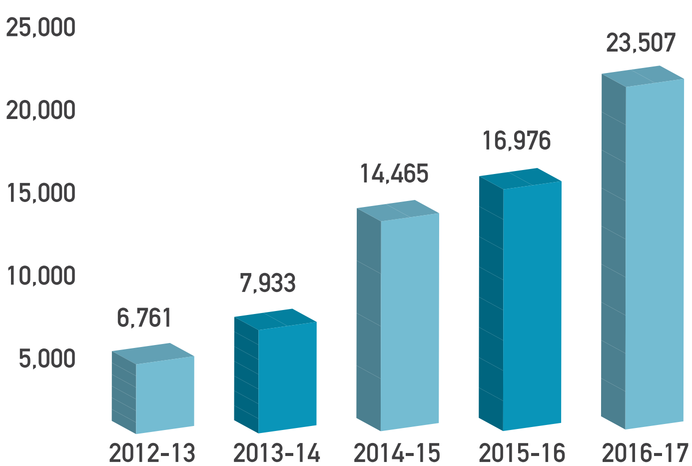
Profit after Tax - Consolidated (₹ in Crores)*



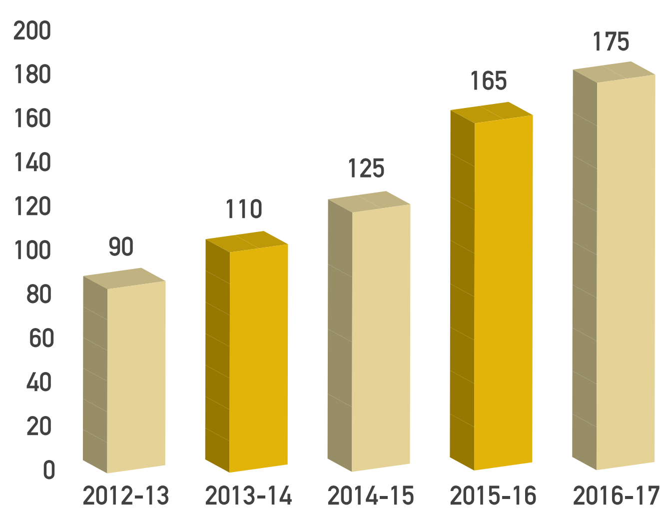
Operating Profit - Consolidated (₹ in Crores)*



Market Capitalisation (₹ in Crores) as on March 31 of every year



Dividend % per share



* Figures for 2015-16 and 2016-17 are as per new accounting standards (Ind AS) and Schedule III of the Companies Act, 2013. Hence these numbers are not comparable with previous years.

RECOGNITION OF EXCELLENCE

Continuing our tradition of winning prestigious awards in diverse arenas, Berger Paints has won several accolades. Notable among these include:

Winner of the "Fastest Growing Company in the Indian Paint Industry" by Construction World.

Berger Paints has been identified as one of the top 7 Listed Companies in India in terms of 5 year CAGR of market capitalization by Forbes India magazine in their 27th May, 2016 edition.

Green Products and Services Council Certification awarded by CII.

Ranked in BRANDZ Top 50 Most Valuable Indian Brands-2015 and again in 2016.

Featured among Super 50 Companies by Forbes India – 2015 and again in 2016.

Featured among the Top 25 Companies Report by Coatings World since 2015 – A Global ranking of the Top manufacturers of Paints, Coatings, Adhesives and Sealants - 2015.

1st prize in National Energy Conservation
in paints and allied products sector by the Govt. of India.

Special Appreciation Award for Customer Satisfaction
from Tata Hitachi Limited.

VP - R&D received the Akzo Nobel Award for excellence
in Coatings Research and Promotion granted by the Society
for Surface Protective Coatings - India.

Berger R&D scientists received the 2nd prize in
the Research Category by the Indian Paint Association.

Berger Express Painting was awarded the SKOCH-BSE Order of Merit
in the Innovation category at the 48th SKOCH-BSE Summit 2017.

Awarded Gold for the Best Social Media Brands 2016-17
under Home & Living (Decor) category by Social Samosa.

Special Jury CII Quality Circle Award.

Letter of Appreciation by the Ministry of Industries, Gujarat.

National Energy Management Award, 2016
by Society of Electrical and Energy Engineers.

CII Green Pro Award.

BOARD OF DIRECTORS

Mr. Kuldip Singh Dhingra
Chairman

Mr. Gurbachan Singh Dhingra
Vice-Chairman

Mr. Abhijit Roy
Managing Director & CEO

Mr. Dhirendra Swarup
Independent Director

Mr. Naresh Gujral
Independent Director

Mr. Kanwardip Singh Dhingra
Executive Director

Mrs. Rishma Kaur
Executive Director

Mr. Gopal Krishna Pillai
Independent Director

Mr. Pulak Chandan Prasad
Independent Director

Mr. Kamal Ranjan Das
Independent Director

BOARD OF DIRECTORS

Chairman
Mr. Kuldip Singh Dhingra

Vice-Chairman
Mr. Gurbachan Singh Dhingra

Managing Director & CEO
Mr. Abhijit Roy

Executive Directors
Mr. Kanwardip Singh Dhingra
Director & National Business Development Manager - Automobile & General Industrial

Mrs. Rishma Kaur
Director & National Business Development Manager - Retail

Non-Executive Directors
Mr. Dhirendra Swarup
Mr. Gopal Krishna Pillai
Mr. Kamal Ranjan Das
Mr. Naresh Gujral
Mr. Pulak Chandan Prasad

KEY MANAGERIAL PERSONNEL

Director-Finance & CFO
Mr. Srijit Dasgupta

Sr. Vice President & Company Secretary
Mr. Aniruddha Sen

BOARD COMMITTEES

Audit Committee

Mr. Dhirendra Swarup
Mr. Gurbachan Singh Dhingra
Mr. Kamal Ranjan Das
Mr. Pulak Chandan Prasad
Mr. Gopal Krishna Pillai

Compensation & Nomination & Remuneration Committee

Mr. Kamal Ranjan Das
Mr. Kuldip Singh Dhingra
Mr. Pulak Chandan Prasad

Shareholders' Committees

a) Share Transfer Committee

Mr. Abhijit Roy
Mr. Kamal Ranjan Das
Mr. Srijit Dasgupta
Mr. Aniruddha Sen

b) Stakeholders' Relationship & Investor Grievance Committee

Mr. Kamal Ranjan Das
Mr. Gurbachan Singh Dhingra
Mr. Abhijit Roy

CSR Committee
Mr. Kuldip Singh Dhingra
Mr. Kamal Ranjan Das
Mr. Kanwardip Singh Dhingra
Mrs. Rishma Kaur
Mr. Abhijit Roy
Mr. Srijit Dasgupta
Mr. Anil Bhalla
Mr. Aniruddha Sen

Business Process & Risk Management Committee
Mr. Gurbachan Singh Dhingra
Mr. Kamal Ranjan Das
Mr. Abhijit Roy
Mr. Srijit Dasgupta
Mrs. Rishma Kaur
Mr. Kanwardip Singh Dhingra
Mr. Subir Bose
Mr. Anil Bhalla

AUDITORS

S. R. Batliboi & Co. LLP
22, Camac Street,
Block C, 3rd floor,
Kolkata 700016,
West Bengal, India

CONSORTIUM BANKS

Axis Bank Ltd.
Bank of Baroda
Central Bank of India
DBS Bank Ltd.
HDFC Bank Ltd.
HSBC Ltd.
ICICI Bank Ltd.
JP Morgan Chase Bank, N.A.
Kotak Mahindra Bank Ltd.
Standard Chartered Bank
State Bank of India
The Bank of Tokyo - Mitsubishi UFJ, Ltd.
Yes Bank Ltd.

REGISTERED OFFICE

Berger House, 129, Park Street,
Kolkata 700 017
Phone: 033-2229 9724-28
Fax: 033-2227 7288

CORPORATE WEBSITE

www.bergerpaints.com

EMAIL

consumerfeedback@bergerindia.com

CIN

L51434WB1923PLC004793

INVESTOR SERVICE CENTRE

1. Registrars & Share Transfer Agent
M/s. C B Management Services (P) Ltd
P-22, Bondel Road, Kolkata 700 019
Phone : 033-4011 6700/6725
Fax : 033-40116739
Email : rta@cbmsl.com

2. Berger Paints India Limited
129, Park Street, Kolkata 700 017
Phone: 033 2229 9724-28
Fax : 033-2227 7288

CONTENTS

BERGER PAINTS INDIA LIMITED

(CIN : L51434WB1923PLC004793)
Registered Office : Berger House, 129, Park Street, Kolkata - 700017
Phone Nos. : 033 2229 9724-28; Fax No.: 033 2227 7288
Website : www.bergerpaints.com
Email - consumerfeedback@bergerindia.com

NOTICE

Notice is hereby given that the Ninety-third Annual General Meeting of Berger Paints India Limited will be held at Kalamandir, 48, Shakespeare Sarani, Kolkata – 700 017 on 4th August, 2017, Friday at 11 a.m. to transact the following business :-

ORDINARY BUSINESS :

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

1. "RESOLVED THAT the financial statements for the year ended 31st March, 2017 including the Audited Balance Sheet as at 31st March, 2017 and the Audited Statement of Profit and Loss for the year ended 31st March, 2017, the Reports of the Board of Directors and the Auditors be and are hereby received, considered and adopted."

2. "RESOLVED THAT a dividend of ₹ 1.75 (175%) per share on the paid up equity shares of ₹ 1/- each of the Company for the year ended 31st March, 2017, be and is hereby declared to be paid to the Members of the Company, holding shares in the physical form and whose names appear in the Register of Members on 4th August, 2017 and, holding shares in the electronic form, to those whose names appear in the list of beneficial holders furnished by respective Depositories as at the end of business hours on 28th July, 2017."

3. "RESOLVED THAT Mr. Gurbachan Singh Dhingra (DIN: 00048465), Director of the Company, who retires by rotation at this meeting and, being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

4. "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and the Rules made thereunder and pursuant to the recommendation of the Audit Committee and of the Board of Directors, the appointment of Messrs S. R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005), as the Statutory Auditors of the Company, made at the 91st Annual General Meeting, to hold office from the conclusion of the 91st Annual General Meeting up to the conclusion of the sixth Annual General Meeting to be held after the 91st Annual General Meeting, be and is hereby ratified and that the Auditors be paid such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS :

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

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 197 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Directors of the Company, including Independent Directors, who are neither Managing Director nor Whole-time Directors, be paid commission as may be determined by the Board of Directors of the Company, not exceeding one per cent of the net profits of the Company, determined in accordance with the provisions of Section 198 of the Act, subject to a limit of ₹ 1 crore per annum, to be distributed amongst them in such manner as they may deem fit."

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

   "RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, M/s. N. Radhakrishnan & Co., Cost Auditors, be paid a remuneration of ₹ 40,000/- (Rupees Forty Thousand) plus applicable tax and reimbursement of travel and other out-of-pocket expenses for each Cost Audit /certification engagement for the year 2017-18 for the Company's factories at Howrah and Rishra in West Bengal, factories at Goa and Puducherry and ₹ 30,000/- (Rupees Thirty Thousand) each plus applicable tax and reimbursement of travel and other out of pocket expenses for Cost Audit /certification engagements for the year 2017-18 for the Company's factories at Jejuri, Hindupur and Naltali and ₹ 25,000/- (Rupees Twenty Five Thousand) for filing a single report in accordance with relevant guidelines and M/s. Shome and Banerjee, Cost Auditors, be paid ₹ 45,000/- (Rupees Forty Five Thousand) plus applicable tax and reimbursement of travel and other out of pocket expenses for each Cost Audit /certification engagement for the year 2017-18 for the Company's factory at Sikandrabad in Uttar Pradesh and two factories at Jammu and ₹ 30,000/- (Rupees Thirty Thousand) plus applicable tax and reimbursement of travel and other out of pocket expenses for the Company's factory at Surajpur in Uttar Pradesh.

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

By Order of the Board

Kolkata
Dated: 30th May, 2017

Aniruddha Sen
Sr.Vice President & Company Secretary

NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) shall be entitled to appoint another person as proxy to attend and vote at the meeting on his behalf. A proxy shall not have the right to speak at the aforesaid meeting and shall not be entitled to vote except on a poll. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received by the Company not later than 48 hours before the commencement of the aforesaid meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of not more than fifty members and holding in the aggregate, not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not be entitled to act as proxy for any other person or Member.
2. Corporate Members are requested to send to the Company /Registrar & Share Transfer Agent, a duly certified copy of the Board Resolution /Power of Attorney authorising their representative to attend and vote at the AGM.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 29th July, 2017 to 4th August, 2017, both days inclusive.
4. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting hall.
5. Members who hold shares in dematerialised form are requested to furnish their Client ID and DP ID numbers for easy identification at the Meeting.
6. Dividend on Equity Shares as recommended by the Board, if declared at the Meeting, will be paid to the Members of the Company, holding shares in the physical form and whose names appear in the Register of Members as on 4th August, 2017 and, holding shares in electronic form, to those whose names appear in the list of beneficial holders furnished by respective Depositories as at the end of business hours on 28th July, 2017.
7. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.

8. The Certificate from the Statutory Auditors of the Company as required under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 with respect to the implementation of the Company's new ESOP Scheme in accordance with the resolution passed at the Annual General Meeting held on 3rd August, 2016 shall be placed at the ensuing Annual General Meeting for inspection by the Members.

9. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar & Share Transfer Agent of the Company.

10. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting.

11. Members are requested to notify any change in their address immediately to M/s. CB Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, the Registrar & Share Transfer Agent of the Company for shares held in physical form. Members who hold their shares in dematerialized form may lodge their requests for change of address, if any, with their respective Depository Participants.

12. Members holding shares of the Company in physical form through multiple folios are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the Registrar & Share Transfer Agent of the Company.

13. In all correspondence with the Company/Registrar & Share Transfer Agent, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID numbers.

14. Members are reminded to send their dividend warrants, which have not been encashed, to the Company, for revalidation. As per the provisions of Section 124(6) of the Companies Act, 2013, unclaimed dividend is liable to be transferred to the Investor Education and Protection Fund of the Central Government after expiry of seven years from the date they become due for payment.

15. As per current SEBI Regulations, dividend is required to be credited to Members' respective bank accounts through Electronic Clearing Service (ECS), wherever the facility is available and the requisite details / mandates have been provided by the Members. Members desirous of availing this facility may send the details of their bank accounts with addresses and MICR Codes of their banks to their Depository Participants (in case of shares held in dematerialized form) or to CB Management Services (P) Limited (in case of shares held in physical form) at the earliest.

16. Members interested in nomination in respect of shares held by them may write to M/s. CB Management Services (P) Limited at the address as mentioned in paragraph (11), for the prescribed form. Alternatively, the said form can be downloaded from the Company's website **www.bergerpaints.com** under 'Investor Services' section.

17. Members may note that the Notice of the 93rd AGM and the Annual Report for 2016-17 will be available on the Company's website **www.bergerpaints.com**. Members who require communication in physical form in addition to e-communication, may write to the Company at **consumerfeedback@bergerindia.com**.

18. Members are to inform of their current email ID to the Company in compliance of Green Initiative as per Ministry of Corporate Affair's circular on this subject.

19. For shares held in physical form, Members may initiate action to get their shares dematerialized since trading of shares is done compulsorily in the dematerialized mode. Dematerialization not only provides easy liquidity, but also safeguards from any possible physical loss.

20. As on 31st March, 2017, 54,56,762 equity shares of ₹ 1/- each fully paid up have remained unclaimed by 1,518 number of shareholders. During the year, the Company has received 18 requests from the Members for transfer of their unclaimed shares from the Company's unclaimed demat suspense account i.e. 'M/s Berger Paints India Limited – Unclaimed Demat Suspense Account' and accordingly the Company has transferred those unclaimed shares from its unclaimed demat suspense account. The details are given in Annexure C of Corporate Governance Report.

21. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with the provisions of the Companies (Management & Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the Members with the facility to cast their vote electronically from a location other than the venue of the Annual General Meeting ("Remote e-voting"). The Company has engaged National Securities Depository Limited ("NSDL") to provide to the Members the e-voting platform and services for casting their vote through remote e-voting on all resolutions set forth in this Notice.

The instructions for remote e-voting are as under :

i. Members whose shareholding are in the dematerialized form and whose email addresses are registered with the Company/ Depository Participant(s) will receive an email from NSDL informing the User-ID and Password. Thereafter, the following steps are to be followed:-

   1. Open email and open PDF file viz. "Berger Paints India Limited remote e-voting.pdf" with your DP ID and Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.

   2. Launch internet browser by typing the following URL: **https://www.evoting.nsdl.com**.

   3. Click on Shareholder – Login.

   4. Put user ID and password as initial password noted in step (1) above. Click Login.

   5. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

   7. Select "EVEN" (E Voting Event Number) of Berger Paints India Limited.

   8. Now you are ready for remote e-voting as Cast Vote page opens.

   9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

   10. Upon confirmation, the message "Vote cast successfully" will be displayed.

   11. Once you have voted on the resolution, you will not be allowed to modify your vote.

   12. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail: **aklabhcs@gmail.com** /**aklabh@aklabh.com** with a copy marked to **evoting@nsdl.co.in**.

ii. For Members holding shares in dematerialized form whose email IDs are not registered with the Company/ Depository Participants, Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, the following steps may be noted:

   1. To refer to the attached instruction sheet for the e-voting particulars viz. initial password along with EVEN (E Voting Event Number) and USER ID.

   2. Please follow all steps from Sr. No. 2 to Sr. No. 10 of (i) above, to cast vote.

iii. In case of any query, you may refer to the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of **www.evoting.nsdl.com** or call on toll-free no.1800-222-990.

iv. Login to the remote e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.

v. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote.

vi. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).

22. The remote e-voting period commences on 1st August, 2017 (at 9:00 a.m.) and ends on 3rd August, 2017 (at 5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.

23. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital (in case of electronic shareholding) of the Company as on the cut-off date of 28th July, 2017.

24. Only such person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., 28th July, 2017, shall be entitled to avail the facility of remote e-voting /tablet based voting at AGM.

25. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date, i.e., 28th July, 2017 may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **rta@cbmsl.com** or **consumerfeedback@bergerindia.com** mentioning his or her folio number /DP ID and Client ID. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details /Password" option available on **www.evoting.nsdl.com**.

26. The facility for voting through electronic voting system shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through tablets.

27. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

28. The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide e-voting facility both for remote e-voting and voting at the AGM venue.

29. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.

30. Pursuant to the provisions of Section 108 of the Companies Act, 2013, Mr. A. K. Labh (FCS-4848/CP-3238) of M/s. A. K. Labh & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting through tablets as aforesaid at the AGM in a fair and transparent manner.

31. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, through tablet based voting for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

32. The Scrutinizer, after scrutinising the votes cast at the meeting through tablets and remote e-voting, will, not later than forty eight hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman /authorized person. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company **www.bergerpaints.com** and on the website of NSDL **www.evoting.nsdl.com.**

33. The results shall simultaneously be communicated to the Stock Exchanges.

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

EXPLANATORY STATEMENT

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

ITEM NO. 5

The Members, at the Annual General Meeting of the Company held on 2nd August, 2012, had passed a Special Resolution under Section 309 of the Companies Act, 1956, approving payment of commission to Non-Wholetime Directors of the Company, subject to a limit of 1% of net profits of the Company and up to a maximum of ₹ 1,00,00,000 (Rupees One Crore) per annum. The aforesaid resolution was valid for a period of five years in terms of the provisions of Section 309 of the Companies Act, 1956.

The Company's Directors, including Independent Directors, who are neither Managing Director nor Whole-time Directors, are distinguished persons in their respective fields. The Company receives considerable services from these Directors and often draws upon their expertise and rich experience. The advice, support and guidance received from these Directors benefit the Company to a great extent. It is therefore befitting that they continue to be paid a commission within the limits mentioned in Section 197 of the Companies Act., 2013 as may be approved by the Members of the Company. The exact amount of the commission to be paid to each Director within the overall limits approved by the Members will depend on the net profits of the Company under Section 198 of the Companies Act, 2013 and will be determined by the Board.

Accordingly, it is proposed to seek fresh approval of the Members by way of a Special Resolution for payment of commission to such Directors in the manner set out in the proposed resolution.

The Board of Directors recommend the Special Resolution set out at Item No. 5 of the Notice for approval of Members.

Directors who are neither Managing Director nor Wholetime Directors may be deemed to be concerned or interested in the resolution set out at Item No.5. Mrs. Rishma Kaur, who is the daughter of Mr. Kuldip Singh Dhingra, a non-executive Director, and Mr. Kanwardip Singh Dhingra, who is the son of Mr. Gurbachan Singh Dhingra, a non-executive Director, may also be deemed to be concerned or interested in the resolution. No Key Managerial Personnel or their relatives are in any way concerned or interested (financially or otherwise) in respect of the said resolution.

ITEM NO. 6

M/s. N. Radhakrishnan & Co., Cost Auditors have been re-appointed as Cost Auditors of the Company at a remuneration of ₹ 40,000/- (Rupees Forty Thousand) plus applicable tax and reimbursement of travel and other out of pocket expenses for each Cost Audit / certification engagements for the year 2017-18 for the Company's factories at Howrah and Rishra in West Bengal, factories at Goa and Puducherry and ₹ 30,000/- (Rupees Thirty Thousand) plus applicable tax and reimbursement of travel and other out of pocket expenses each for Cost Audit / certification engagement for the year 2017-18 for the Company's factories at Jejuri, Hindupur and Naltali and ₹ 25,000 (Rupees Twenty Five Thousand) for filing a single report in accordance with relevant guidelines. Similarly, M/s. Shome and Banerjee, Cost Auditors, have been re-appointed as Cost Auditors of the Company at a remuneration of ₹ 45,000/- (Rupees Forty Five Thousand) plus applicable tax and reimbursement of travel and other out of pocket expenses for each cost audit /certification engagement for the year 2017-18 for the Company's factory at Sikandrabad in Uttar Pradesh and two factories at

Jammu and ₹ 30,000/- (Rupees Thirty Thousand) plus applicable tax and reimbursement of travel and other out of pocket expenses for the Company's factory at Surajpur. Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the said remuneration payable to the Cost Auditors requires ratification by the Members.

The Board recommends the Resolution set out under Item No.6 for ratification by the Members.

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

By Order of the Board

Kolkata
Aniruddha Sen

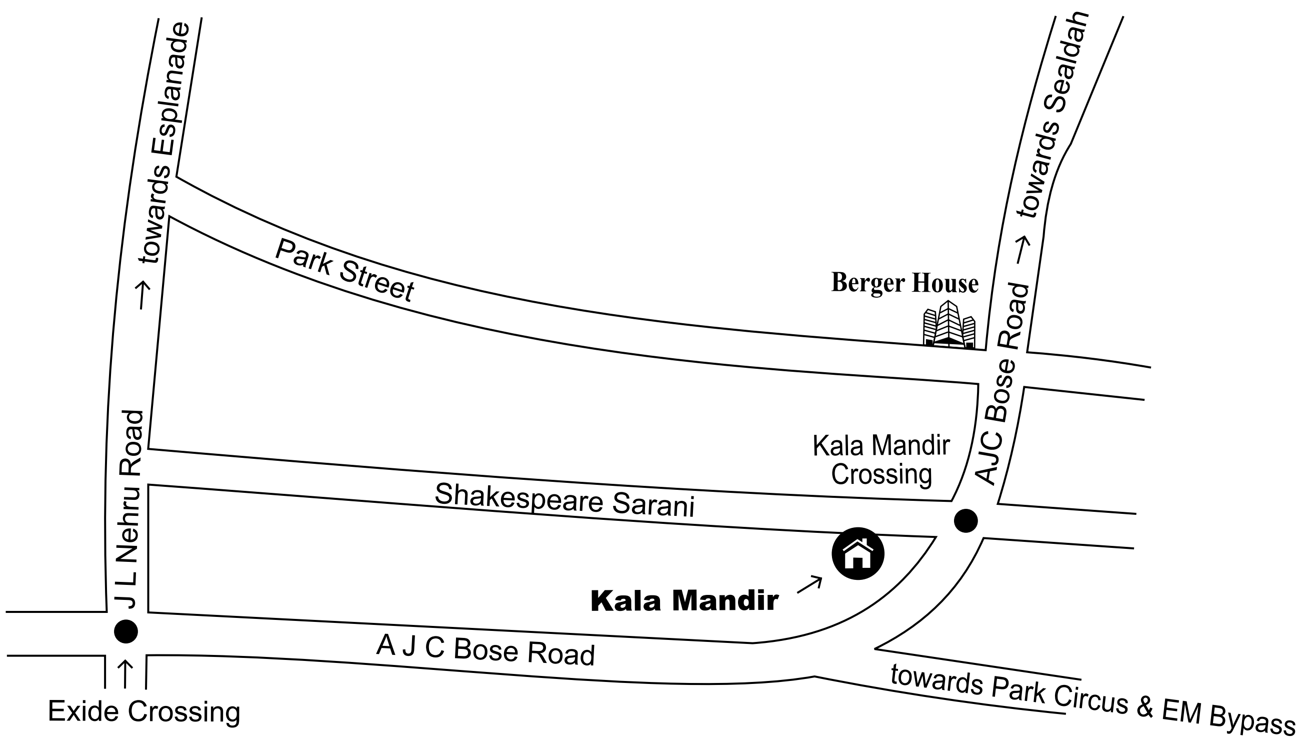
Dated: 30th May, 2017
Sr.Vice President & Company Secretary

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

	Item No. 3
Name of Director	Mr. Gurbachan Singh Dhingra
Date of Birth	9th April , 1950
Date of Appointment	14th May, 1993
Qualification	Graduate
Expertise in specific functional areas	Long term experience in the paint industry, especially in its technical aspects.
List of public companies in which outside Directorship is held as on 31st March, 2017*	1. Citland Commercial Credits Limited 2. Seaward Packaging Limited
Chairman / Member of Committees of the Board of the Companies on which he / she is a Director as on 31st March, 2017.*	Citland Commercial Credits Limited – Member of Audit Committee, Compensation and Nomination and Remuneration Committee and Corporate Social Responsibility Committee.
Shareholding in the Company#	24,21,888 shares of ₹ 1/- each.
Inter se relationship between Directors	Brother of Mr. K.S. Dhingra, Chairman, father of Mr. Kanwardip Singh Dhingra, Director – National Business Development, Automotive & General Industrial and brother of the father of Mrs. Rishma Kaur, Director – National Business Development, Retail.
*Directorship includes Directorship of other Indian Public Companies and Committee membership of public limited company (whether listed or not).	
#Does not include shares held by Mr. Gurbachan Singh Dhingra as Settlor Trustee of GBS Dhingra Family Trust.	

ROUTE MAP OF THE VENUE OF NINETY THIRD ANNUAL GENERAL MEETING

Kalamandir, 48, Shakespeare Sarani, Kolkata - 700 017 on 4th August, 2017, Friday at 11 a.m.



REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in presenting the Annual Report of the Company, together with the audited accounts for the financial year ended on 31st March, 2017.

FINANCIAL RESULTS

(₹ in crores)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Profit before Exceptional Items, Depreciation, Finance Cost and Tax	711.51	643.81	773.10	679.42
Add: Exceptional Items	58.67	-	44.20	-
Add: Share of Profit from Joint Ventures	-	-	10.05	5.69
Less:				
Depreciation	97.07	88.07	108.05	98.65
Finance Cost	7.41	17.05	16.22	27.28
Profit Before Tax	**665.70**	**538.69**	**703.08**	**559.18**
Less:				
Provision for Taxation	219.25	182.43	229.42	188.62
Profit After Taxation	**446.45**	**356.26**	**473.66**	**370.56**
Add:				
Other comprehensive income (loss for the year net of tax)	(1.20)	(0.44)	(18.94)	(14.55)
Total comprehensive income	**445.25**	**355.82**	**454.72**	**356.01**

FINANCIAL PERFORMANCE

During the financial year ended 31st March, 2017, the Company achieved net consolidated revenue from operations of ₹ 5050.45 crores as against ₹ 4638.85 crores in the previous year registering a growth of 8.9%. The profit before exceptional items, depreciation, interest and tax was ₹ 773.10 crores as against ₹ 679.44 crores in the previous year, recording an improvement of 13.8%. The profit before tax was ₹ 703.08 (2015 –16 : ₹ 559.18 crores) and the profit after tax was ₹ 473.66 crores (2015 – 16 : ₹ 370.56 crores), representing an increase of 25.7% and 27.83% respectively. The consolidated profit before tax would be ₹ 658.88 crores (18% of growth) without considering the proportionate share of profit, being ₹ 44.20 crores, arising out of the transfer of a business to BNPA, as mentioned below.

The Exceptional Items in the statement for the standalone results above comprise a profit of ₹ 86.67 crores on account of transfer of business and ₹ 28 crores of impairment in the carrying value of investment in Berger Paints Cyprus Limited. The aforesaid impairment has no impact on consolidated results.

The Company's paint division ("the Business") relating to 4 wheeler passenger cars and SUVs, 3 wheelers and related ancillaries was transferred to BNB Coatings India Private Limited (now renamed, Berger Nippon Paint Automotive Coatings Private Limited or "BNPA"), an existing joint venture between Berger Paints India Limited and Nippon Paint Automotive Coatings Co., Ltd., Japan after the close of business hours of 30th June, 2016 on a slump sale basis at a consideration of ₹ 90 crores, paid in cash. The annual turnover of the Business was about ₹ 29 crores in the year ended 31st March, 2016. BNPA does not belong to the promoter group. By virtue of being a joint venture where Berger Paints India Limited holds 49% of the paid up share capital, BNPA may be deemed to be a related party and the transaction was done at an arm's length basis. The "Exceptional Item" head in standalone results for the year ended 31st March, 2017 includes profit of ₹ 86.7 crores on transfer of the business which is subject to tax. In June 2016, the Company had acquired 8,96,700 equity shares of BNPA at the face value of ₹ 1,000 each, aggregating ₹ 89.67 crores to finance 49% of the acquisition of the "Business" and another business acquired from a third party by BNPA.

During the quarter ended 31st March, 2017 the Company has provided for impairment in the standalone financial statements, in the carrying value of its investment in its wholly owned subsidiary, Berger Paints Cyprus Limited (BPCL) on account of losses sustained by the ultimate wholly owned subsidiary Berger Paints Overseas Limited (BPOL), due to downturn in Russian economy, which were hitherto only reflected in the consolidated financial position of the Company. The Company had made an assessment of the fair value of the investments in Berger Paints Overseas Limited taking into account past business performance, prevailing business conditions and revised expectations about future performance. Based on the above factors and as matter of prudence, a provision of ₹ 28 crores towards impairment of such investment has been recognised in the standalone accounts.

MANAGEMENT DISCUSSION AND ANALYSIS

PAINT INDUSTRY STRUCTURE AND DEVELOPMENT

Paint industry is classified into two broad categories viz., Decorative and Industrial. Decorative paints include higher end acrylic exterior and interior emulsions, medium range exterior and interior paints, low end distempers, wood coatings, cement paints, primers, thinners and putties – accounting for over 70% of the paint market in India and growing at a faster pace than Industrial paints. These are either water based or solvent based. Water based paints are increasingly preferred by customers because of superior aesthetics, durability and environmental reasons and constitute the fastest growing segment.

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

The growth prospects of the industry continue to be optimistic and the industry expects the demand to exceed ₹ 70,000 crores by 2019-20. Considering the estimated per capita consumption of 3.34 Kg., this seems to be achievable and the entire value chain will benefit from the growth, providing employment opportunities to a large number of people spread all across the country. Much of the growth will depend on the overall consumption pattern and demand generation from the top, by Government initiatives and from below, through focussed campaign for increased use, not only for visual effect but also for protection of assets. The industry expects the decorative paint market to witness a Compounded Annual Growth Rate (CAGR) of over 14 percent by value and the industrial paint market – a CAGR of about 9.5 percent. In the past, the industry is estimated to have grown at a CAGR of 12.9 percent from 2011-12 to 2014-15 in terms of value.

The demonetisation resulted in lower IIP growth rates and contraction in demand, particularly in the rural markets and impacted the paint industry as well. While there was a negative effect on the retail market, the effect on industrial markets depended on the ultimate customer of the consumer industries. However, the Company does not believe the variations to be of permanent nature and the markets, across all sectors, are showing signs of recovery from the initial impact. Market research specialists have mentioned that consumer demand peaked in the March 2017 quarter, recording the highest sales surge in daily groceries, home and personal products in the past two years. The Company is of the view that the intended transparency in monetary transactions would be beneficial for the economy including the real estate sector, which would, in turn, strengthen the paint industry in the long run.

The Company received the 1st Prize in National Energy Conservation from the Government of India, New Delhi in the paints and allied products sector and the CII Green Pro Award.

The Vallabh Vidya Nagar factory of the Company's wholly owned subsidiary – Beepee Coatings Private Limited, received the Special Jury Award in Total Quality Management from CII, Gujarat.

COMPANY'S OPERATION

The Decorative Business continued to be the mainstay and recorded consistent growth in terms of volume and value. All other Businesses viz., General Industrial and Automotive, Protective Coatings and Powder also grew at a healthy clip. EBIDTA for all the Businesses were along the expected lines. This consistent growth is attributable to providing tailor-made products and services, chosen after careful attention to customer needs, higher sales of value added products, innovation at all levels, expansion of footprint in new geographies and market segments, better distribution and logistics and empowering of sales and service teams through specially deployed tools. The production capabilities continued to be expanded, restructured and reoriented to meet business requirements.

The Company believes that in a fast changing world, innovation is the key. To this extent, the Company introduced new premium products such as Weathercoat Anti Dustt with unique dust guard technology which doesn't allow dust to settle on exterior walls, Silk Glamor, a luxury finish for interior walls with crystal reflective technique and Luxol XTRA Super Gloss Enamel, which provides a long lasting glossy finish with superior coverage. All the new products have generated considerable interest in the market. Easy Clean, known for its washability, continued to receive support from the customers. Others such as Bison, Butterfly, Walmasta, Luxol HiGloss and Tartaruga textured coatings performed well.

The Company's construction chemicals business grew at a rapid pace. The new offerings included Waterproof Putty – with distinctive water resistance for mild dampness and Damp Stop for severe dampness. The efficacy of these products can be easily demonstrated.

In the wood coatings range, Imperia, a high end coating with polyurethane finish, Woodkeeper PU, an all-purpose exterior coating, Imperia a water based luxury polyurethane range for exteriors, interiors and floor coatings continued to receive market support.

Two years back, the Company had launched Express Painting™ – a hassle free solution for painting houses, which is 40 per cent faster than traditional painting, much cleaner and can be carried out at the same cost. Last year, the Company launched XP Advanced™, with specially formulated paints. Other than specifically designed paints, the XP™ services involve trained painters and carefully selected tools. The services have been focussed to engage extensively trained painters and contractors, to constantly communicate with the customers and provide a packaged solution to ensure maximum customer satisfaction and make Express Painting™ the preferred solution for Indian homes. This has been confirmed by the satisfaction surveys conducted by the Company.

The Company received the recognition for the Best Social Media Home and Living (Decor) Brand from Social Samosa. The Company also featured in the Super 50 Companies list issued by Forbes India. Its rank moved up from 117 to 103 in Business Today's list of 500 India's most valuable Companies for 2016.

The Company's General Industrial and Automotive Business comprise paints for general industrial purposes, two wheelers, commercial vehicles, tractors, etc. The Business continued to post growth both in terms of volume and value despite the dampening effect of demonetisation on some of the customer industries such as two wheelers and commercial vehicles. This was possible through increase in business share with existing customers, more supplies to industry segments which continued to perform well, introduction of new products and shades based on identified customer needs and development of new customers. The Company received Special Appreciation Award for Customer Satisfaction from Tata Hitachi Limited. The Powder Coatings Business continued to perform well through increase in business from new customers and addition of existing customers.

The Company continues to be a leader in Protective Coatings area despite presence of a large number of competitors including global corporations in this segment. There was dampening of business in this area, particularly in regard to demands from the infrastructure sector. However, the Company's business development efforts helped it to stay on course and add business both in terms of products and customers. The Company's product portfolio helps it to supply to almost all the user industries including infrastructure, metals, oil and power, railways, steel and OEM.

The Company has entered into Memoranda of Understanding with :

- ROCK PAINT CO., LTD ("ROCK PAINT) of Japan for marketing of automotive refinish paints in India. The products were launched in the month of May, 2017. While the Company is already present in all areas of automotive paints in India, ROCK PAINT offers a wide range of high-quality, easy-to-use coatings suited to the diverse needs of today's auto-refinish market. The companies are optimistic that the superior automotive refinish paints will have considerable demand in the automotive refinish market in India. The companies may discuss establishment of a joint venture in India at a later date. ROCK PAINT is a leading manufacturer of automotive refinish paints in Japan and is well known in the industry for the quality and utility of its products.

- Promat International Limited NV of Belgium ("Promat") for cooperation in the field of passive fire protection and high performance insulation coatings in India and certain neighbouring territory. The MOU envisages production, distribution and supply of specialised fire resistant coatings which may range from lightweight and thin films to cement based wet mix products suitable for steel and concrete, offering various degrees of efficiency in fire resistance. Promat and the Company together have considerable strength in technical expertise, product, market knowledge and relevant skills and infrastructure and the depth of these attributes are expected to considerably benefit the territory's market requirements in fire proof coatings. Promat is a USD 3 billion company headquartered in Belgium.
- Chugoku Marine Paints Ltd. of Japan for cooperation and collaboration in the field of marine and related industrial paints in India. The MOU envisages joint efforts in marketing, supplying and purchasing marine related industrial paints. Subsequently, the parties have a view towards establishing a joint venture company. The companies look forward to jointly becoming leading players in marine coatings in India. Since its establishment in 1917, Chugoku Marine Paints Ltd. have uniquely developed marine paints as a core product and is one of the global leaders in the area.

All the factories of the Company operated at a satisfactory level and provided the required support to the Businesses. Improvement of productivity and quality, relentless focus on manufacturing cost and energy efficiency, sharing of intelligent practices and benchmarking them against global standards and total compliance with environment, health and safety standards and norms helped the factories to maintain an almost faultless supply to the Businesses. All the factories continued to enhance their capabilities by adding new products. Standardisation of new products and efficient manufacturing practices were the key to this success.

The declining trend in raw material costs reversed in the year with increases in certain major raw materials. Crude oil, which was USD 40 in the beginning of 2016-17, touched USD 55 a barrel at the end of the year. There were resultant effects on all raw materials which are dependent on crude prices. Prices of key raw materials such as titanium dioxide and those required for manufacture of resins (which are the foundation of solvent based paints) and emulsions (which are the binders for water based paints) increased substantially, impacting the cost of all products across the board. This necessitated some increase in prices of Decorative paints. Exploration of alternate sources for all major raw materials, informed and intelligent buying and effective negotiation continued to provide savings.

The Company recognises that in a competitive environment, innovation is the key. The Company continues to strengthen its R & D facilities and technological capabilities by adding suitable manpower and new equipment and interactions with academic institutions. The objective is to build a collaborative research oriented environment in not only the Company's R & D Centre but across the manufacturing and product development centres throughout the Company's operations and businesses. The Company's employees participated in international symposiums and seminars. The Vice President – R & D received the AkzoNobel Award for Excellence in Coatings Research and Promotion granted by the Society for Surface Protective Coatings – India. The Company's R & D scientists also received the second prize in the Research Category from the Indian Paint Association.

FOCUS AND OUTLOOK FOR 2017-18

As mentioned in the section under "Opportunities and Threat", the Government has announced various measures which will provide a fillip to the real estate sector, which is expected to maintain a double digit CAGR. Traditionally, the paint industry has been influenced by both GDP and IIP – which are likely to perform well. Most of all, increased urbanisation, better access to educational facilities and social media aided by internet and the country's historical and deep founded sense of aesthetics prompt the demand for well painted houses and environmentally better products.

The Government of India along with its investment promotion agency, Invest India, are in discussion with around 300 Indian and foreign companies to channelize investments worth US$ 62 billion, which will help create over 1.7 million job opportunities in India. The Union Cabinet has approved ₹ 10,000 crore initial corpus for the Funds for Start-ups (FFS), established in June 2016. This too is likely to generate considerable employment.

As a result, the demand pull is likely to continue through the year. The Company recognises that the pattern will vary across regions and economic strata. The Company will continuously innovate to provide solutions which are suited to the needs of market segment in Decorative and Industrial. It is important to not only train but actually provide opportunities to trained persons to utilise their skills in areas where their expertise is needed. The Company will try to provide such opportunities in its various programmes under Express Painting and Prolinks. It will also engage information technology to the fullest possible extent in managing its business processes.

PROJECTS AND EHS

The Company has commenced commercial production of its paint and putty plants at Naltali, Nagaon, Assam on 30th March, 2017. The plant has an annual capacity of 48,000 KL/MT of water based paints, 24,000 KL of solvent based paints, 14,000 MT of resin and 24,000 MT of wall putty.

The British Paints Division of the Company has commenced commercial production of its distemper and putty manufacturing facility in Nalbari near Guwahati on 29th March, 2017 with a capacity of 6,600 KL / MT and 7,200 MT per annum respectively.

Both the plants have the latest environment protection and safety related measures. Finished goods warehouses having Automatic Storage and Retrieval System (ASRS) are on the verge of completion at Jammu and the Beepee Coatings Plant at Vallabh Vidya Nagar.

The newly constructed Automotive and General Industrial paints plant at Jejuri, near Pune, with a capacity of 4,800 KL/MT per annum, commenced production on 27th March, 2017.

The Company has set up a processing unit at Vallabh Vidya Nagar, Gujarat mainly for processing of automotive paints for Berger Nippon Paint Automotive Coatings Private Limited during the year. The capacity of the plant is 2400 KL per annum.

The Company is setting up an emulsion plant with a final capacity of 44,160 metric tonnes per annum in Rishra, West Bengal, in phases. The implementation of the first phase will be completed in the year 2017-18.

At Rishra, the Company will also set up its first plant for producing colourants, vital ingredients for manufacturing paints, with a capacity of 2,640 KL per annum. The plant is expected to start production in early 2018.

EHS practices are continuously improved across different operations. The EHS team is actively working to mitigate the organizational risks associated with the Environment-Health-Safety related to all aspects of Company operations. Safeguarding the environment, protection of people, property and health of the workforce is the primary focus.

OPPORTUNITIES AND THREATS

India is emerging as one of the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The Government has forecasted that the economy has grown by 7.1 per cent in FY 2016-17. India's consumer confidence index - at 136 in the fourth quarter of 2016 – topped the global list of countries on the same parameter, as a result of strong consumer sentiment, according to market research agency, Nielsen. Moody's has affirmed the Government of India's Baa3 rating and have stated that the reform measures will enable the country perform better compared to its peers over the medium term. India's industry output grew 2.74 per cent year-on-year in January 2017, led by a good performance in the capital goods sector which registered a 10.7 per cent year-on-year growth.

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

A number of initiatives have been undertaken in India to keep it firmly on this on growth track, fulfilling the ambitions of its people and providing them with the means of not only sustenance but also enabling them to foster ambitions for their families. The Indian population is family and future oriented where education, savings and improvement of living standards are given a priority. The aspirations are led by the middle class – which is growing as a percentage of the population. Given a fairly successful implementation of GST and numerous schemes which have been initiated including those for providing affordable housing, curbing black money, digitalisation of economy, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) Scheme, Urban Development strategy formulated by the Government of India for the next 20 years, aimed at development of rural and urban areas, providing housing for the urban poor as an objective, among others, development of 100 smart cities as well as Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 500 cities with an outlay of ₹ 48,000 crore and ₹ 50,000 crore respectively, India is poised to take a significant leap in the future. These will be associated with upsurge in demand for consumer goods including paints.

While this is a major opportunity, the business prospect may not be lost on other players, both international and within the country. The Company continues to prepare itself for any challenge with superior product line up, better services, unique solutions and relentless focus on cost and other factors such as distribution, logistics and IT enabled intelligence.

RISKS AND CONCERNS

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

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

Demand for paints, and, for that matter, much of the consumer goods, depends on good monsoon and at the time of writing, is predicted to be normal, while weak El Niño conditions are likely to develop in the second half of 2017.

As mentioned earlier, there has been a rise in key raw material prices, in the later part of 2017-18. The Company tries to soften their impact through informed buying, development of alternate sources and improvement in formulations.

Better distribution of income, alleviation of poverty and creation of employment – both formal and informal, will be needed for long term success initiated by the growth in economy. It is expected that the concerns will be addressed by the social protection measures such as Pradhan Mantri Ujjwala Yojana (PMUY) aimed at providing subsidised LPG to 50 million below the poverty line households, housing for all by 2022, Pradhan Mantri Mudra Bank Yojana (PMMBY) for micro credit loans up to ₹ 1 million which can be repaid in five to seven years to small business owners, and low premium state sponsored accident and life insurance schemes.

At the time of writing, the Company is preparing itself for smooth implementation of GST across all its operations. The industry business will depend on the impact of GST in the short term.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

INDIAN ACCOUNTING STANDARDS (Ind AS) – IFRS Converged Standards

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous years' figures have been restated and audited by the Company's statutory auditors.

The principal adjustments have been detailed in Note 39 – First time adoption of Ind AS in the financial statements.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

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

BONUS ISSUE

Pursuant to the approval accorded by the members by postal ballot on 11th July, 2016, 27,73,91,165 equity shares of ₹ 1/- each were allotted on 19th July, 2016 as fully paid up bonus shares in proportion of 2 bonus shares for every existing 5 equity shares held by the Members of the Company on the Record Date i.e. 18th July, 2016. The Authorised Capital of the Company was increased to an amount of ₹ 110,00,00,000 (Rupees One Hundred and Ten Crores) and necessary amendments were made in Clause V of Memorandum of Association of the Company and Article 3 of the Articles of Association of the Company to reflect the increased capital.

EMPLOYEE STOCK OPTION SCHEME

Your Company had framed an Employee Stock Option (ESOP) Scheme ("the 1999 Scheme") for its employees and some of its Directors. The Board had formulated the ESOP Scheme in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the shareholders had approved the ESOP scheme at the Annual General Meeting held on 29th July, 2010 to issue shares not exceeding 5% of the paid up capital of the Company as on 31st March, 2010. In practice, ESOP is granted to employees and whole time Directors. Pursuant to the 1999 Scheme, no fresh options were granted to employees during the year under review. During the year, the Company allotted 83,942 shares to 97 employees, on their exercising earlier grants, which includes 3,044 equity shares to Mr. Abhijit Roy, 2,342 equity shares to Mr. Srijit Dasgupta and 1,562 equity shares to Mr. Aniruddha Sen. The equity shares as mentioned herein above are of face value of ₹ 1/- (Rupee one only) each fully paid.

For the purpose of making a fair and reasonable adjustment for all vested stock options, on account of the bonus issue mentioned above, the Compensation & Nomination & Remuneration Committee, on 21st November, 2016, granted 34,653 options to eligible employees in the proportion of two options for every five options held on record date on 18th July, 2016. Out of these, 33,628 options were exercised by 97 employees and the equity shares of face value ₹ 1/- each were allotted to them on 3rd February, 2017. This includes 1,218 equity shares to Mr. Abhijit Roy, 937 equity shares to Mr. Srijit Dasgupta and 625 equity shares to Mr. Aniruddha Sen of face value of ₹ 1/- (Rupee one only) each fully paid.

The Company re-introduced the ESOP Scheme ("the 2016 Scheme"), aligned with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in the year 2016 in accordance with the approval of the members granted at the Annual General Meeting held on 3rd August, 2016, to reward eligible employees. Pursuant to the 2016 Scheme, the Remuneration Committee had approved grant of 1,40,811 options convertible into equity shares to 138 employees. One-third of the options granted to the employees will vest on 8th November, 2017, 2018 and 2019 each year, which they are entitled to exercise on or after the said dates as per the 2016 Scheme. This includes allotment of 3,600 equity shares to Mr. Abhijit Roy, 2,769 equity shares to Mr. Srijit Dasgupta and 1,848 equity shares to Mr. Aniruddha Sen.

The information required to be disclosed in terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 is enclosed as per **Annexure A** to this report. Please also visit the weblink **https://www.bergerpaints.com/investors/esop-disclosure.html** for disclosures under Regulation 14 of the aforesaid Regulations.

HUMAN RESOURCES

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

Identifying and recruitment of appropriate candidates and retention of employees continue to be the greatest challenges faced by the Indian industry. Apart from the usual methods such as campus interview and taking services of placement consultants, the Company adopts innovative processes which include referral schemes. Training, including on the job training, is given the highest priority and the Company measures the time and efficacy of all kinds of training provided to the employees which includes e-learning modules. Being a multicultural and multi-location company, diversity is encouraged.

The number of people employed as on 31st March, 2017 was 2,993 (31st March, 2016: 2,808). A strike was called by the workers' union at the Company's Goa factory on 10th May, 2017. At the time of writing, the Goa factory is operating at a reduced scale and the strike is not likely to significantly affect the Company's operations.

Other than the above, the Industrial Relations were satisfactory during the year.

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

SEXUAL HARASSMENT POLICY

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

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

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

SUBSIDIARY AND JOINT VENTURES

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

The following companies are wholly-owned subsidiaries of the Company's above named subsidiaries: - (i) BJN Paints India Limited – wholly-owned subsidiary of Beepee Coatings; (ii) Bolix S.A., Poland – wholly-owned subsidiary of Lusako Trading; (iii) Berger Paints Overseas Limited ("BPOL"), Russia - wholly-owned subsidiary of Berger Cyprus. Bolix S.A., Poland has 4 subsidiaries, viz.: Bolix UKRAINA sp z.o.o., Ukraine, BUILD-TRADE BIS sp. z o.o., Poland, Soltherm External Insulations Limited, UK and Soltherm Insulations Thermique Exterieure, France.

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

BJN-India is a wholly owned step down subsidiary of the Company. It is engaged in the business of manufacturing and processing architectural paints and coatings, which it had acquired from Sherwin Williams Paints India Private Limited, with effect from the close of business hours on 31st March, 2013. The Boards of BJN-India and Berger Paints India Limited consider that the business of BJN-India can now be combined with and carried on in conjunction with the business of the Company (i.e., Berger Paints India Limited), more conveniently and efficiently. Accordingly, the Boards of BJN-India and the Company, at their respective meetings held in April, 2017, have approved a Scheme of Amalgamation of BJN-India as Transferor Company with Berger Paints India Limited as Transferee Company, pursuant to the provisions of Sections 230 and 232 of the Companies Act, 2013. The appointed date for the purpose is 1st April, 2017 ("Appointed Date"). The proposed amalgamation will enable appropriate consolidation of the activities of BJN India and the Company with pooling and more efficient utilization of their resources, greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters.

The aforesaid Scheme is conditional upon and subject to the approval by the requisite majority of the members of BJN-India and sanction of the same by the Hon'ble National Company Law Tribunal at Kolkata. Accordingly, it is provided that the aforesaid Scheme, although operative from the Appointed Date, shall become effective upon filing of certified copies of the aforesaid order of the Hon'ble NCLT sanctioning the aforesaid Scheme, as and when received, with the Registrar of Companies by BJN-India and Berger Paints India Limited.

During the year under review, BJN-Nepal showed robust performance with a turnover of ₹ 135.32 crores.

Bolix S.A. also posted encouraging results with a turnover of ₹ 190.22 crores.

NBCC (India) Ltd. and Bolix SA of Poland have signed a Memorandum of Business Exploration (MoBE) for jointly promoting, developing and adopting External Thermal Insulation and Composite Systems (ETICS) Solutions Technology in construction of highly energy efficient green/smart buildings in India. ETICS Technology is a robust and long lasting building energy performance solution developed to current standards over the last 40 years. It has proven to be highly cost effective, safe for inhabitants living in insulated houses and hugely beneficial for the environment. This technology is already in use in a big way in European countries and the experience suggests that offices, hospitals, hotels, schools etc. built in those countries by using this technology has substantially contributed towards reduction in energy consumption and carbon emission both in cold and hot climatic conditions. ETICS Technology conforms to a set of globally acknowledged standards which also take into account the procedures and installation techniques related with application. These standards were historically established in Europe and now being taken to all parts of the globe.

The system contains components including the basic insulation material (EPS - or Expanded Polystyrene Foam or Mineral Wool), layers of adhesive, mechanical fasteners, a reinforcing layer with fibre glass mesh, reinforcements and accessories, primers and plasters. Addition of the system to the wall of a structure can create a major impact towards reducing the amount of electricity needed for cooling/heating the interior of the building.

The benefits of using ETICS solution include:

- Electricity consumption reduction (even up to 35% in moderate climates) for cooling/heating
- Environment protection effect due to the reduction of CO_2 emission and other pollutants arising out of the generation of electricity in thermal power plants/diesel generating sets
- Improvement of the aesthetics of the building façade
- Increased comfort, improved microclimate.
- Extended life of the building and increased weather resistance.
- ETICS installations typically do not need any cement plastering before application of the installation envelope and accordingly, this cost too can be saved.
- Where the source of electricity is diesel generating sets this also implies savings of foreign exchange against crude oil imports.
- ETICS reduces the fluctuation of surface wall temperatures leading to fewer tendencies to form cracks.
- It reduces the capital cost of HVAC (Heating, Ventilation and Air-conditioning) costs by downsizing the initial requirement.

The MoBE between NBCC and Bolix shall facilitate import of this technology and its application in India and its neighbouring countries through NBCC which is a Govt. of India Navratna Enterprise and a leader in Indian Construction Industry.

The performance of Beepee Coatings was satisfactory, with a turnover of ₹ 24.9 crores.

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

The turnover of Berger Paints Overseas Limited (BPOL) was ₹ 5.36 crores.

Berger Becker Coatings Private Limited, the Company's joint venture with Becker Industrifarg, Sweden, showed impressive performance with turnover of ₹ 294.06 crores. and a net profit of ₹ 14.56 crores.

BNB Coatings India Private Limited (BNB), renamed as "Berger Nippon Paint Automotive Coatings Private Limited" ("BNPA"), the Company's joint venture with Nippon Paint Automotive Coatings Co., Ltd. of Japan (NPAU) posted turnover of ₹ 106.11 crores and total comprehensive income of ₹ 6.21 crores.

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

CONSOLIDATED FINANCIAL STATEMENTS

The duly audited Consolidated Financial Statements as required under the Accounting Standards 21 and 27, provisions of Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 136 of the Companies Act, 2013 have been prepared after considering the audited financial statements of your Company's subsidiaries and appear in the Annual Report of the Company for the year 2016-17.

CORPORATE GOVERNANCE

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

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

TECHNOLOGY AGREEMENTS

Your Company has Technology Agreements in the area of Automotive Coatings.

FIXED DEPOSIT

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

EXTRACT OF ANNUAL RETURN

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

MEETINGS OF THE BOARD OF DIRECTORS AND ATTENDANCE THEREAT

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

A. AUDIT COMMITTEE

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

VIGIL MECHANISM

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

B. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

C. COMPENSATION & NOMINATION & REMUNERATION COMMITTEE

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

D. SHAREHOLDERS' COMMITTEES

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

BUSINESS RESPONSIBILITY REPORT

SEBI has made it mandatory to publish a Business Responsibility Report (BRR) by the top 500 companies based on market capitalization in their Annual Report in terms of Regulation 34(2)(f) of the Listing Regulations with the stock exchanges. The Company accordingly complied with the requirement and had framed a Business Responsibility Policy in line with the suggested framework as provided by SEBI based on the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses published by the Ministry of Corporate Affairs. The said Policy was adopted at the Board Meeting held on 10th February, 2017 and can be viewed at https://www.bergerpaints.com/about-us/business-responsibility-policy.html. Mr. Abhijit Roy, Managing Director and CEO has been nominated as the director responsible for implementing the Business Responsibility Policy and Mr. Aniruddha Sen, Senior Vice President and Company Secretary has been nominated as the Business Responsibility Head. As required, the BRR for 2016-17 is attached to this report as **Annexure 6**.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors wish to inform that the Audited Accounts containing Financial Statements for the financial year ended 31st March, 2017 are in full conformity with the requirements of the Act. They believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and reasonably present your Company's financial condition and results of operations.

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

i) The applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given,

ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period,

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,

iv) The Accounts have been prepared on a going concern basis.

v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

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

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

The following are the Independent Directors of your Company:-

1) Mr. Dhirendra Swarup;

2) Mr. Gopal Krishna Pillai;

3) Mr. Pulak Chandan Prasad;

4) Mr. Kamal Ranjan Das;

5) Mr. Naresh Gujral.

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

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

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

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

QUALIFICATION OR RESERVATIONS IN STATUTORY AUDIT REPORTS

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

LOANS, COMMITMENTS AND CONTINGENCIES, INVESTMENTS

Particulars of loans given, investments made, guarantees given and securities provided, if any, along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the standalone financial statement (please refer Notes 5a, 8a and 33 of the standalone financial statement).

RELATED PARTY TRANSACTIONS

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

All related party transactions have been carried out at arms' length basis in the ordinary course of business. However, the transfer of "the Business" to BNPA was not in the ordinary course and was, therefore, approved by the Board of Directors and the Audit Committee. The transaction did not require approval of the shareholders under section 188 of the Companies Act, 2013 read with the provision of the Companies (Meetings of Board and its Powers) Rules, 2014 since the amount involved in the sale of goods was much lower than the threshold limits mentioned in the said Rules. There is no material related party transaction i.e. transaction exceeding 10% of the annual consolidated turnover as per the last audited financial statements, entered during the year by your Company and accordingly, the disclosure of Related Party Transaction as required under section 134(3)(h) of the Companies Act. 2013 in Form AOC-2 is not applicable.

MATERIALITY POLICY

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

POLICY FOR PRESERVATION OF DOCUMENTS

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

SIGNIFICANT CHANGES

During the Financial Year 2016-17, no significant change has taken place which could have an impact over the financial position of the Company.

TRANSFER TO RESERVE AND DIVIDEND

The total comprehensive income of the Company is ₹ 445.25 crores for the year 2016-17.

Your Directors recommend a dividend of ₹ 1.75 per share i.e. @ 175% for the year under review. This, if approved, will absorb an amount of ₹ 169.93 crores (compared to ₹ 114.43 crores in the previous year), net of Dividend Distribution Tax, based on the current paid-up capital of the Company and will be paid to those members holding shares in the physical mode whose names appear in the Register of Members as on 4th August, 2017 and for shares held in electronic form, to those whose names appear in the list of beneficial holders furnished by respective Depositories as at the end of business hours on 28th July, 2017.

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy. The Policy is available at the following weblink:- https://www.bergerpaints.com/about-us/dividend-distribution-policy.html.

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

Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has filed the necessary form and uploaded the details of unclaimed amounts lying with the Company, as on 7th November, 2016 with the Ministry of Corporate Affairs.

Conservation of Energy & Technology Absorption

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

Particulars of Employees

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

STATEMENT OF EVALUATION OF BOARD OF DIRECTORS AND COMMITTEES THEREOF

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

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

The Compensation and Nomination and Remuneration Committee have laid down the following criteria for evaluating the performance of the Board of Directors. The same is available at the following link: https:/bergerpaints.com/about-us/criteria-policy.html.

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

Pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, it is stated that no material order has been passed by any regulator, court or tribunal impacting the Company's operations and its going concern status during the Financial Year 2016-17.

DIRECTORS

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

Mr. Gurbachan Singh Dhingra is a graduate from Delhi University and an industrialist, promoter of the Company and the Vice-Chairman of the Board of Directors of the Company. He has considerable experience in paint and related industries, particularly their technical aspects.

Structure of the Board of Directors

Name of Director	Non-executive	Executive	Independent	Lady
Mr. Kuldip Singh Dhingra	Y	N	N	N
Mr. Gurbachan Singh Dhingra	Y	N	N	N
Mr. Abhijit Roy	N	Y	N	N
Mrs. Rishma Kaur	N	Y	N	Y
Mr. Kanwardip Singh Dhingra	N	Y	N	N
Mr. Kamal Ranjan Das	Y	N	Y	N
Mr. Naresh Gujral	Y	N	Y	N
Mr. Gopal Krishna Pillai	Y	N	Y	N
Mr. Pulak Chandan Prasad	Y	N	Y	N
Mr. Dhirendra Swarup	Y	N	Y	N

FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

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

INFORMATION AS TO REMUNERATION OF DIRECTORS AND EMPLOYEES

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

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

Name of Director / KMP	Remuneration received (₹)	Ratio as to that of the median employee	Percentage increase in remuneration
Mr. Kuldip Singh Dhingra	10,00,000	2.02:1	0
Mr. Gurbachan Singh Dhingra	10,00,000	2.02:1	0
Mr. Abhijit Roy	2,10,49,348*	42.56:1	26.62
Mr. Kanwardip Singh Dhingra	26,47,855	5.35:1	13.28
Mrs. Rishma Kaur	26,58,265	5.37:1	13.03
Mr. Kamal Ranjan Das	2,75,000	0.56:1	10
Mr. Pulak Chandan Prasad	-	-	-
Mr. Naresh Gujral	6,60,000	1.33:1	10
Mr. Dhirendra Swarup	6,60,000	1.33:1	10
Mr. Gopal Krishna Pillai	6,60,000	1.33:1	10
Mr. Srijit Dasgupta	1,21,25,275*	24.52:1	23.26
Mr. Aniruddha Sen	82,95,013*	16.77:1	13.31

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

Note – The median employee remuneration for 2016-17 is – ₹ 4,94,560 p.a.

2) Percentage (%) increase in remuneration during the Financial year 2016-17 :- Please see (1) above.

3) Percentage (%) increase in the median remuneration of employees during the Financial year 2016-17 :- 3.53%

4) Number of permanent employees on the rolls of the Company as on 31st March, 2017 – 2993

5) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – The average percentile increase of employee was 16.74% as compared to a average percentile increase of 23.65% of managerial remuneration. The increase of managerial remuneration is based on growth criteria.

6) Pursuant to the requirement of Section 197(14), the following disclosure is made in respect to remuneration received by Directors:-

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

7) **Affirmation**

It is hereby affirmed by the Chairperson of the Company that the remuneration paid to all the employees, Directors and Key Managerial Personnel of the Company during the Financial Year 2016-17 are as per the Remuneration policy framed by the Compensation and Nomination and Remuneration Committee of the Company.

LISTING WITH STOCK EXCHANGES

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

NSE - On 17th December, 2015

BSE - On 4th January, 2016

CSE - On 17th February, 2016

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

COST AUDITORS

The Board of Directors have re-appointed/appointed M/s N. Radhakrishnan & Co., 11A, Dover Lane, Flat B1/34, Kolkata - 700029, for conducting cost audit at the Company's factories at Howrah, Rishra, Goa, Puducherry, Jejuri, at the newly set up plant at Naltali and Hindupur factory of the Company's British Paints Division and M/s Shome & Banerjee & Co., 2nd Floor, 5A Narulla Doctor Lane, West Range, Kolkata - 700017, for conducting cost audit at its Jammu factory and for the factories of British Paints Division having their factories at Jammu, Surajpur and Sikandrabad under Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 for the year 2017-18. The due date for filing Cost Auditors' report for the year 2015-16 was 30th September, 2016. The said reports for the year 2015-16 were filed on 20th October, 2016.

STATUTORY AUDITORS

The Statutory Auditors, Messrs. S.R. Batliboi & Co. LLP, Chartered Accountants, were appointed pursuant to the provisions of Sections 139, 142 of the Companies Act, 2013 and the Rules made thereunder from the conclusion of the 91st Annual General Meeting up to the conclusion of the Sixth Annual General Meeting to be held after the 91st Annual General Meeting . This year's notice includes a proposal for ratification of such appointment.

APPRECIATION

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

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

On behalf of the Board of Directors

Kolkata

Kuldip Singh Dhingra

Dated: 30th May, 2017

Chairman

Annexure A

DISCLOSURES WITH RESPECT TO EMPLOYEES STOCK OPTION SCHEME PURSUANT TO REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON MARCH 31, 2017:

There was no material change in the ESOP Schemes. The ESOP Schemes are in compliance with the regulations.

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

Members may refer to Note no.31 contained in the Notes to Financial Statements forming part of Annual Financial Statements for the Financial Year ended on 31st March, 2017.

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

Diluted EPS before and after extraordinary items for the year ended 31st March, 2017 is ₹ 4.60.

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

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

Particulars	Employee Stock Option Scheme, 2010	Employee Stock Option Scheme, 2016
a) Date of shareholders' approval	29th July, 2010	3rd August, 2016
b) Total number of options approved under ESOP	1,73,03,623 options representing equity shares of a face value of ₹ 2/- each i.e 3,46,07,246 options representing equity shares of a face value of ₹ 1/- each, consequent to sub-division of shares from face value of ₹ 2/- to ₹ 1/- as approved by the shareholders on 30th December, 2014.	3,46,78,470 options representing equity shares of a face value of ₹ 1/- each.
c) Vesting Requirements	Options shall vest over a period of 3 years from the date of grant of options as under : a) 33% on first anniversary of Grant Date b) 33% on second anniversary of Grant Date and c) 34% on third anniversary of Grant Date rounded up to whole numbers.	Options shall vest over a period of 3 years from the date of grant of options as under : a) 33% on first anniversary of Grant Date b) 33% on second anniversary of Grant Date and c) 34% on third anniversary of Grant Date rounded up to whole numbers.
d) Exercise price/Pricing formula	₹ 1 (Changed from ₹ 2 effective from January 2015, consequent to sub-division of shares from face value of ₹ 2/- to ₹ 1/- and the number of outstanding options were doubled)	₹ 1
e) Maximum term of options granted	10 years	10 years
f) Source of shares (primary, secondary or combination)	Primary	Primary
g) Variation in terms of options	None during the year	None during the year

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

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

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

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

Particulars	Employee Stock Option Scheme, 2010			Employee Stock Option Scheme, 2016
	Grant III	Grant IV	Additional Grant (in lieu of bonus issues from ESOP 2010)	ESOP 2016
No. of options outstanding at the beginning of the period	2,224	85,452	-	-
No. of options granted during the year	-	-	34,653	140,811
No. of options forfeited/lapsed during the year	-	1,172	-	2,541
No. of options vested during the year	-	84,280	34,653	-
No. of options exercised during the year (834 options of Grant III of ESOP 2010 were vested in F.Y 2015-16 but were exercised during F.Y. 2016-17)	834	83,108	33,628	-
No. of shares arising as a result of exercise of options	834	83,108	33,628	-
Money realised by exercise of options (INR), if scheme is implemented directly by the Company	834	83,108	33,628	-
Loan repaid by the Trust during the year from exercise price received	N.A	N.A	N.A	N.A
No. of options outstanding at the end of the year	1,390	1,172	1,025	138,270
No. of options exercisable at the end of the year	1,390	1,172	1,025	-

v) a. Weighted average exercise prices	₹ 1	₹ 1	₹ 1	₹ 1
b. Weighted average fair values	₹ 238.99	₹ 237.41	₹ 238.27	₹ 236.35

vi) Employee wise details of options granted to :-

a) Senior managerial personnel :-

Serial no.	Senior Management Personnel	Designation	No. of options granted in 2016-17	Exercise price per option
i.	Mr. Abhijit Roy	Managing Director & CEO	3,600	₹ 1
ii.	Mr. Srijit Dasgupta	Director- Finance & CFO	2,769	₹ 1
iii.	Mr. Aniruddha Sen	Sr. Vice President & Company Secretary	1,848	₹ 1

b) Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during that year — None

c) Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant — None

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

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

Serial no.	Particulars	2016-2017
i.	Weighted average risk-free interest rate	6.69%
ii.	Weighted average expected life of options	2.50 years
iii.	Weighted average expected volatility	26.00%
iv.	Weighted average expected dividends over the life of the option	4.37 per options
v.	Weighted average share price	₹ 242.10 per option
vi.	Weighted average exercise price	₹ 1 per share

b) Method used and assumptions made to incorporate effects of expected early exercise: Black-Scholes Options Pricing Model.

c) How expected volatility was determined, including explanation of the extent to which expected volatility was based on historical volatility;

Expected volatility is based on the historical volatility of the Company's share price applicable to the total expected life of each option.

d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as market condition.

None.

Annexure 1

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% of total turnover of the Company
	Manufacture of paints and varnishes, enamels or lacquers	20221	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1.	**U. K. Paints (India) Private Limited** 19 DDA Commercial Complex Kailash Colony Extension New Delhi – 110 048	U24222DL1979 PTC009659	Holding*	50.11*	2(46)
2.	**Berger Becker Coatings Private Limited** 19 DDA Commercial Complex Kailash Colony Extension New Delhi – 110 048	U74899DL1996 PTC082343	Associate	48.98	2(6)

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

*U.K. Paints (India) Private Ltd. exercises or controls 70.85% (i.e. more than one half) of the total share capital of Berger Paints India Limited alongwith its subsidiary companies namely :-

		% holding
a)	U.K. Paints (India) Private Ltd.	50.11
b)	Jenson & Nicholson (Asia) Ltd, U.K.	14.49
	(wholly owned subsidiary of, and nominee shareholder of, BJN Holdings (I) Limited ("BJN"). BJN is a wholly owned subsidiary of U. K. Paints Overseas Limited, which, in turn, is a wholly owned subsidiary of U. K. Paints (India) Pvt. Ltd.)	
c)	Wang Investment Finance Pvt. Ltd.	3.07
d)	Citland Commercial Credits Ltd.	3.18
		70.85

Notes :

1) BJN Paints India Limited is a wholly owned subsidiary of Beepee Coatings Private Limited.

2) Bolix S.A., Poland is a wholly owned subsidiary of Lusako Trading Limited. Bolix UKRAINA sp. z.o.o, Ukraine, BUILD-TRADE BIS sp. z.o.o., Poland, Soltherm External Insulations Limited, UK and Soltherm Insulations Thermique Exterieure, France are four subsidiaries of Bolix S.A., Poland.

3) Berger Paints Overseas Limited, Russia is a wholly owned subsidiary of Berger Paints (Cyprus) Limited.

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

i) Category-wise Shareholding

Category of Share holders	No. of Shares (face value of ₹ 1/-) held at the beginning of the year (01.04.2016)				No. of Shares (face value of ₹ 1/-) held at the end of the year (31.03.2017)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
(a) Individual / HUF	33045616	0	33045616	4.77	32263861	0	32263861	3.33	(-) 1.44
(b) Central Govt									
(c) State Govt									
(d) Bodies Corporate	386311794	0	386311794	55.70	555224058	0	555224058	57.18	(+) 1.48
(e) Banks / Financial Institutions									
(f) Others									
Sub-total (A) (1)	419357410	0	419357410	60.47	587487919	0	587487919	60.51	(+) 0.04
2. Foreign									
(a) NRIs - Individuals									
(b) Other – Individuals									
(c) Bodies Corporate	100469130	0	100469130	14.49	140656782	0	140656782	14.49	0.00
(d) Banks / FI									
(e) Any others									
Sub-total (A) (2)	100469130	0	100469130	14.49	140656782	0	140656782	14.49	0.00
Total Share holding of Promoter & Promoter Group (A) = (A)(1)+(A)(2)	519826540	0	519826540	74.96	728144701	0	728144701	75.00	(+) 0.04
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	7701548	13150	7714698	1.11	11409093	4410	11413503	1.18	(+) 0.07
(b) Banks / Financial Institutions	123332	13632	136964	0.02	262551	15388	277939	0.03	(+) 0.01
(c) Central Govt (s)									
(d) State Govt (s)									
(e) Venture Capital Funds									
(f) Insurance Companies	10070172	0	10070172	1.45	19559564	0	19559564	2.01	(+) 0.56
(g) Foreign Institutional Investors (FII)	54857034	0	54857034	7.91	59720556	0	59720556	6.15	(-) 1.76
(h) Foreign Venture Capital Funds									
(i) Foreign Portfolio Investors	24063346	0	24063346	3.47	46038506	0	46038506	4.74	(+) 1.27
(j) Others (specify)									
Sub-total (B)(1)	96815432	26782	96842214	13.96	136990270	19798	137010068	14.11	(+) 0.15
2. Non- Institutions									
(a) Bodies Corporate									
(i) Indian	16715408	86962	16802370	2.42	18139241	119642	18258883	1.88	(-) 0.54
(ii) Overseas									
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	41737925	12098782	53836707	7.77	61630271	14008236	75638507	7.78	(+) 0.01
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1731996	0	1731996	0.25	3293321	0	3293321	0.34	(+) 0.09
(c) Others (specify)									
1. NRI	1084258	310520	1394778	0.20	1740270	381906	2122176	0.22	(+) 0.02

Category of Share holders	No. of Shares (face value of ₹ 1/-) held at the beginning of the year (01.04.2016)				No. of Shares (face value of ₹ 1/-) held at the end of the year (31.03.2017)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Clearing Member	171633	0	171633	0.03	546154	0	546154	0.06	(+) 0.03
3. OCB									
4. Trust	66328	8400	74728	0.01	504315	11760	516075	0.05	(+) 0.04
5. Foreign National	0	0	0	0	0	0	0	0.00	0.00
6. Unclaimed Suspense A/C	2789938	0	2789938	0.40	5456762	0	5456762	0.56	(+) 0.16
Sub-total (B) (2)	64297486	12504664	76802150	11.08	91310334	14521544	105831878	10.89	(-) 0.19
B. Total Public Shareholding (B)=(B)(1)+(B)(2)	161119926	12531446	173651372	25.04	228300604	14541342	242841946	25.00	(-) 0.04
TOTAL (A) + (B)	680946466	12531446	693477912	100.00	956445305	14541342	970986647	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A) +(B) +(C)	680946466	12531446	693477912	100.00	956445305	14541342	970986647	100.00	0.00

ii) Shareholding of Promoters

Sl. No.	Shareholding at the beginning of the year				No. of Shares held at the end of the year			
	Shareholder's Name	No of Shares (F.V. ₹ 2/-)	% of total Shares of Company	% of shares Pledged/en-cumbered to total shares	Shareholder's Name	No of Shares (F.V. ₹ 1/-)	% of total Shares of Company	% of shares Pledged/encum-bered to total shares
1.	U.K. Paints (India) Private Limited	337255608	48.63	0	U.K.Paints (India) Private Limited	486545399	50.11	0
2.	Jenson & Nicholson (Asia) Limited, U.K.*	100469130	14.49	0	Jenson & Nicholson (Asia) Limited, U.K.*	140656782	14.49	0
3.	Citland Com- mercial Credits Limited	22082614	3.18	0	Citland Com- mercial Credits Limited	30915659	3.18	0
4.	Wang Investment Finance Private Limited	21293272	3.07	0	Wang Investment Finance Private Limited	29810580	3.07	0
5.	Bigg Investment & Finance Private Limited	5680300	0.82	0	Bigg Investment & Finance Private Limited	7952420	0.82	0
6.	Meeta Dhingra	15929792	2.30	0	Meeta Dhingra	999999	0.10	0
7.	Vinu Dhingra	14600894	2.11	0	Vinu Dhingra	7529568	0.78	0
8.	Gurbachan Singh Dhingra	1729920	0.25	0	Gurbachan Singh Dhingra	2421888	0.25	0
9.	Kuldip Singh Dhingra	214770	0.03	0	Kuldip Singh Dhingra	6290247	0.65	0
10.	Yuvrani Rishma Kaur	179520	0.03	0	Yuvrani Rishma Kaur	251328	0.03	0
11.	Jessima Kumar	104640	0.02	0	Jessima Kumar	146496	0.02	0
12.	Dipti Dhingra	94080	0.01	0	Dipti Dhingra	131712	0.01	0
13.	Sunaina Kohli	76800	0.01	0	Sunaina Kohli	107520	0.01	0
14.	Anshna Sawhney	76800	0.01	0	Anshna Sawhney	107520	0.01	0
15.	Kanwardip Singh Dhingra	38400	0.00	0	Kanwardip Singh Dhingra	53760	0.00	0
16.	KSD Family Trust	0	0.00	0	KSD Family Trust	8312140	0.86	0
17.	GBS Dhingra Family Trust	0	0.00	0	GBS Dhingra Family Trust	5911683	0.61	0

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

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		No. of Shares (F.V. ₹ 1/-)	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of Shares (F.V. ₹ 1/-)	% of total shares of the Company	% of shares Pledged/encumbered to total shares
1.	U.K. Paints (India) Private Ltd.	337255608	48.63	0	486545399	50.11	0
2.	Jenson & Nicholson (Asia) Ltd., U.K.*	100469130	14.49	0	140656782	14.49	0
3.	Citland Commercial Credits Ltd.	22082614	3.18	0	30915659	3.18	0
4.	Wang Investment Finance Ltd.	21293272	3.07	0	29810580	3.07	0
5.	Bigg Investment & Finance Pvt. Ltd.	5680300	0.82	0	7952420	0.82	0
6.	Meeta Dhingra	15929792	2.30	0	999999	0.10	0
7.	Vinu Dhingra	14600894	2.11	0	7529568	0.78	0
8.	Gurbachan Singh Dhingra	1729920	0.25	0	2421888	0.25	0
9.	Kuldip Singh Dhingra	214770	0.03	0	6290247	0.65	0
10.	Yuvrani Rishma Kaur	179520	0.03	0	251328	0.03	0
11.	Jessima Kumar	104640	0.02	0	146496	0.02	0
12.	Dipti Dhingra	94080	0.01	0	131712	0.01	0
13.	Sunaina Kohli	76800	0.01	0	107520	0.01	0
14.	Anshna Sawhney	76800	0.01	0	107520	0.01	0
15.	Kanwardip Singh Dhingra	38400	0.00	0	53760	0.00	0
16.	KSD Family Trust	0	0.00	0	83121400	0.86	0
17.	GBS Dhingra Family Trust	0	0.00	0	5911683	0.61	0

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

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

Sl. No.	For each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**NALANDA INDIA FUND LIMITED**						
	a) At the beginning of the year			36249576	5.23	36249576	5.23
	b) Changes during the year	**Date**	**Reason**				
		27/07/2016	Bonus	14499830	N.A.	50749406	5.23
		31/03/2017					
	c) At the end of the year	31/03/2017				50749406	5.23
2.	**THE NEW INDIA ASSURANCE COMPANY LIMITED**						
	a) At the beginning of the year			6660730	0.96	6660730	0.96
	b) Changes during the year						

Sl. No.	For each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		Date	Reason				
		27/07/2016	Bonus	2664292	N.A.	9325022	0.96
		09/09/2016	Sale	15000	0.00	9310022	0.96
		16/09/2016	Sale	23597	0.00	9286425	0.96
		23/09/2016	Sale	100215	0.01	9186210	0.95
		30/09/2016	Sale	38045	0.00	9148165	0.94
		10/02/2017	Buy	49101	0.01	9197266	0.95
		17/02/2017	Buy	96404	0.01	9293670	0.96
	c) At the end of the year	31/03/2017				9293670	0.96
3.	**SPAN INDIA PVT. LTD.**						
	a) At the beginning of the year			4924168	0.71	4924168	0.71
	b) Changes during the year						
		Date	Reason				
		27/07/2016	Bonus	1969666	N.A.	6893834	0.71
		02/09/2016	Sale	6957	0.00	6886877	0.71
		24/02/2017	Buy	12875	0.00	6899752	0.71
		03/03/2017	Buy	7450	0.00	6907202	0.71
		10/03/2017	Buy	25687	0.00	6932889	0.71
	c) At the end of the year	31/03/2017				6932889	0.71
4.	**MONDRIAN EMERGING MARKETS SMALL CAP EQUITY FUND, L.P.**						
	a) At the beginning of the year			4105124	0.59	4105124	0.59
	b) Changes during the year						
		Date	Reason				
		01/07/2016	Sale	96027	0.01	4012097	0.58
		08/07/2016	Sale	93619	0.01	3918478	0.57
		27/07/2016	Bonus	1567391	N.A.	5485869	0.57
		16/09/2016	Sale	264914	0.03	5220955	0.54
		23/09/2016	Sale	372049	0.04	4848546	0.50
		07/10/2016	Sale	124979	0.01	4723567	0.49
		21/10/2016	Sale	40000	0.01	4683567	0.48
		28/10/2016	Sale	104492	0.01	4579075	0.47
		02/12/2016	Buy	82405	0.01	4661480	0.48
		24/02/2016	Sale	140000	0.01	4521480	0.47
		31/03/2017	Sale	275486	0.03	4245994	0.44
	c) At the end of the year					4245994	0.44

Sl. No.	For each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
5.	**GENERAL INSURANCE CORPORATION OF INDIA**						
	a) At the beginning of the year			2700000	0.39	2700000	0.39
	b) Changes during the year	**Date**	**Reason**				
		13/05/2016	Sale	50000	0.01	2650000	0.38
		20/05/2016	Sale	10390	0.00	2639610	0.38
		27/05/2016	Sale	37084	0.00	2602526	0.38
		03/06/2016	Sale	2526	0.00	2600000	0.38
		27/07/2016	Bonus	1040000	N.A.	3640000	0.38
		02/09/2016	Sale	75000	0.01	3565000	0.37
		09/09/2016	Sale	25000	0.00	3540000	0.37
		31/03/2017	Buy	100000	0.01	3640000	0.38
	c) At the end of the year	31/03/2017				3640000	0.38
6.	**MACQUARIE EMERGING MARKETS ASIAN TRADING PTE. LTD.**						
	a) At the beginning of the year			2669055	0.38	2669055	0.38
	b) Changes during the year	**Date**	**Reason**				
		15/07/2016	Buy	462481	0.07	3131536	0.45
		18/07/2016	Buy	1419214	0.20	4550750	0.65
		22/07/2016	Sale	1208619	0.17	3342131	0.48
		27/07/2016	Bonus	1300214	N.A.	4642345	0.48
		05/08/2016	Sale	581481	0.06	4060864	0.42
		02/09/2016	Sale	324187	0.03	3736677	0.38
		23/09/2016	Buy	58900	0.01	3795577	0.39
		07/10/016	Buy	89552	0.01	3885129	0.40
		28/10/2016	Buy	4775	0.00	3880354	0.40
		25/11/2016	Sale	84777	0.01	3795577	0.39
		02/12/2016	Buy	386095	0.04	4181672	0.43
		03/03/2017	Sale	250000	0.03	3931672	0.40
		10/03/2017	Sale	874975	0.09	3056697	0.31
		17/03/2017	Sale	320000	0.03	2736697	0.28
		17/03/2017	Sale	2736697	0.28	0	0.00
	c) At the end of the year	31/03/2017				0	0.00

Sl. No.	For each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
7.	**SPAN HOLDINGS PVT. LTD.**						
	a) At the beginning of the year			2519402	0.36	2519402	0.36
	b) Changes during the year	**Date**	**Reason**				
		27/07/2016	Bonus	1007760	N.A.	35271628	0.36
		17/03/2017	Buy	8000	0.00	3535162	0.36
	c) At the end of the year	31/03/2017				3535162	0.36
8.	**WASATCH EMERGING MARKETS SMALL CAP FUND**						
	a) At the beginning of the year			2518830	0.36	2518830	0.36
	b) Changes during the year						
		Date	**Reason**				
		01/07/2016	Sale	12816	0.00	2506014	0.36
		27/07/2016	Bonus	1002405	N.A.	3508419	0.36
		12/08/2016	Sale	48097	0.00	3460322	0.36
		07/10/2016	Sale	112558	0.01	3347764	0.35
		28/10/2016	Sale	73010	0.01	3274754	0.34
		04/11/2016	Sale	98453	0.01	3176301	0.33
		02/12/2016	Sale	128005	0.01	3048296	0.32
		09/12/2016	Buy	50239	0.01	3098535	0.32
		16/12/2016	Sale	92175	0.01	3006360	0.31
		30/12/2016	Sale	172624	0.02	2833736	0.29
		13/01/2017	Buy	264029	0.03	3097765	0.32
		03/02/2017	Sale	115663	0.01	2982102	0.31
		03/03/2017	Sale	244779	0.03	2737323	0.28
		10/03/2017	Sale	110085	0.01	2627238	0.27
		24/03/2017	Sale	127172	0.01	2500066	0.26
		31/03/2017	Sale	4402	0.00	2495664	0.26
	c) At the end of the year	31/03/2017				2495664	0.26

Sl. No.	For each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9.	**CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM, MANAGED BY WASATCH ADVISORS INC.**						
	a) At the beginning of the year			2089784	0.30	2089784	0.30
	b) Changes during the year	**Date**	**Reason**				
		29/04/2016	Buy	284525	0.04	2374309	0.34
		06/05/2016	Buy	18999	0.00	2393308	0.34
		24/06/2016	Buy	19771	0.00	2413079	0.34
		27/07/2016	Bonus	965230	N.A.	3378309	0.34
		19/08/2016	Buy	2957	0.00	3381266	0.34
		26/08/2016	Sale	2900	0.00	3378366	0.34
		23/09/2016	Buy	55016	0.01	3433382	0.35
		30/09/2016	Sale	34966	0.00	3398416	0.35
		07/10/2016	Sale	30863	0.00	367553	0.35
		28/10/2016	Sale	60912	0.01	3306641	0.34
		04/11/2016	Sale	82138	0.01	3224503	0.33
		02/12/2016	Buy	279290	0.03	3503793	0.36
		23/12/2016	Buy	18261	0.00	3522054	0.36
		03/02/2017	Sale	30555	0.00	3491499	0.36
		03/03/2017	Sale	1135346	0.12	2356153	0.24
		10/03/2017	Sale	899455	0.09	1456698	0.15
		17/03/2017	Sale	615481	0.06	841217	0.09
		24/03/2017	Sale	277032	0.03	564185	0.06
	c) At the end of the year	31/03/2017				564185	0.06
10.	**TATA AIA LIFE INSURANCE CO LTD- WHOLE LIFE MID CAP EQUITY FUND- OLIF 009 01/01/2017 WIE 110**						
	a) At the beginning of the year			2064749	0.30	2064749	0.30
	b) Changes during the year						
		Date	**Reason**				
		29/04/2016	Buy	4	0.00	2064753	0.30
		06/05/2016	Buy	1193	0.00	2065946	0.30
		13/05/2016	Sale	40000	0.01	2025946	0.29
		20/05/2016	Sale	234329	0.03	1791617	0.26
		27/05/2016	Sale	293916	0.04	1497701	0.22
		03/06/2016	Sale	32119	0.00	1465582	0.22
		24/06/2016	Sale	109348	0.02	1356234	0.20
		18/07/2016	Buy	542490	0.07	1898724	0.27
		22/07/2016	Sale	1221738	0.17	676986	0.10
		27/07/2016	Bonus	542490	N.A.	1219476	0.13

Sl. No.	For each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		02/09/2016	Sale	20	0.00	1219456	0.13
		30/09/2016	Buy	76847	0.01	1296303	0.13
		07/10/2016	Buy	213206	0.02	1509509	0.15
		11/11/2016	Sale	26774	0.00	1482735	0.15
		02/12/2016	Sale	160000	0.01	1322735	0.14
		16/12/2016	Sale	655	0.00	1322080	0.14
	c) At the end of the year	31/03/2017				1322080	0.14
11.	**LIFE INSURANCE CORPORATION OF INDIA P & GS FUND**						
	a) At the beginning of the year			2000	0.00	2000	0.00
	b) Changes during the year						
		Date	**Reason**				
		27/07/2016	Bonus	800	0.00	2800	0.00
		03/03/2017	Buy	628662	0.06	631462	0.07
		10/03/2017	Buy	2200860	0.23	2832322	0.29
		17/03/2017	Buy	1181410	0.12	4013732	0.41
		24/03/2017	Buy	1071041	0.11	5084773	0.52
		31/03/2017	Buy	633505	0.07	5718278	0.59
	c) At the end of the year	31/03/2017				5718278	0.59

v) **Shareholding of Directors and Key Managerial Personnel (as on 31st March, 2017) :**

Sl. No.	For each of the Directors and KMP			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**Mr. Kuldip Singh Dhingra***						
	a) At the Beginning of theYear			214770	0.03	214770	0.03
	b) Change during theYear						
		Date	**Reason**				
		27/07/2016	Bonus	85908	N.A.	300678	0.03
		12/08/2016	Buy	6489569	0.67	6790247	0.70
		30/12/2016	Sale	500000	0.05	6290247	0.65
	c) At the end of theYear	31/03/2017				6290247	0.65

Sl. No.	For each of the Directors and KMP			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2.	**Mr. Gurbachan Singh Dhingra***						
	a) At the Beginning of the Year			1729920	0.25	1729920	0.25
	b) Change during the Year						
		Date	**Reason**				
		27/07/2016	Bonus	691968	N.A.	2421888	0.25
	c) At the end of the Year	31/03/2017				2421888	0.25
3.	**Mr. Abhijit Roy**						
	a) At the Beginning of the Year			44890	0.01	44890	0.01
	b) Change during the Year	**Date**	**Reason**				
		27/07/2016	Bonus	17956	N.A.	62846	0.01
		07/10/2016	ESOP	3044	0.00	65890	0.01
		03/03/2017	ESOP	1218	0.00	67108	0.01
	c) At the end of the Year	31/03/2017				67108	0.01
4.	**Mr. Srijit Dasgupta**						
	a) At the Beginning of the Year			58606	0.01	58606	0.01
	b) Change during the Year	**Date**	**Reason**				
		27/07/2016	Bonus	23442	N.A.	82048	0.01
		07/10/2016	ESOP	2342	0.00	84390	0.01
		03/03/2017	ESOP	937	0.00	85327	0.01
	c) At the end of the Year	31/03/2017				85327	0.01
5.	**Mr. Kamal Ranjan Das**						
	a) At the Beginning of the Year			66624	0.01	66624	0.01
	b) Change during the Year						
		Date	**Reason**				
		27/07/2016	Bonus	26648	N.A.	93272	0.01
		31/03/2017	Sale	9000	0.00	84272	0.01
	c) At the end of the Year	31/03/2017				84272	0.01
6.	**Mrs. Rishma Kaur**						
	a) At the Beginning of the Year			179520	0.03	179520	0.03
	b) Change during the Year						
		Date	**Reason**				
		27/07/2016	Bonus	71808	N.A.	251328	0.03
	c) At the end of the Year	31/03/2017				251328	0.03
7.	**Mr. Kanwardip Singh Dhingra**						
	a) At the Beginning of the Year			38400	0.00	38400	0.00
	b) Change during the Year						

Sl. No.	For each of the Directors and KMP			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		Date	Reason				
		27/07/2016	Bonus	15360	N.A.	53760	0.00
	c) At the end of the Year	31/03/2017				53760	0.00
8.	**Mr. Aniruddha Sen**						
	a) At the Beginning of the Year			24800	0.00	24800	0.00
	b) Change during the Year	**Date**	**Reason**				
		27/07/2016	Bonus	9920	N.A.	34720	0.00
		07/10/2016	ESOP	1562	0.00	36282	0.00
		03/03/2017	ESOP	625	0.00	36907	0.00
	c) At the end of the Year	31/03/2017				36907	0.00

*Does not include shares held by Messrs Kuldip Singh Dhirgra and Gurbachan Singh Dhingra as Settlor Trustee of KSD Family Trust and GBS Dhingra Family Trust respectively.

V. INDEBTEDNESS

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

(₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year i.e. on 01.04.2016				
i) Principal Amount	66.51	-	-	66.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.20	-	-	0.20
Total (i + ii + iii)	**66.71**	**-**	**-**	**66.71**
Change in Indebtedness during the Financial year				
• Addition • Reduction				
Net Change	47.08	-	-	47.08
Indebtedness at the end of the Financial Year i.e. on 31.03.2017				
i) Principal Amount	113.68	-	-	113.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.11	-	-	0.11
Total (i + ii + iii)	**113.79**	**-**	**-**	**113.79**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Abhijit Roy (MD, CEO & KMP)	**Mrs. Rishma Kaur (Director & National Business Development Manager, Retail)***	**Mr. Kanwardip Singh Dhingra (Director & National Business Development Manager, Industrial)***	
1.	Gross salary	(₹)	(₹)	(₹)	(₹)
	(a) Salary as per provision contained in section 17(1) of the Income-tax Act, 1961	59,06,400	14,16,820	14,16,820	87,40,040
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	12,90,600	54,155	69,155	14,13,910
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	88,77,960	9,88,500	9,88,500	1,08,54,960
2.	Stock Option	9,61,984	-	-	9,61,984
3.	Sweat Equity	-	-	-	-
4.	Commission	30,81,600	-	-	30,81,600
	- as % of profit				
	- others, specify				
5.	Others, please specify	-	-	-	-
	Total (A)	2,01,18,544	24,59,475	24,74,475	2,50,52,494
	Ceiling as per the Act				67,22,00,000

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

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

B. Remuneration to other Directors :

(₹ in crores)

Particulars of Remuneration	Name of Directors							Total Amount
1. Independent Directors			**Mr. Kamal Ranjan Das**	**Mr. Pulak Chandan Prasad**	**Mr. Dhirendra Swarup**	**Mr. Gopal Krishna Pillai**	**Mr. Naresh Gujral**	
• Fee for attending Board / Committee Meetings			14,000	-	14,000	10,000	8,000	46,000
• Commission • Others, please specify			2,75,000 -	- -	6,60,000 -	6,60,000 -	6,60,000 -	22,55,000
Total (1)			2,89,000	-	6,74,000	6,70,000	6,68,000	23,01,000

Particulars of Remuneration	Name of Directors							Total Amount
1. Independent Directors			Mr. Kamal Ranjan Das	Mr. Pulak Chandan Prasad	Mr. Dhirendra Swarup	Mr. Gopal Krishna Pillai	Mr. Naresh Gujral	
2. Other Non-Executive Directors	Mr. Kuldip Singh Dhingra	Mr. Gurbachan Singh Dhingra						
• Fee for attending Board /Committee Meetings	12,000	20,000						
• Commission	10,00,000	10,00,000						
• Others, please specify	-	-						
Total (2)	10,12,000	10,20,000						20,32,000
Total (B)=(1+2)	10,12,000	10,20,000	2,89,000	-	6,74,000	6,70,000	6,68,000	43,33,000
Total Managerial Remuneration	10,12,000	10,20,000	2,89,000	-	6,74,000	6,70,000	6,68,000	43,33,000
Overall Ceiling as per the Act								6,73,00,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ in crores)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
1.		**Mr. Srijit Dasgupta (Director-Finance, CFO & KMP)**	**Mr. Aniruddha Sen (Senior Vice President & Company Secretary & KMP)**	**Total**
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	62,59,500	24,44,710	87,04,210
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	12,51,780	4,09,175	16,60,955
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	34,60,035	48,19,302	82,79,337
2.	Stock Option	7,30,609	4,78,278	12,08,887
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	- -	- -	- -
5.	Others, please specify	-	-	-
	Total	**1,17,01,924**	**81,51,465**	**1,98,53,389**

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

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL (₹ in crores)

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

Annexure 2

REPORT ON CSR ACTIVITIES / INITIATIVE

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

The Company continues to pursue its CSR project during the year under review by imparting training to the unskilled and semi-skilled painters and has accordingly, started new "iTrain" centres for imparting training. The enthusiastic participation of the trainees in the programmes, which open up new areas of employment for some and enhance the skills of others, encourages the Company to continue in this direction in 2017-18 also.

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

The Committee meets at regular intervals to discuss and approve CSR projects and expenditures.

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

Sl. No.	iTrain Centre (as on 31st March, 2017)	iTrain Centres (as on 31st March, 2016)	Status
1	Delhi	Delhi	Operational
2	Kolkata	Kolkata	Operational
3	Jaipur	Jaipur	Operational
4	Kochi	Kochi	Operational
5	Ludhiana	Ludhiana	Operational
6	Surat	Surat	Operational
7	Pune	Pune	Operational
8	Lucknow	Lucknow	Operational
9	Vijaywada	Vijaywada	Operational
10	Ghaziabad	Ghaziabad	Operational
11	Bhubaneshwar	Bhubaneshwar	Operational
12	Calicut	Calicut	Operational
13	Tirunelveli	Tirunelveli	Operational
14	Patna	Patna	Operational
15	Guwahati	Guwahati	Operational
16	Trivandrum	Trivandrum	Operational
17	Gurgaon	-	Operational
18	Bangalore	-	Operational
19	Ahmedabad	-	Operational
20	Hyderabad	-	Operational
21	Dehradun	-	Operational
22	Indore	-	Ready
23	Kottayam	-	Ready

So far, 11,348 people have been trained and the feedback has been encouraging.

In keeping with its practice of promoting vocational training, the Company has contributed ₹ 18 Lakhs to Pipal Tree Joint Ventures Private Limited for providing training to the poor youth and women.

Average net profit of the Company for the last three years : ₹ 422.50 crores.

Prescribed CSR Expenditure (two percent of the average net profit for the last three years) : ₹ 8.45 crores

Details of amount spent on CSR activities during the year 2016-17:

Total amount to be spent for the financial year : ₹ 8.45 crores.

Amount Spent : ₹ 8.18 crores.

Amount unspent, if any : ₹ 0.27 crores

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

1	2	3	4	5	6	7
CSR project or activity identified	**Sector in which the Project is covered**	**Projects/ Programmes** **1. Local area or other** **2. Specify the State and district where projects or programmes were undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on the projects or programmes** **Sub- heads:** **1. Direct expenditure on projects or programmes** **2. Overheads**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
			(₹)	(₹)	(₹)	
iTrain	Paint Industry	1) Delhi 2) Kolkata 3) Jaipur 4) Kochi 5) Ludhiana 6) Surat 7) Pune 8) Lucknow 9) Vijaywada 10) Ghaziabad 11) Bhubaneshwar 12) Calicut 13) Tirunelveli 14) Patna 15) Guwahati 16) Trivandrum 17) Gurgaon 18) Bangalore 19) Ahmedabad 20) Hyderabad 21) Dehradun 22) Indore 23) Kottayam	8.45 crores	1) Rent - 1.03 crores 2) Setup and launch cost - 1.75 crores 3) Manpower- 3.03 crores 4) Upkeep and Maintenance- 1.88 crores 5) Consumables- 0.30 crores 6) Communication & Mobilization- 0.00 crores 7) Miscellaneous- 0.19 crores	14.10 crores	N.A.
		Total	**8.45 crores**	**8.18 crores**	**14.10 crores**	

Details of implementing agency:

The Company carries out the CSR work under iTrain itself. Pipal Tree Joint Ventures Private Limited is one implementing agency for its project.

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

The difference is not considered to be material. However, the Company will continue to make efforts to reach the prescribed level.

Place : Kolkata	Sd -	Sd -
Dated : 30th May, 2017	Chairman, CSR Committee	Managing Director & CEO

Annexure 3

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

Name	Designation/ Nature of Duties	Remuneration (₹)	Nature of employment (whether contractual or otherwise)	Qualification	Experience (years)	Date of commencement of employment in the Company	Age	Previous employment / Position held
A. EMPLOYED THROUGHOUT THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING ₹ 1,02,00,000/- OR MORE								
Mr. Abhijit Roy	Managing Director & CEO	2,20,11,367	-	BE (JU), MBA (IIM, Bangalore)	26	17.04.1996	51	L'OREAL India Limited
Mr. Srijit Dasgupta	Director-Finance & CFO	1,28,55,879	-	B.Sc. (Hons.), ACMA, CS (Passed Final Exam)	32	01.09.1988	55	Machinery Manufacturers Corporation Limited

B. EMPLOYED FOR A PART OF THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING ₹ 8,50,000/- OR MORE PER MONTH - Nil
C. EMPLOYED THROUGHOUT THE YEAR OR PART THEREOF AND IN RECEIPT OF REMUNERATION IN THE YEAR WHICH IN AGGREGATE IS IN EXCESS OF THAT DRAWN BY MANAGING DIRECTOR OR WHOLETIME DIRECTOR OR MANAGER –Nil

Notes :

1. Gross remuneration includes salary, commission, value of perquisites, medical benefits and Company's contribution to Provident, Superannuation and Gratuity Funds and market value of ESOPs granted. Without ESOP, the remuneration of Messrs Roy and Dasgupta are ₹ 2,10,49,348 and ₹ 1,21,25,275 respectively.
2. The employee does not hold by himself or along with his spouse and dependent children, 2% or more of the equity shares in the Company. None of them is a relative of any Director or Manager of the Company.

Annexure 4

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2017

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

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

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Berger Paints India Limited (hereinafter called 'the Company') during the financial year ended 31st March, 2017. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

2. On the basis of aforesaid verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, as shown to us during the said audit and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of the aforesaid secretarial audit, we hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also the Company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

3. We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.

4. (I) We have examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by M/s. Berger Paints India Limited for the financial year ended on 31st March, 2017 according to the provisions of the following laws and as shown to us during our audit, as also referred in above paragraphs of this report:

   (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;

   (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-

      a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; {to the extent applicable to the Company during the year under review}

      d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, to the extent as applicable.

      e) The Securities and Exchange Board of India (Share based employee benefits) Regulation, 2014.

      f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

      g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993 regarding the Companies Act and dealing with client;

(II) We have also examined the secretarial compliance on test check basis of the records maintained by M/s. Berger Paints India Limited for the financial year ended on 31st March, 2017, with the provisions of the following laws specifically applicable to the Company and as shown to us during our audit;

a) Factories Act 1948,

b) Environment Protection Act 1986,

c) Hazardous Wastes (Management & Handling) Rules, 1989, as amended,

d) The Patent Act 1970,

e) The Trade Marks Act 1999,

f) The Copyright Act 1957

5. We have also examined compliance with the applicable clauses of the following:

Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.

6. That on the basis of the audit as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraph 4(I), Paragraph 4(II) and Paragraph 5 of this report.

7. We have checked the compliance with the provisions of the Standard Listing Agreement entered by the Company with the following Stock Exchanges in India and also with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable during the period under review and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the secretarial functions and board processes to comply with the applicable provisions thereof, during the aforesaid period under review.

i. Bombay Stock Exchange Limited (BSE)

ii. The National Stock Exchange of India Limited (NSE)

iii. The Calcutta Stock Exchange Limited (CSE);

8. We further report that,

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors of the Company during the period under review.

b) Adequate notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.

c) Majority decision is carried through and recorded as part of the minutes.

9. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with laws, rules, regulations and guidelines, generally applicable to the Company.

10. This Report is to be read with our letter of even date which is annexed herewith forming an integral part of this Report.

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

Place : Kolkata
Date : 30th May, 2017

"Annexure"

(To the Secretarial Audit Report of M/s. Berger Paints India Limited for the financial year ended 31/03/2017)

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

Our Secretarial Audit Report for the financial year ended 31/03/2017 of even date is to be read along with this letter.

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

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

Place : Kolkata
Date : 30th May, 2017

Annexure 5

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

A) CONSERVATION OF ENERGY :

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

i. Usage of alternative components in ball mills to reduce energy consumption

ii. Usage of timers in ball mills, dispersers, and other energy efficient equipment to reduce energy consumption

iii. Usage of translucent roof sheets at the plants

iv. Installation of a air compressor which is appropriate for production demand

v. Usage of timers

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

i. Replacement of high power consuming conventional lights with LED Lights

ii. Installation of solid fuel fired thermic fluid heater

3) Capital investment of energy conservation equipment :

₹ 4.65 crores

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

i. Reduction in specific power consumption along with specific fuel consumption leading to reduction in manufacturing cost.

ii. Increase in productivity & operational efficiency.

iii. Restriction of emissions.

B) TECHNOLOGY ABSORPTION

I. Research and Development (R&D)

1) Specific areas in which R&D carried out by the company:

- Development of new products and upgradation of existing products
- Development of new resins and emulsions.
- Reformulation for cost optimisation without compromising quality
- Development of eco friendly products
- Collaborative work with academic institutes and vendors

2) Benefits derived out of the above work :

Development of new products for different applications:

Decorative Products

- Premium Floor Coating for walk ways, driveways & parking areas
- High durable exterior emulsion
- Top-end low VOC Luxury Emulsion paint for interior
- Damp-stop for water proofing solution
- Exterior painting system for affordable housing
- Expansion in Illusion range of products
- Universal colorants for decorative coating

Wood Coatings :

- Water Based wood putty
- Solvent based wood stainers for wood finishes

Auto & GI

- Common painting system for plastics & metals (Two-Wheeler)
- Metallic matt finish for two-wheelers
- Anti-dust clear

Protective Coatings

- Top Coat with long service life
- Painting system for transformers
- Water based PU self-leveling floor coating
- Painting system for corrosive waste-water treatment plant

3) Future Plan of Action :

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

4) Expenditure on R&D :

	(₹ in Lakhs)
Capital Expenditure	351.12
Recurring Expenditure	1299.20
Total Expenditure	1650.32
Total R&D expenditure as a percentage of total turnover	0.36%

II. Technology Absorption, Adaptation and Innovation:

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

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

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

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

(c) Technology Imported during the last 5 years:

- None

On behalf of the Board of Directors

Kolkata **Kuldip Singh Dhingra**

Dated : 30th May, 2017 Chairman

ANNEXURE 6

BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2016-17

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

INTRODUCTION

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, top 500 companies based on market capitalization as per NSE/BSE as on the 31st March of every financial year are required to present, as a part of the Annual Report, a "Business Responsibility Report (BRR)". The following is the first BRR of your Company.

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company :	L51434WB1923PLC004793
2.	Name of the Company :	BERGER PAINTS INDIA LIMITED
3.	Registered address :	Berger House, 129, Park Street, Kolkata - 700017
4.	Website :	www.bergerpaints.com
5.	E-mail id :	rajibde@bergerindia.com (Nodal Officer)
6.	Financial Year reported :	2016-17

7. Sector(s) that the Company is engaged in (industrial activity code-wise) :

Group	Description
2022	Manufacture of paints, varnishes, enamels or lacquers
2011	Manufacture of organic and inorganic chemical compounds

8. List three key products/services that the Company manufactures/provides (as in balance sheet)

   i. Manufacture of decorative (architectural) paints

   ii. Manufacture of automotive paints and industrial paints

   iii. Manufacture of protective coatings

9. Total number of locations where business activity is undertaken by the Company

   Number of National Locations –

   a) Manufacturing Plants – 13*

   b) Sales Depots – 156*

   c) Registered office & Head office - Berger House, 129, Park Street, Kolkata - 700017

   * includes British Paints division units

10. Markets served by the Company – Local - India.

Section B: Financial Details of the Company

1. Paid up Capital (INR) - ₹ 97.10 crores (as on 31.03.2017)
2. Total turnover (INR) - ₹ 4608.53 crores (2016-17)
3. Total profit after taxes (INR) - ₹ 446.45 crores (2016-17)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) - 1.83
5. List of activities in which expenditure in 4 above has been incurred **-** Details as per Principle 8

Section C: Other Details

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

Section D: BR Information

1. Details of Director/Directors responsible for BR
   a) Details of the Director responsible for implementation of the BR policy/policies
      - DIN Number - 03439064
      - Name - Mr. Abhijit Roy
      - Designation - Managing Director and CEO

   b) Details of the BR head

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

2. Principle-wise (as per NVGs) BR policy/policies :

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

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

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

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

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

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

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

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

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

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

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders ?	Yes								
3.	Does the policy conform to any national /international standards ? If yes, specify ? (50 words)	Yes								
4.	Has the policy been approved by the Board ? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director ?	Yes								
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy ?	Yes								
6.	Indicate the link for the policy to be viewed online ?	https://www.bergerpaints.com/about-us/business-responsibility-policy.html								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders ?	Yes								
8.	Does the Company have in-house structure to implement the policy/policies ?	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies ?	Yes								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency ?	Yes. These policies and controls are continually evaluated through internal audit mechanism.								

b) If answer to the question at Sl. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Not applicable.

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year: Annually

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

Section E: Principle-wise performance

Principle 1

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

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

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

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

  The Company has received no stakeholder complaints related to ethics or code of conduct in the past financial year.

Principle 2

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

   To create a greener future keeping customer satisfaction as its goal, the Company ensures that every step taken towards this endeavour is guided by its responsibility and accountability to the environment. This is applicable during development, manufacturing as well as supply chain management. To name a few of our products which have incorporated environmental risks and concerns, these will be:

   a) Water based coatings

   b) Lead, mercury and chromium free products (heavy metal free)

   c) Low VOC paints.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):

   i Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain: Please see item 2(ii) below.

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

      a) Paint technology has advanced rapidly over the years to answer the problems of environmental issues related to oil based paint and accordingly the Company has the most impressive array of water based paints. Water is used as a solvent in water based paints which considerably reduces the dependence on petroleum resources. Water based paints eliminate emission of Volatile Organic Compounds (VOC).

      b) Use of lead in decorative paints is harmful for both the environment and human health. To mitigate such risks, the Company produces lead free/heavy metal free decorative paints.

      c) Many of the Company’s interior and exterior emulsions and undercoats in the decorative segment are low VOC and are Green-Pro certified by CII. In addition, some of the energy efficient products developed by the Company are Weathercoat Kool & Seal and Weathercoat Roof Guard which reflect high-energy infra-red rays and help to keep rooms cooler and reduce energy consumption by air-conditioners. Other major green products launched by the Company are polysiloxane top coats which are isocyanate free, for metro railway stations and airports, bridge coatings, water-borne PU coatings and high solid low VOC coatings.

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

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

   The Company's mission is to conserve natural resource and to ensure the protection of the environment and in taking up the challenge, the Company has developed and sourced green raw materials to reduce the harmful effects on environment and natural resources. Some of the eco friendly RMs are: MEG, derivatives from renewable agro feed stock with low carbon footprints, environment friendly emulsions, environment friendly coalescing agents, organic pigments replacing chrome pigments, greener defoamers replacing conventional defoamers, low VOC RMs, which have been developed.

   The Company has specifically paid attention to reduce pollution while sourcing, by way of efficient packaging, some of which are: improved specification of extender bags, implemented by all vendors, which reduces/eliminates spillage from bags and minimizes air pollution, introduction of IMLs (In-mould Labelling) containers and switching over to HTL (heat transfer labels), thus eliminating usage of paints and solvents for screen printing. The packaging and the label consist of the same material and can therefore be fully recycled. Cartons with new specifications and with higher compression strength eliminate leakage in transit and storage.

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

   Yes. The Company has identified several SSI units, whom the Company provided all relevant inputs and training. The Company invites them to the R&D Centre to understand the Company's requirements so that their system can be upgraded to produce in line with the Company's requirements.

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

   The Company is committed to continuously improve environment performance and in doing so, the Company strives to minimize the generation of wastes and optimize resource utilization through recycling or reuse of waste.

   Treatment of waste water through Effluent Treatment Plants (ETP), and reuse such water, reuse of waste powder materials through bag fitter, etc. are examples of such efforts.

<u>Principle 3</u>

1. Please indicate the total number of employees : 2,993
2. Please indicate the total number of employees hired on temporary/contractual/casual basis : 2,560
3. Please indicate the number of permanent women employees : 85
4. Please indicate the number of permanent employees with disabilities : Nil
5. Do you have an employee association that is recognized by management ? : Yes
6. What percentage of your permanent employees are members of recognized employee association? : 20%
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour and sexual harassment in the last financial year and pending, as on the end of the financial year : Nil
8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year ?

   ❑ Permanent Employees - 76%

   ❑ Permanent Women Employees - 55%

   ❑ Casual/ Temporary/Contractual Employees - 63%

   ❑ Employees with Disabilities - Nil

Principle 4

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

   The Company in a systematic and structured way has identified its internal and external stakeholders and the Company through various initiatives engages with these stakeholders as it believes that it is imperative and essential for a responsible company to do so to understand their views on various environmental, social, corporate governance and economic issues and eventually take into consideration these views in the Company's strategic decision making. The Company endeavours to maintain healthy stakeholder engagement, allow stakeholders' participation wherever possible and promotes collective decision-making process.

   The Company appreciates that all its stakeholders are not equally influential or gets influenced and therefore it encourages to proactively engage with and respond to safeguard the interest of those that are disadvantaged, vulnerable and marginalized and who are at an underdeveloped area. The Company has ensured that while formulating any policy, the interests of the stakeholders are not compromised. The Corporate Social Responsibility initiatives undertaken by the Company specifically addresses the problems of the disadvantaged, vulnerable and marginalized stakeholders. Initiatives undertaken by the Company are elaborated in principle 8.

Principle 5

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

   It covers the Company's subsidiaries.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

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

   The Company has received no stakeholder complaint related to human rights.

Principle 6

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

   The policy related to Principle 6 covers and extends to all the employees of the Company and its subsidiaries. Regular meetings are held to educate vendors about environmental risks and concerns and how to address them and the Company strongly encourages and recommends non-ISO certified vendors to go for ISO certification.
2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

   Yes. Your Company is engaged in the production of paints and is committed to continually improving environmental performance and believes that it is its duty to responsibly engage in sustainable methods and practices and accordingly the Company has adopted an environmental policy, which can be viewed at: **https://www.bergerpaints.com/about-us/quality-policy.html.**
3. Does the Company identify and assess potential environmental risks ? Y/N: Yes
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words

or so. Also, if yes, whether any environmental compliance report is filed ?

The manufacturing units of the Company have inducted sound environment management systems (EMS) and practices in all its activities through adoption of ISO systems (ISO 9001 and ISO 14001). With the adoption of EMS, the management of the environmental programs are done in a comprehensive, systematic, planned and documented manner.

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

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

All of the initiatives above are always in Continuous Development Mode.

It is also pertinent to mention here that the Company has received "GreenPro" certificate from CII-Green Products and Services Council in respect of various water based and solvent based products including Silk, WeatherCoat Allguard and EasyClean. "GreenPro" assesses 'how green a product' is, based on a holistic framework and highlights the way forward to achieve excellence in environmental performance. The certification system guides the manufacturers to position their products as green and eco-friendly. The GreenPro certification system adopts cradle to cradle approach for evaluation, at par with international standards.

Beepee Coatings Private Limited (a wholly owned subsidiary of the Company) has been awarded the 1st prize in the National Energy Conservation Award-2016 for its Gujarat plant.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page, etc.

   1) The steps taken on conservation of energy are detailed above at item 2 of Principle 2. Further steps include:

      i) Installation of capacitor banks and automatic power factor controlling panel;

      ii) Use of energy efficient sand mills;

      iii) Use of speed control devices.

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

      i) Installation of bio-briquette fired thermic fluid heater in place of HSD fired thermic fluid heater;

      ii) Installation of energy efficient LED retrofit tube lights in place of high power consuming conventional tube lights;

      iii) Installation of photo sensors for detecting ambient light level and determining illumination required;

      iv) Installation of energy efficient agitators in mixing tanks;

      v) Use of natural lights by providing translucent sheets on roofs in manufacturing units;

      vi) Natural ventilation by use of air operated turbo vents at manufacturing units.

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Emission/waste generated by the Company are within the permissible limits given by CPCB/SPCB.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year: Nil.

Principle 7

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:

   a) Indian Paint Association (IPA)

b) The Bengal Chamber of Commerce & Industry (BCCI)

2. Have you advocated /lobbied through above associations for the advancement or improvement of public good ? Yes/No; if yes specify the broad areas:

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

Principle 8

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

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

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

   Through in-house team.

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

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

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

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

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

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

Principle 9

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

   21 consumer related legal cases were pending as at 31.03.2017.

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

   All product information displayed by the Company adheres to and conforms to norms as mandated by law. Additionally, product information can be found in the Product Information Sheets which are available with the dealers of the Company and on the website of the Company.

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

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

   To sustain its position, it is essential to find out where the Company stands in the competitive context. To this extent, the Company, with its dedicated resources, carries out consumer surveys/customer satisfaction trends regularly to gauge the levels of customer satisfaction with products and services provided by the Company. In addition, regular market research studies are conducted by external agencies engaged by the Company.

ANNEXURE - B

CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31st MARCH, 2017.

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

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

COMPANY'S PHILOSOPHY

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

BOARD OF DIRECTORS

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

The Board comprises 10 Directors of which, 3 are Executive Directors (2 of whom are part of the Promoter group), 2 are Non-Executive Promoter Directors and 5 are Non-Executive Independent Directors.

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

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

The name, designation, directorships and committee memberships held by them as on 31st March, 2017 in other companies are as follows:

Name of Director	Status/ Designation	Directorship in other companies incorporated in India*	Membership/ Chairmanship across all other companies in which acting as a Director		
			Committee	Chairmanship	Membership
Mr. KULDIP SINGH DHINGRA	NON-EXECUTIVE CHAIRMAN/ PROMOTER (NON-INDEPENDENT)	18	AUDIT CSR REMUNERATION	1 3 -	- - 1
Mr. GURBACHAN SINGH DHINGRA	NON-EXECUTIVE VICE CHAIRMAN/ PROMOTER (NON-INDEPENDENT)	17	AUDIT CSR REMUNERATION	- - -	1 2 1
Mr. ABHIJIT ROY	MANAGING DIRECTOR AND CEO (NON-INDEPENDENT)	5	NIL		
Mrs. RISHMA KAUR	DIRECTOR *(National Business Development Manager, Retail)/ EXECUTIVE (NON-INDEPENDENT, LADY DIRECTOR)	16	REMUNERATION	-	1
Mr. KANWARDIP SINGH DHINGRA	DIRECTOR* (National Business Development Manager, Industrial)/ EXECUTIVE (NON-INDEPENDENT)	11	REMUNERATION	-	1
Mr. DHIRENDRA SWARUP	NON-EXECUTIVE (INDEPENDENT)	6	AUDIT CSR REMUNERATION	2 1 2	3 - 1
Mr. GOPAL KRISHNA PILLAI	NON-EXECUTIVE (INDEPENDENT)	6	AUDIT	1	-
Mr. NARESH GUJRAL	NON-EXECUTIVE (INDEPENDENT)	9	CSR	-	1
Mr. PULAK CHANDAN PRASAD	NON-EXECUTIVE (INDEPENDENT)	3	NIL		
Mr. KAMAL RANJAN DAS	NON-EXECUTIVE (INDEPENDENT)	2	NIL		

*(please refer notes)

NOTES :

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

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

MEETINGS AND ATTENDANCE:

Pursuant to Section 173(1) of the Act, five Board Meetings were held during the year 2016-17 and the intervention between two consecutive meetings did not exceed one hundred and twenty days. The Board Meeting dates for a calendar year are usually finalized in the previous calendar year to provide sufficient advance notice.

Five Resolutions by circulation of the Board were passed during the financial year 2016-17 and the dates of the Board Meetings are as follows:

SL. NO.	DATE OF MEETING	NO. OF DIRECTORS PRESENT
1	15th & 16th April, 2016	10
2	30th May, 2016	8
3	3rd August, 2016	8
4	3rd November, 2016	9
5	10th February, 2017	8

The number of Board Meetings attended and the attendance of Directors at the last Annual General Meeting during the Financial Year 2016-17 are as mentioned below:

NAME OF DIRECTOR	NO. OF MEETINGS ATTENDED	ATTENDANCE AT THE AGM HELD ON 3RD AUGUST, 2016
Mr. KULDIP SINGH DHINGRA	5	✓
Mr. GURBACHAN SINGH DHINGRA	4	✓
Mr. ABHIJIT ROY	5	✓
Mrs. RISHMA KAUR	5	✓
Mr. KANWARDIP SINGH DHINGRA	5	✓
Mr. DHIRENDRA SWARUP	4	X
Mr. GOPAL KRISHNA PILLAI	3	✓
Mr. PULAK CHANDAN PRASAD	5	✓
Mr. NARESH GUJRAL	4	X
Mr. KAMAL RANJAN DAS	3	✓

NOTES :

A. Other than the Executive Directors, all Directors are entitled to a sitting fee of ₹ 2000/- for every Board Meeting and meetings of Committee thereof attended by them.

B. Required quorum was present in all meetings.

C. Compensation paid/payable to Non-Executive Directors is given under "Remuneration Policy" section of this report.

D. The minutes of the subsidiary companies are placed before the Board except in the case of Berger Paints Overseas Limited, Russia, where such minutes are not required as per the laws of the land.

MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Act and the Listing Regulations, a separate meeting of the Independent Directors at the Company was held on 10th February, 2017 to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS:

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

COMMITTEES OF DIRECTORS:

I. AUDIT COMMITTEE:

The terms of reference of the Audit Committee cover the matters specified under Regulation 18 and Part C of Schedule II of the Listing Regulations read with Section 177 of the Act.

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

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

The Composition of the Audit Committee as on 31st March, 2017 is as follows:

1. Mr. Dhirendra Swarup- Chairman
2. Mr. Gurbachan Singh Dhingra
3. Mr. Pulak Chandan Prasad
4. Mr. Kamal Ranjan Das
5. Mr. Gopal Krishna Pillai
6. Mr. Aniruddha Sen- Secretary

Mr. Gopal Krishna Pillai was appointed as a member of the Audit Committee w.e.f. 1st August, 2016. Mr. Kamal Ranjan Das acted as Chairman from 3rd August, 2016 to 2nd November, 2016.

Six resolutions by circulation of the Audit Committee were passed and four Audit Committee meetings were conducted during the year 2016-17 as detailed below:

SL. NO.	DATE OF MEETING
1.	30th May, 2016
2.	3rd August, 2016
3.	3rd November, 2016
4.	10th February, 2017

Number of meetings of the above Committee attended by the Directors during the financial year 2016-2017 were as follows:

NAME OF DIRECTOR	POSITION	NO. OF MEETINGS ATTENDED
Mr. DHIRENDRA SWARUP	CHAIRMAN	3
Mr. GURBACHAN SINGH DHINGRA	MEMBER	3
Mr. PULAK CHANDAN PRASAD	MEMBER	4
Mr. KAMAL RANJAN DAS	MEMBER	2
Mr. GOPAL KRISHNA PILLAI	MEMBER	2

Notes :

i) The quorum for Independent Directors as required under Regulation 18(1)(b) of the Listing Regulations was complied with during the year.

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

iii) Invitees/ Participants:

1. Mr. Abhijit Roy, M.D. & CEO and Mr. Srijit Dasgupta, Director- Finance & CFO are permanent invitees to all Audit Committee meetings.
2. Head of the Internal Audit Department attends all the Audit Committee meetings as far as possible and briefs the Committee on all the points covered in the Internal Audit Report.
3. The representatives of the Statutory Auditors have attended the Audit Committee meetings held during the year.

VIGIL MECHANISM:

Pursuant to Section 177(10) of the Act and Regulation 22 of the Listing Regulations, your Company has established a Vigil Mechanism Policy. The Policy is as under:

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

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

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

How to Report:

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

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

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

with a copy of such an e-mail or letter to **chairman@bergerindia.com.**

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

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

with copy to **chairman@bergerindia.com.**

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

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

Investigations after Report

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

Retaliation is not tolerated

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

Confidentiality

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

Malicious and unfounded allegations

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

No protection from adverse action

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

Action in terms of other laws

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

Document retention

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

Modification

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

II. COMPENSATION AND NOMINATION AND REMUNERATION COMMITTEE:

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

The composition of the Remuneration Committee as on 31st March, 2017 is as follows:

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

Five Resolutions by Circulation of the Remuneration Committee were passed and one Remuneration Committee meeting was convened during the financial year 2016-17.

Attendance of Directors of the above Committee during the financial year 2016-17 are as follows:

NAME OF DIRECTOR	STATUS	ATTENDANCE AT THE REMUNERATION COMMITTEE MEETING HELD ON 10TH FEBRUARY, 2017
Mr. KAMAL RANJAN DAS	CHAIRMAN	✓
Mr. KULDIP SINGH DHINGRA	MEMBER	✓
Mr. PULAK CHANDAN PRASAD	MEMBER	✓

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

In accordance with the aforesaid scheme, the Remuneration Committee approved allotment of equity shares to the following persons upon exercise of their options earlier granted to them:

83,942 shares of face value of ₹ 1/- each, on 20th September, 2016 to 97 employees.

The above includes shares allotted to Key Managerial Personnel (KMPs) on 20th September, 2016, on their exercising the options earlier granted to them and the details of the allotments made are as follows:

NAME OF KMP	DESIGNATION	NO. OF EQUITY SHARES ALLOTTED
Mr. ABHIJIT ROY	MANAGING DIRECTOR & CEO	3,044 shares
Mr. SRIJIT DASGUPTA	DIRECTOR-FINANCE & CFO	2,342 shares
Mr. ANIRUDDHA SEN	SR. VICE PRESIDENT & COMPANY SECRETARY	1,562 shares

The Company had issued and allotted 27,73,91,165 equity shares of ₹ 1/- each as bonus shares, in the proportion of two bonus shares for every five shares held on record date on 18th July, 2016. Pursuant to the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable, Section 62(1)(b) of the Act, and Rules framed thereunder (including any statutory modification or re-enactment of the Act or the ESOP Regulations for the time being in force), Listing Regulations and in accordance with the provisions of the Memorandum and Articles of Association of the Company and all other applicable provisions, a fair and reasonable adjustment in respect of all vested stock options ("the Options") granted to the employees in terms of the resolution adopted at the Annual General Meeting held on 29th July, 2010 (there being no unvested option), as on the record date fixed for the purpose of issue of the said bonus shares, as approved by the members of the Company on 11th July, 2016, was made by the Remuneration Committee at its meeting held on 21st November, 2016, in the same ratio of issue and allotment of the said bonus shares to the members of the Company by way of granting two options for every five options vested as on 18th July, 2016, being the record date fixed for the purpose of issue of the bonus shares and by rounding off any resulting fractional options to one, resulting into creation, offer, grant and issue of 34,653 options of face value ₹ 1/- each to the eligible employees at face value. Out of this, 33,628 options were exercised by 97 employees and the equity shares of face value ₹ 1/- each were allotted to them on 3rd February, 2017. These included the following equity shares allotted to the Key Managerial Personnel:

NAME OF KMP	DESIGNATION	NO. OF EQUITY SHARES ALLOTTED
Mr. ABHIJIT ROY	MANAGING DIRECTOR & CEO	1,218 shares
Mr. SRIJIT DASGUPTA	DIRECTOR-FINANCE & CFO	937 shares
Mr. ANIRUDDHA SEN	SR. VICE PRESIDENT & COMPANY SECRETARY	625 shares

The Company re-introduced the ESOP Scheme, aligned with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in the year 2016 in accordance with the approval of the members granted at the Annual General Meeting held on 3rd August, 2016, to reward eligible employees. Pursuant to the said scheme, the Remuneration Committee had approved grant of 1,40,811 options convertible into equity shares to 138 employees. One-third of the options granted to the employees will vest on 8th November, 2017, 2018 and 2019 each year, which they are entitled to exercise on or after the said dates as per the ESOP Scheme. This includes the following options granted to the Key Managerial Personnel:

NAME OF KMP	DESIGNATION	NO. OF OPTIONS GRANTED
Mr. ABHIJIT ROY	MANAGING DIRECTOR & CEO	3,600 options
Mr. SRIJIT DASGUPTA	DIRECTOR-FINANCE & CFO	2,769 options
Mr. ANIRUDDHA SEN	SR. VICE PRESIDENT & COMPANY SECRETARY	1,848 options

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

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

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

REMUNERATION OF DIRECTORS:

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

The remuneration of Directors is as under:

A. EXECUTIVE DIRECTORS

The details of the remuneration paid to the Executive Directors for the Financial Year 2016-17 are as follows:

DIRECTOR	Mr. ABHIJIT ROY (₹)	Mr. KANWARDIP SINGH DHINGRA (₹)	Mrs. RISHMA KAUR (₹)
FIXED COMPONENTS:			
CONSOLIDATED SALARY	1,40,48,400	18,18,360	18,18,360
COMPANY'S CONTRIBUTION TO PROVIDENT FUND, GRATUITY AND SUPERANNUATION FUND	15,94,728	1,39,480	1,39,480
ALLOWANCES AND ESTIMATED PERQUISITES IN KIND	17,08,300	1,03,055	1,13,465
VARIABLE COMPONENTS:			
SEVERANCE FEES	-	-	-
COMMISSION	36,97,920	-	-
PERFORMANCE INCENTIVE	-	5,86,960	5,86,960
ESOP DETAILS	9,62,019	-	-
TOTAL	**2,20,11,367**	**26,47,855**	**26,58,265**

B. NON-EXECUTIVE DIRECTORS:

The Non-Executive Directors are entitled to commission limited to one percent of the net profits of the Company, as approved by the shareholders at the Annual General Meeting held on 2nd August, 2012 subject to a maximum of Rupees One crore every year, distributed among them based on the time devoted, advice rendered and expertise lent to the Company. As per the provisions of the Companies Act, 1956, the approval of the members was valid for a period of five years. The business of the ninety-third Annual General Meeting contains a proposal to seek fresh approval of the shareholders by way of a special resolution for payment of commission to such Directors.

The details of the remuneration paid to the Non-Executive Directors for the Financial Year 2016-17 are as follows:

DIRECTORS	COMMISSION (₹)	SITTING FEES (₹)	TOTAL (₹)
Mr. KULDIP SINGH DHINGRA	10,00,000	12,000	10,12,000
Mr. GURBACHAN SINGH DHINGRA	10,00,000	20,000	10,20,000
Mr. KAMAL RANJAN DAS	2,75,000	14,000	2,89,000
Mr. NARESH GUJRAL	6,60,000	8,000	6,68,000
Mr. DHIRENDRA SWARUP	6,60,000	14,000	6,74,000
Mr. PULAK CHANDAN PRASAD	-	-	-
Mr. GOPAL KRISHNA PILLAI	6,60,000	10,000	6,70,000
TOTAL	**42,55,000**	**78,000**	**43,33,000**

Total number of equity shares of ₹ 1/- each held by Key Managerial Personnel (KMP) as on 31st March, 2017 are as follows:

NAME OF KMP	DESIGNATION	NUMBER OF EQUITY SHARES HELD
Mr. ABHIJIT ROY	MANAGING DIRECTOR & CEO	67,108
Mr. SRIJIT DASGUPTA	DIRECTOR- FINANCE & CFO	85,327
Mr. ANIRUDDHA SEN	SR. VICE PRESIDENT & COMPANY SECRETARY	36,907

III. SHAREHOLDERS' COMMITTEE:

A. SHARE TRANSFER COMMITTEE:

The Composition of Share Transfer Committee as on 31st March, 2017 is as follows:

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

Twenty-two resolutions by circulation of the Share Transfer Committee were passed and twelve Share Transfer Committee meetings were held during the financial year 2016-17 and the dates of the meetings are as follows:

SL. NO.	DATE OF MEETING
1.	30th April, 2016
2.	31st May, 2016
3.	30th June, 2016
4.	27th July, 2016
5.	31st August, 2016
6.	30th September, 2016

SL. NO.	DATE OF MEETING
7.	31st October, 2016
8.	30th November, 2016
9.	31st December, 2016
10.	31st January, 2017
11.	28th February, 2017
12.	31st March, 2017

Number of meetings of the above Committee attended by the Directors during the financial year 2016-17 were as follows:

NAME OF DIRECTORS	STATUS	NO. OF MEETINGS ATTENDED
Mr. ABHIJIT ROY	CHAIRMAN	12
Mr. KAMAL RANJAN DAS	MEMBER	10
Mr. ANIRUDDHA SEN	MEMBER	12
Mr. SRIJIT DASGUPTA	MEMBER	12

B. STAKEHOLDERS' RELATIONSHIP AND INVESTOR GRIEVANCE COMMITTEE:

The Stakeholders' Relationship and Investor Grievance Committee of the Board oversees redressal of shareholder and investor grievances and, *inter alia*, approves transmission of shares, sub-division / consolidation / renewal / issue of duplicate share certificates etc. The composition of Stakeholders' Relationship and Investor Grievance Committee is in compliance with the provision of Section 178 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 20 of the Listing Regulations.

The Composition of Stakeholders' Relationship and Investor Grievance Committee as on 31st March, 2017 is as follows:

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

Five Stakeholders' Relationship Committee meetings were held during the financial year 2016-17 and the dates are as follows:

SL. NO.	DATE OF MEETING
1.	15th April, 2016
2.	19th July, 2016
3.	3rd August, 2016
4.	3rd November, 2016
5.	10th February, 2017

Number of meetings of the above Committee attended by the Directors during the financial year 2016-17 were as follows:

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

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

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

SHAREHOLDERS' COMPLAINTS RECEIVED DURING THE YEAR:

- No. of Complaints received during the year : 13
- No. of Complaints resolved during the year : 13
- No. of Complaints not solved to the satisfaction of shareholders : NIL
- Pending Complaints as on 31st March, 2017 : NIL

IV. BUSINESS PROCESS AND RISK MANAGEMENT COMMITTEE:

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

The Composition of Business Process and Risk Management Committee as on 31st March, 2017 is as follows:

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

Three Business Process and Risk Management Committee meetings were convened during the financial year 2016-17 and the dates were as follows:

SL. NO.	DATE OF MEETING
1.	13th May, 2016
2.	8th September, 2016
3.	23rd December, 2016

Number of meetings of the above Committee attended by the Directors / Members during the financial year 2016-2017 were as follows:

NAME	STATUS	NO. OF MEETINGS ATTENDED
Mr. GURBACHAN SINGH DHINGRA	CHAIRMAN	3
Mr. ABHIJIT ROY	MEMBER	3
Mr. SUBIR BOSE	MEMBER	3
Mr. KAMAL RANJAN DAS	MEMBER	1
Mrs. RISHMA KAUR	MEMBER	3
Mr. KANWARDIP SINGH DHINGRA	MEMBER	3
Mr. SRIJIT DASGUPTA	MEMBER	3
Mr. ANIL BHALLA	MEMBER	3

V. CORPORATE SOCIAL RESPONSIBILITY

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

The Composition of CSR Committee as on 31st March, 2017 is as follows:

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

One resolution by circulation of the CSR Committee was passed during the financial year 2016-17 and the CSR Committee met on 16th December, 2016 to approve the CSR activities to be undertaken by the Company. All the Members including the Chairman were present at the meeting.

VI. COMMITTEE OF DIRECTORS FOR REGULAR MATTERS

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

The Composition of Committee of Directors for Regular Matters as on 31st March, 2017 is as follows:

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

Twenty four meetings of the above Committee were convened during the financial year 2016-17 and the dates are as follows:

SL. NO.	DATE OF MEETING	SL. NO.	DATE OF MEETING	SL. NO.	DATE OF MEETING
1	16th April, 2016	9	16th August, 2016	17	16th December, 2016
2	29th April, 2016	10	31st August, 2016	18	30th December 2016
3	16th May, 2016	11	15th September, 2016	19	14th January, 2017
4	30th May, 2016	12	30th September, 2016	20	31st January, 2017
5	15th June, 2016	13	14th October, 2016	21	14th February, 2017
6	30th June, 2016	14	31st October, 2016	22	28th February, 2017
7	14th July, 2016	15	16th November, 2016	23	15th March,.2017
8	3rd August, 2016	16	30th November, 2016	24	31st March, 2017

Number of meetings of the above Committee and the attendance thereat during the financial year 2016-17 were as follows:

NAME OF DIRECTORS	STATUS	NO. OF MEETINGS ATTENDED
Mr. KULDIP SINGH DHINGRA	CHAIRMAN	24
Mr. ABHIJIT ROY	MEMBER	23
Mr. KAMAL RANJAN DAS	MEMBER	20
Mr. ANIRUDDHA SEN	SECRETARY	24

GENERAL BODY MEETINGS:

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

FINANCIAL YEAR	VENUE	DATE	TIME	WHETHER SPECIAL RESOLUTION PASSED
2013-14	KALAMANDIR, 48, SHAKESPEARE SARANI, KOLKATA - 700 017	01.08.2014	11:00 am	NO
2014-15	KALAMANDIR, 48, SHAKESPEARE SARANI, KOLKATA- 700 017	03.08.2015	11:00 am	YES
2015-16	KALAMANDIR, 48, SHAKESPEARE SARANI, KOLKATA- 700 017	03.08.2016	11:00 am	YES

POSTAL BALLOT

During the financial year 2016-17, the Company had conducted the following businesses:

1. To accord consent to the issue of bonus shares in proportion of 2 (two) equity shares of ₹ 1/- each for every 5 (five) fully paid up equity shares of ₹ 1/- each held.
2. For increase in the Authorized Share Capital of the Company to ₹ 110 crores divided into 110 crores equity shares of ₹ 1/- each from ₹ 75 crores divided into 75 crores equity shares of ₹ 1/- each.
3. To amend Clause V of the Memorandum of Association.
4. To amend Article 3 of the Articles of Association.

through postal ballot and the notices had been dispatched by 10th June, 2016. The Notice had been sent to those members, whose names appeared in the Register of Members/List of Beneficial Owners/Records of Depositories as on 3rd June, 2016. Procedure of voting through postal ballot/e-voting commenced from 11th June, 2016 and ended on 10th July, 2016. Postal ballots received after 10th July, 2016 had been treated as not been received. The result of the postal ballot was declared on 11th July, 2016 and the same had been communicated to the respective stock exchanges and also uploaded on the website of the Company. Mr. S. M Gupta (FCS-896 and CP-2053), Practising Company Secretary of M/s S. M Gupta & Co., acted as the scrutinizer and conducted the postal ballot exercise. The above businesses were approved by the Members by a majority of votes cast in favour through Special Resolutions.

PROCEDURE ADOPTED FOR POSTAL BALLOT:

Procedure which was followed for conducting the business through postal ballot mechanism is as below:

1. Notice had been despatched to the shareholders as mentioned above.
2. The Notice was sent to the Members in electronic form whose e-mail id's were registered with their Depositories. In case of physical holding, Notice was sent by the Company's Registrar and Share Transfer Agents. For Members whose e-mail addresses were not registered, physical copies of the Notice were sent to them in the manner prescribed.
3. An advertisement informing despatch of ballot was published in newspapers containing the following details:
   (a) A statement containing business to be transacted by postal ballot which included votings through electronic means.
   (b) Date of completion of despatch of Notice which was 10th June, 2016.
   (c) Date of commencement of e-voting which was 11th June, 2016.
   (d) Date of expiry of e-voting which was 10th July, 2016.
   (e) The information that any postal ballot received after 10th July, 2016 will not be valid and shall be treated as having not been received whether by post or through electronic means and was published in an English daily and a vernacular newspaper in Bengali.
   (f) Members were informed that those who had not received postal ballot forms but wanted to vote could apply to the Registrars and Share Transfer Agents – M/s C B Management Services (P) Ltd., P-22, Bondel Road, Kolkata – 700 019 and obtain a duplicate ballot thereof.
   (g) That all the grievances relating to voting through postal ballot can be resolved with the Registrars and Share Transfer agents – M/s C B Management Services (P) Ltd, P-22, Bondel Road, Kolkata – 700 019. Telephone – 033 – 400116700, 400116725, Fax – 033 40116739, email – rta@cbmsl.com.

4. The Notice of the postal ballot had been also placed on the Company's website.

5. The Board of Directors had appointed Mr. S. M. Gupta, Practising Company Secretary, as the scrutinizer, who was not in employment with the Company, and who in the opinion of the Board could conduct the process of postal ballot voting in a transparent an fair manner.

6. Mr. S. M. Gupta was willing and had accepted the appointment.

7. The resolutions assented to by the requisite majority of the shareholders by means of postal ballot including voting by electronic means, were deemed to have been duly passed at the general meeting convened on that behalf.

8. The postal ballots received from the shareholders had been kept in safe custody of the scrutinizer after receipt of the assent or dissent of the shareholders in writing.

9. The scrutinizer had submitted the report within seven days of the last date of receipt of postal ballot i.e. within seven days after 10th July, 2016 and the same along with the postal ballot result could be accessed from the weblink: https://www.bergerpaints.com/investors/result-of-postal-ballot.html. The voting pattern was disclosed therein.

10. The scrutinizer had maintained all the records relating to the postal exercise.

DISCLOSURES:

A. The Company has not entered into any materially significant related party transaction which would have potential conflict with the interests of the Company at large.

B. The Company has complied with all the applicable requirements of the Listing Regulations.

C. Whistle Blower Policy has been framed by the Company and no personnel have been denied access to the Audit Committee.

D. The Company has complied with all the mandatory requirements of Regulation 27(2) of the Listing Regulations and the following non-mandatory requirement has been adopted by the Entity:

   1. **Non-Executive Chairman's Office :** Chairman's office is separate from that of the Managing Director & CEO. He is entitled to maintain an office at the Company's expense and the Company reimburses the expenses incurred by the Chairman in the course of performance of his duties.

   2. **Separate posts of Chairman and CEO :** The Chairman of the Board is a Non-Executive Promoter Director and his position is separate from that of the Managing Director & CEO.

E. The weblink where policy for determining 'material' subsidiaries is disclosed can be viewed at https://www.bergerpaints.com/about-us/rpt-policy.html.

F. The weblink where policy on dealing with related party transactions can be viewed at https://www.bergerpaints.com/about-us/rpt-policy.html.

G. The Company has followed all relevant Ind AS while preparing Financial Statements.

H. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE LISTING REGULATIONS:

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

1. **Shareholders' Rights :** The quarterly and half-yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website.

2. **Modified opinion in Auditor's Report :** The Company's financial statement for the year ended 31st March, 2017 does not contain any modified audit opinion.

MEANS OF COMMUNICATION:

- The quarterly and half – yearly financial results of the Company are published in leading English and vernacular dailies namely **Hindu Business Line, Business Standard, Mint, Ei Somoy, Dainik Statesman.** Such results are also uploaded on the Company's website: https://www.bergerpaints.com/investors/quarterly-reports.html.

- Any other such important announcement is published by the Company in leading English and Bengali dailies and also uploaded on the website.

- Since all the information are published in leading newspapers as well as displayed in the Company's website, hence no individual information to the shareholders are provided.

- Presentations made to Institutional Investors and Analysts are uploaded on the website: www.bergerpaints.com.

CODE OF CONDUCT:

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

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

PREVENTION OF INSIDER TRADING CODE:

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

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

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

The Company does not have any convertible instruments. Number of shares held by Non- Executive Directors as on 31st March, 2017 is given below:

SL. NO.	NAME OF NON-EXECUTIVE DIRECTORS	NUMBER OF SHARES HELD BY THEM
1.	Mr. KULDIP SINGH DHINGRA	62,90,247
2.	Mr. GURBACHAN SINGH DHINGRA	24,21,888
3.	Mr. KAMAL RANJAN DAS	84,272
4.	Mr. PULAK CHANDAN PRASAD	–
5.	Mr. DHIRENDRA SWARUP	–
6.	Mr. NARESH GUJRAL	–
7.	Mr. GOPAL KRISHNA PILLAI	–

On behalf of the Board of Directors

Place: Kolkata

Kuldip Singh Dhingra

Dated: 30th May, 2017

Chairman

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

As provided under Regulation 34(3) read with Part D of Schedule V of the Listing Regulations, Board Members and the senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2017. The said Code of Conduct has also been uploaded by the Company in its website: www.bergerpaints.com

Place: Kolkata
Dated: 30th May, 2017

Abhijit Roy
Managing Director & CEO

ANNEXURE- C

[Annexure to Corporate Governance Report]

GENERAL SHAREHOLDERS' INFORMATION

ANNUAL GENERAL MEETING : **DATE** - 4th August, 2017.
TIME - 11:00 AM.
VENUE - Kalamandir, 48, Shakespeare Sarani, Kolkata - 700 017

FINANCIAL YEAR : The accounting year covers the period from 1st April, 2016 to 31st March, 2017.

Financial Reporting for the quarters ending on:

30th June, 2017 (unaudited)	---	By 14th August, 2017
30th September, 2017 (unaudited)	---	By 14th November, 2017
31th December, 2017 (unaudited)	---	By 14th February, 2018
31st March, 2018 (audited)	---	By 30th May, 2018

[Note: The above dates are indicative in nature]

BOOK CLOSURE DATES : Book closure commences on 29th July, 2017 and ends on 4th August, 2017, both days inclusive.

DIVIDEND PAYMENT DATE : Dividend, if declared will be paid on 18th August, 2017.

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

- **NATIONAL STOCK EXCHANGE (NSE)**
  National Stock Exchange of India Limited
  "Exchange Plaza", 5th Floor, Plot no. C/1, G Block
  Bandra – Kurla Complex, Mumbai – 400 051.

- **BOMBAY STOCK EXCHANGE (BSE)**
  BSE Limited
  Phiroze Jeejeebhoy Towers,
  Dalal Street, Mumbai – 400 001.

- **THE CALCUTTA STOCK EXCHANGE (CSE)**
  The Calcutta Stock Exchange Limited
  7, Lyons Range, Kolkata – 700 001.

DEPOSITORIES : (a) The National Securities Depository Limited
4th Floor, Trade World, Kamala Mill Compound
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013.

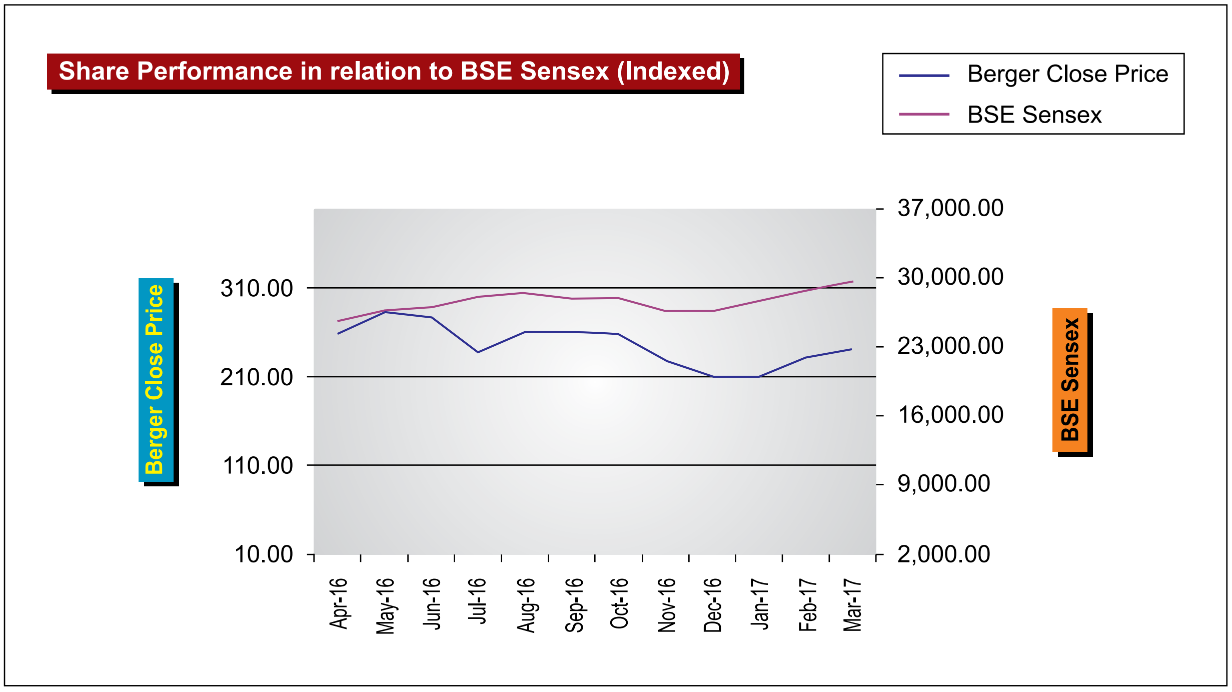
(b) Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street
Mumbai – 400 001.

ISIN No. : INE463A1038

MARKET PRICE (HIGH/ LOW) AT BSE DURING EACH MONTH FOR THE FINANCIAL YEAR 2016-17:

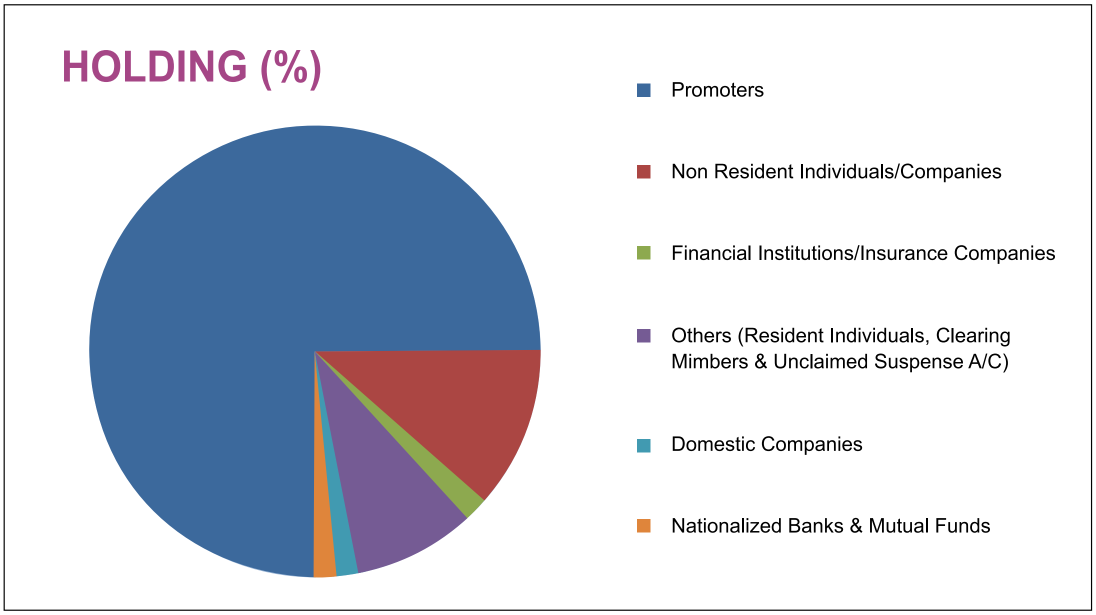
MONTH	HIGH (₹)	LOW (₹)
APRIL, 2016	265.00	239.55
MAY, 2016	301.45	249.80
JUNE, 2016	298.95	244.00
JULY, 2016	327.65	220.65
AUGUST, 2016	271.30	220.00
SEPTEMBER, 2016	276.80	251.10
OCTOBER, 2016	272.40	254.15
NOVEMBER, 2016	270.00	178.00
DECEMBER, 2016	236.35	189.70
JANUARY, 2017	226.95	208.00
FEBRUARY, 2017	237.00	209.75
MARCH, 2017	242.75	220.30

SHARE PERFORMANCE IN RELATION TO BSE SENSEX :



NUMBER OF SHAREHOLDERS AS ON 31st MARCH, 2017: 74,326

SHAREHOLDING PATTERN AS ON 31st MARCH, 2017



Status	Holding (%)
Promoters	75.00
Non Resident Individuals/Companies	11.11
Financial Institutions/Insurance Companies	2.01
Others (Resident Individuals, Clearing Members & Unclaimed Suspense A/C)	8.74
Domestic Companies	1.95
Nationalized Banks & Mutual Funds	1.19
TOTAL	**100.00**

DISTRIBUTION OF SHAREHOLDING AS AT 31st MARCH, 2017

SHARE HOLDING OF NOMINAL VALUE	SHARE AMOUNT		SHARE HOLDER	
₹	₹	% to total	NUMBER	% to total
1 – 5,000	2,52,94,911	2.60	69,885	94.02
5,001 – 10,000	1,57,75,577	1.62	2,288	3.08
10,001 – 20,000	1,87,89,204	1.94	1,361	1.83
20,001 – 30,000	75,65,137	0.78	317	0.43
30,001 – 40,000	47,09,753	0.49	139	0.19
40,001 – 50,000	38,27,139	0.39	87	0.12
50,001 – 1,00,000	76,23,293	0.79	113	0.15
1,00,001 & above	88,74,01,633	91.39	136	0.18
TOTAL	**97,09,86,647**	**100.00**	**74,326**	**100.00**

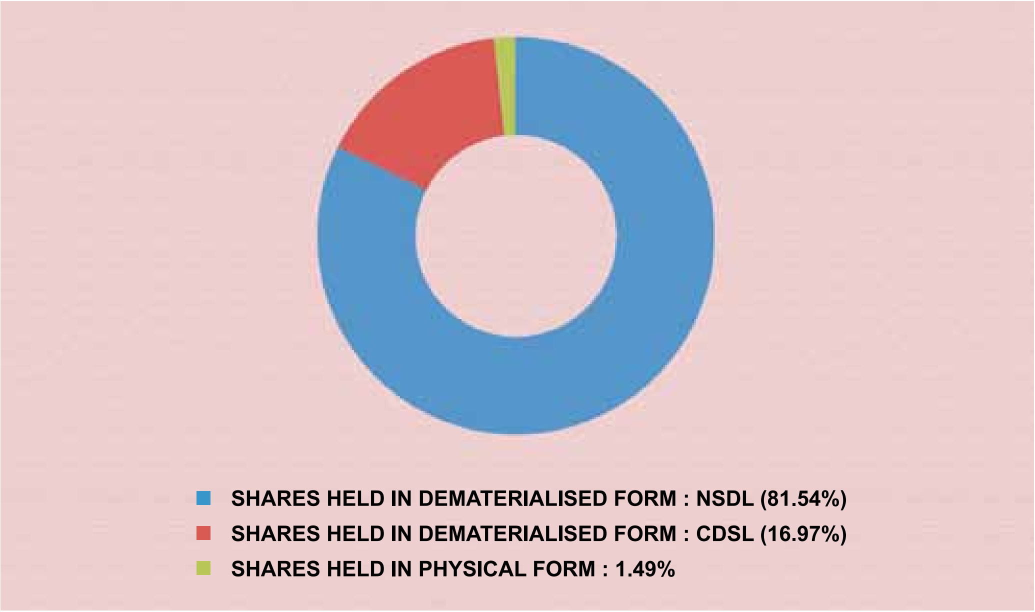
SHARE TRANSFER SYSTEM:

Shares sent for physical transfer are effected within 10 working days of lodgement. Approval for registration of share transfer, transmission etc. is normally obtained from the Share Transfer Committee by means of circular resolutions/at meetings within every 10-11 days (if through circular resolutions) and once in every month (if through a meeting) . The total number of shares transferred in physical form during the year 2016-2017 were 98,013 as compared to 4,56,230 shares of face value of ₹ 1/- each during 2015-2016.

DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31st MARCH, 2017 : 98.51% of the Company's shares is held in electronic form.

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

SHARES HELD IN PHYSICAL AND DEMATERIALISED MODE AS ON 31st MARCH, 2017:



DIVIDEND HISTORY (LAST 10 YEARS)

FINANCIAL YEAR	DIVIDEND PER SHARE (₹)	TOTAL DIVIDEND (₹ IN CRORES)	DIVIDEND DISTRIBUTION TAX (₹ IN CRORES)	TOTAL DIVIDEND (INCLUDING DIVIDEND DISTRIBUTION TAX)
2015-16 (Final)	1.00	97.09	19.76	116.85
2015-16 (Interim)	0.65	45.08	9.18	54.26
2014-15 (Final)	0.65	45.06	9.17	54.23
2014-15 (Interim)	0.60	41.59	8.51	50.10
2013-14	2.20	76.23	12.95	89.18
2012-13	1.80	62.33	10.60	72.93
2011-12	1.40	48.46	7.86	56.32
2010-11	1.30	44.99	7.30	52.29
2009-10	1.10	38.07	6.32	44.39
2008-09	0.60	19.13	3.25	22.38

PLANT LOCATION

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

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

PUDUCHERRY
53-56 Pandasozhanallur Village
Nettapakkam Commune
Puducherry – 605 106
Phone : 0413-269 9574/ 171

JAMMU
SIDCO Industrial Growth Centre,
Samba, Distt. Jammu
Jammu & Kashmir – 184 121
Phone : 09123-246451/ 58/ 59
(*includes British Paints Division)

GOA
316-317 Kundaim Industrial Estate
Kundaim, North Goa
Phone : 0832-239 5610/ 6407
Fax : 0832-239 5610

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

SURAJPUR *
D-20, Site-B, Surajpur Industrial Area
Greater Noida, Distt. Gautam Budh Nagar
Phone : 0120-2561320, 2560621, 2561321

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

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

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

ASSAM (NALBARI) *
IIDC of AIDC, Nathkuchi, Near North
East Mega Food Park, Tihu, Nalbari
(Assam)-781 355

ASSAM (NALTOLI)
IIDC Centre Project
Bhomoraguri/Natali
District Nagaon, Assam

* For British Paints Division

REGISTRARS AND SHARE TRANSFER AGENTS AND ADDRESS FOR CORRESPONDENCE:

M/s C B Management Services(P) Ltd.
P-22 Bondel Road, Kolkata – 700 019
Phone : 033- 4011 6700, 4011 6725
Fax No. : 033-4011 6739
E-mail : rta@cbmsl.com, dasg@cbmsl.com

COMPLIANCE OFFICER : MR. ANIRUDDHA SEN, Senior Vice President and Company Secretary.

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

1. **BERGER PAINTS INDIA LIMITED**
   BERGER HOUSE, 129, PARK STREET, KOLKATA – 700 017
   PHONE: 033-2229 9724-28
   FAX NO. : 033-2227 7288
   EMAIL: consumerfeedback@bergerindia.com

2. **M/s C B MANAGEMENT SERVICES (P) LTD.** AT THE ABOVE ADDRESS

MANDATORY REQUIREMENT OF PAN:

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

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

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

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

SL. NO.	PARTICULARS	NO. OF SHAREHOLDER(S)	OUTSTANDING SHARES (FACE VALUE OF ₹ 1/-)
1.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year.	1,022	27,89,938
2.	Subsequent Transfer to suspense account on 20.04.2016	514	11,86,312
	TOTAL	**1,536**	**39,76,250**
3.	Number of shareholders who approached issuer for transfer of shares from Suspense Account during April, 16 to July, 17 (before record date i.e. 18.07.2016)	7	21,720
4.	Number of shareholders to whom shares were transferred from Suspense Account during April, 16 to July, 17 (before record date i.e. 18.07.2016)	7	21,720
5.	Bonus Shares allotted on 19.07.2016 (39,76,250 – 21,720) = 39,54,530 @ 2:5	-	15,81,812
6.	Number of shareholders who approached issuer for transfer of shares from Suspense Account during July, 17 (after record date i.e. 18.07.2016) to 31.03.2017	11	79,580
7.	Number of shareholders to whom shares were transferred from Suspense Account during July, 17 (after record date i.e. 18.07.2016) to 31.03.2017	11	79,580
8.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year i.e. 31.03.2017	1,518	54,56,762

The voting rights on these shares under sl. no. (8) shall remain frozen till the rightful owner of such shares claims the shares.

On behalf of the Board of Directors

Place: Kolkata

Kuldip Singh Dhingra

Dated : 30th May, 2017

Chairman

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members of Berger Paints India Limited
Berger House,
129 Park Street,
Kolkata – 700017

1. The accompanying Corporate Governance Report prepared by Berger Paints India Limited (herein after the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2017. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

    i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

iii. Obtained and read the Directors Register as on 31st March, 2017 and verified that atleast one woman director was on the Board during the year;

iv. Obtained and read the minutes of the following committee meetings held between 1st April, 2016 and 31st March, 2017:

(a) Board of Directors meeting;

(b) Audit Committee;

(c) Compensation and Nomination and Remuneration Committee;

(d) Share Transfer Committee;

(e) Stakeholders' Relationship and Investor Grievance Committee;

(f) Business Process and Risk Management Committee;

(g) Corporate Social Responsibility Committee; and

(h) Regular Matters Committee

v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and

vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2017, referred to in paragraph 1 above.

Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume

any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 55596
Place of Signature: Kolkata
Date: May 30, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Berger Paints India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 33 to the standalone Ind AS financial statements;

   ii. The Company did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company has provided requisite disclosures in Note 44 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

Other Matter

The transition date opening balance sheet as at April 01, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2015 dated May 29, 2015 expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 55596
Place of Signature: Kolkata
Date: May 30, 2017

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

TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment are held in the name of the company, except for certain immovable properties acquired through schemes of amalgamation/arrangements. As explained to us, registration of such title deeds are in progress.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of company's products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty,value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944, Finance Act, 1994 and Customs Act, 1962	Excise Duty/Service Tax/Customs	8.17	1997-98, 1998-99, 2001-02 to 2015-16	Adjudicating Authority
	-Do-	0.82	2005-06 to 2009-10, 2012-13, 2013-14, 2015-16 to 2016-17	Commissioner of Central Excise (Appeals)
	-Do-	18.54	1977-78,1989-90, 1998-99, 2000-01, 2003-04 to 2015-16	Customs Excise Service Tax Appellate Tribunal (CESTAT)
The Central Sales Tax Act, 1956	Sales Tax	14.19	1996-97, 1998-99 to 2005-06, 2011-12 to 2013-14	Appellate and Revisional Board
		12.10	1983-84, 1984-85, 1988-89, 1989-90, 1991-92 to 1993-94, 1995-96, 1996-97, 1998-99 to 2015-16	Appellate Authority
		2.37	1997-98 to 2003-04, 2007-08, 2009-10	Taxation Tribunal
		1.02	1994-95 to 1996-97, 2003-04, 2004-05, 2007-08	High Court
The Income Tax Act, 1961	Income Tax	11.09	2011-12 to 2012-13	Commissioner of Income Tax (Appeals)

(viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. There were no outstanding debentures during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S. R. Batliboi& Co. LLP**
Chartered Accountants
Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 55596
Place of Signature: Kolkata
Date: 30th May, 2017

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

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

We have audited the internal financial controls over financial reporting of Berger Paints India Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 55596
Place of Signature: Kolkata
Date: May 30, 2017

BALANCE SHEET AS AT MARCH 31, 2017

₹ in Crores

	Notes	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
ASSETS				
Non-current assets				
Property plant and equipment	4	877.07	695.16	636.37
Capital work-in-progress	4	56.23	48.77	87.51
Intangible assets	4	6.07	8.93	12.57
Financial assets				
(a) Investments	5a	210.35	115.22	109.26
(b) Loans and deposits	5b	13.71	15.51	13.70
(c) Other financial assets	5c	0.48	13.31	1.97
Other non-current assets	6	32.83	37.48	24.63
Income tax assets (net)		14.69	7.47	1.88
		1,211.43	**941.85**	**887.89**
Current assets				
Inventories	7	884.17	688.22	646.50
Financial assets				
(a) Investments	8a	367.27	299.92	134.67
(b) Trade receivables	8b	480.59	461.46	434.41
(c) Cash and cash equivalents	8c	27.16	25.66	58.33
(d) Bank balances other than (c) above	8d	4.88	37.15	82.82
(e) Loans and deposits	5b	19.54	18.83	8.91
(f) Other financial assets	5c	2.02	2.66	8.83
Other current assets	6	55.33	36.31	47.55
		1,840.96	**1,570.21**	**1,422.02**
Total assets		**3,052.39**	**2,512.06**	**2,309.91**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	9	97.10	69.35	69.33
Other Equity	10	1,825.04	1,522.79	1,274.97
Total Equity		**1,922.14**	**1,592.14**	**1,344.30**
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Other Financial liabilities	11	2.86	2.14	1.45
Provisions	12	2.71	2.51	2.32
Deferred tax liabilities (Net)	13	60.09	46.39	32.81
Other non- current liabilities	15	0.87	0.86	0.74
		66.53	**51.90**	**37.32**
Current liabilities				
Financial liabilities				
(a) Borrowings	14a	114.49	66.51	288.49
(b) Trade payables	14b	727.51	634.44	506.67
(c) Other financial liabilities	11	127.77	85.66	59.88
Other current liabilities	15	80.12	69.90	61.99
Provisions	12	13.83	11.51	11.26
		1,063.72	**868.02**	**928.29**
Total liabilities		**1,130.25**	**919.92**	**965.61**
Total equity and liablities		**3,052.39**	**2,512.06**	**2,309.91**

Significant accounting policies **3**

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

As per our report on even date

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated : May 30, 2017

For and on behalf of Board of Directors

Kuldip Singh Dhingra - Chairman
Gurbachan Singh Dhingra - Vice-Chairman

Abhijit Roy - Managing Director & CEO
Srijit Dasgupta - Director -Finance & CFO
Aniruddha Sen - Sr. VP & Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	Notes	Year Ended 31-Mar-2017	Year Ended 31-Mar-2016
Revenue from operations	18	4,608.53	4,305.91
Other income	19	48.67	36.20
Total income		**4,657.20**	**4,342.11**
Expenses			
Cost of materials consumed	20	2,111.25	1,926.56
Purchases of traded goods		390.00	385.08
(Increase)/Decrease in inventories of finished goods, work-in-process and traded goods	21	(119.28)	(24.00)
Excise duty on sale of goods		487.00	448.10
Employee benefits expense	22	227.92	203.76
Finance costs	23	7.41	17.05
Depreciation and amortisation expense	24	97.07	88.07
Other expenses	25	848.80	758.80
Total expense		**4,050.17**	**3,803.42**
Profit before exceptional items and tax		**607.03**	**538.69**
Exceptional Items	26	58.67	-
Profit before tax		**665.70**	**538.69**
Tax expense			
Current tax [net of ₹ Nil Cr (31st March, 2016: ₹ 3.38 Cr.) relating to adjustment of tax in respect of earlier years]		204.91	168.62
Deferred tax	13	14.34	13.81
		219.25	**182.43**
Profit for the year (I)		**446.45**	**356.26**
Other Comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains and (losses) on defined benefit obligations (net)		(1.84)	(0.67)
Income tax effect thereof		0.64	0.23
Other comprehensive income/(loss) for the year, net of tax (II)		**(1.20)**	**(0.44)**
Total comprehensive income for the year, net of tax (I + II)		**445.25**	**355.82**
Earnings per Equity Share of ₹ 1 each	27		
Basic		4.60	3.67
Diluted		4.60	3.67
Significant accounting policies	**3**		

The accompanying notes are an integral part of the financial statements.
As per our report on even date

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated : May 30, 2017

For and on behalf of Board of Directors

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

Statement of Changes in Equity for the year ended 31 March 2017

a. Equity Share Capital :

Equity shares of ₹ 1 each issued, subscribed and fully paid	No. of shares	₹ in Crores
As at 1 April 2015	69,32,84,120	69.33
Issue of Shares on exercise of Stock Options (Note 31)	1,93,792	0.02
At 31 March 2016	**69,34,77,912**	**69.35**
Issue of share capital on Bonus Issue (Note 9)	27,73,91,165	27.74
Issue of Shares on exercise of Stock Options (Note 31)	1,17,570	0.01
At 31 March 2017	**97,09,86,647**	**97.10**

b. Other equity

For the year ended 31 March 2017

Particulars	Reserves & Surplus						Total Equity
	Securities Premium Account	Employee Stock Options Outstand-ing Account	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	
As at 1 April 2016	137.50	0.83	1,093.79	0.02	290.61	0.04	1,522.79
Profit for the year	-	-	446.45	-	-	-	446.45
Other comprehensive income for the year	-	-	(1.20)	-	-	-	(1.20)
Total Comprehensive Income for the year	-	-	**445.25**	-	-	-	**445.25**
Issue of share capital on Bonus Issue (Note 9)	(27.74)	-	-	-	-	-	(27.74)
Exercise of share options (Note 31)	1.55	(0.82)	-	-	-	-	0.73
Share based payments (Note 31)	-	0.93	-	-	-	-	0.93
Share Options forfeited/ lapsed (Note 31)	-	(0.07)	-	-	-	-	(0.07)
Dividends (Note 17)	-	-	(97.09)	-	-	-	(97.09)
Dividend distribution tax on dividend (Note 17)	-	-	(19.76)	-	-	-	(19.76)
As at 31 March 2017	**111.31**	**0.87**	**1,422.19**	**0.02**	**290.61**	**0.04**	**1,825.04**

For the year ended 31 March, 2016

Particulars	Reserves & Surplus						Total Equity
	Securities Premium Account	Employee Stock Options Outstanding Account	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	
As at 1 April 2015	135.91	1.93	846.46	0.02	290.61	0.04	1,274.97
Profit for the year	-	-	356.26	-	-	-	356.26
Other comprehensive income for the year	-	-	(0.44)	-	-	-	(0.44)
Total Comprehensive Income for the year	-	-	**355.82**	-	-	-	**355.82**
Exercise of share options (Note 31)	1.59	(1.59)	-	-	-	-	-
Share based payments (Note 31)	-	0.60	-	-	-	-	0.60
Share Options forfeited/ lapsed (Note 31)	-	(0.11)	-	-	-	-	(0.11)
Dividends (Note 17)	-	-	(90.14)	-	-	-	(90.14)
Dividend distribution tax on Dividend (Note 17)	-	-	(18.35)	-	-	-	(18.35)
As at 31 March 2016	**137.50**	**0.83**	**1,093.79**	**0.02**	**290.61**	**0.04**	**1,522.79**

As per our report on even date

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants
per **Bhaswar Sarkar**
Partner
Membership Number : 055596

Place: Kolkata
Dated : May 30, 2017

For and on behalf of Board of Directors

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

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
A	**Cash flow from operating activities**		
	Profit before tax	**665.70**	**538.69**
	Adjustment to reconcile profit before tax to net cash flows :		
	Depreciation and amortisation expenses	97.07	88.07
	Loss on sale/discard of property, plant and equipment and intangible asssets	0.35	0.04
	Employee stock option scheme	1.60	0.49
	Profit on transfer of Company's paint division relating to 4 wheeler passenger cars and SUVs, 3 wheelers and related ancillaries (refer note 26)	(86.67)	-
	Impairment in subsidiary (refer note 26)	28.00	-
	Guarantee income	(2.13)	(0.91)
	Unrealised foriegn exchange (gain)/loss - (net)	0.07	(1.27)
	Finance costs	7.41	17.05
	Interest income	(3.20)	(6.23)
	Net gain on sale of mutual fund investments	(26.99)	(16.81)
	Fair value gain on mutual fund investments	(2.97)	(0.75)
	Operating profit before working capital changes	**678.24**	**618.37**
	Adjustments for :		
	Increase/(decrease) in loans, deposits and other financial assets	1.70	(0.21)
	Decrease in trade receivables	(20.99)	(27.05)
	Decrease in other current and non current assets	(18.84)	(0.15)
	Decrease in inventories	(197.77)	(41.72)
	Increase in trade payables	93.43	127.77
	Increase in other financial liabilities	3.65	25.14
	Increase/(decrease) in provisions	0.48	(0.42)
	Increase in other current and non current liabilities	10.23	8.03
	Cash generated from operations	**550.13**	**709.76**
	Direct taxes paid (net of refund)	(212.13)	(174.21)
	Net cash flow from operating activities	**338.00**	**535.55**
B	**Cash Flow from investing activities**		
	Purchase of Property, plant and equipment and intangible assets including capital work in progress	(247.42)	(105.36)
	Proceeds from sale of property, plant and equipment and intangible assests	0.75	1.00
	Interest received	3.79	11.06
	Investment in joint venture and subsidiaries	(106.57)	(17.30)
	Loan given to subsidiary	-	(10.00)
	Proceeds from transfer of Company's paint division relating to 4 wheeler passenger cars and SUVs, 3 wheelers and related ancilliaries (refer note 26)	90.00	-
	Purchase of current investments (net)	(37.40)	(147.69)
	Proceeds from maturity of deposits	32.88	46.17
	Net cash used in investing activities	**(263.97)**	**(222.12)**
C	**Cash flow from financing activities**		
	Proceeds from issuance of equity share capital	0.01	0.02
	Movement in short term borrowings (net)	51.61	(220.71)
	Interest paid	(7.30)	(16.92)
	Dividend paid (including net dividend distribution tax)	(116.85)	(108.49)
	Net cash used in financing activities	**(72.53)**	**(346.10)**
	Net increase in cash and cash equivalents [A+B+C]	**1.50**	**(32.67)**
	Cash & cash equivalents at the beginning of the year	**25.66**	**58.33**
	Cash & cash equivalents at the end of the year	**27.16**	**25.66**

Refer Note 8c for Components of Cash and cash Equivalents

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements.
As per our report on even date

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants
per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated : May 30, 2017

For and on behalf of Board of Directors

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

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

1. Corporate Information

Berger Paints India Limited (‘BPIL’ or ‘the Company’) is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on three stock exchanges in India. The Company is engaged in the manufacturing and selling of paints. The Company caters primarily to domestic market.The registered office of the Company is located at Berger House, 129 Park Street, Kolkata-700 017.

The financial statements were approved for issue in accordance with a resolution of the Board of Directors on May 30, 2017.

2. Basis of Preparation

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March 2017 are the first the Company has prepared in accordance with Indian Accounting Standards (“Ind AS”). Refer to notes 39 and 40 for information on how the Company adopted Ind AS.

These financial statements of the Company for the year ended March 31, 2017 have been prepared in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3. Summary of Significant Accounting Policies

3.1. Current and Non Current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current- non current classification of assets and liabilities.

3.2. Foreign Currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates(‘the functional currency’). The financial statements are presented in Indian Rupee (INR), which is the Company’s functional and presentation currency.

Transactions in foreign currencies are initially recorded in by the Company at spot rates at the functional currency spot rate (i.e INR) at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

3.3. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.4. Use of Estimates

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

3.5. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.6. Property, Plant and Equipment

The Company has elected to adopt the carrying value of Property, Plant and Equipment under the Indian GAAP as on 1st April 2015, as the deemed cost for the purpose of transition to IND AS.

Property, plant and equipment and capital work in progress are carried at cost of acquisition, on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 28 regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

- Plant and Machinery: 9.67 years to 21.05 years
- Motor Vehicles: 6.67 years
- Tinting Machines: Based on useful lives of 60 months
- No depreciation is provided on freehold land
- Leasehold Land and Building is amortized on a straight line basis over the tenure of respective leases

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7. Intangible Assets

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

3.8. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

3.9. Inventories

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

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

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

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

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

3.10. Revenue and Other Income

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Excise duty is a liability of the manufacturer irrespective of whether the goods are sold or not. Hence, the recovery of excise duty flows to the Company on its own account, and accordingly revenue includes excise duty.

However, sales tax/value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have passed to the buyer, on delivery of the goods or as per buyer’s instruction. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Income from services

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

Interest Income recognised under Amortized cost

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

3.11. Government Grants, Subsidies and Export Benefits

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidy will be received.

When the grant or subsidy from the Government relates to revenue, it is deducted from the related expense on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs, which they are intended to compensate. When the grants relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.12. Employee Benefits

I. Defined Contribution Plan

a. Superannuation

Contribution made to Superannuation Fund for certain employees are recognised in the Statement of Profit and Loss as and when services are rendered by employees. The Company has no liability for future Superannuation Fund benefits other than its contribution.

b. Provident Fund

Contributions in respect of Employees who are not covered by Company's Employees Provident Fund Trust are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to Statement of Profit and Loss as and when services are rendered by employees. The Company has no obligation other than the contribution payable to the Regional Provident fund.

II. Defined Benefit Plan

a. Gratuity

Every employee who has completed five years or more of service is entitled to Gratuity as per the provisions of The Payment of Gratuity Act, 1972. Retirement Gratuity for employees, is funded through a scheme of Life Insurance Corporation of India. The costs of providing benefits under this plan are determined on the basis of actuarial valuation using the projected unit credit method at each year-end. Actuarial gains/losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. The excess / shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain / loss in the Statement of Profit and Loss. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

b. Provident Fund

In respect of the employees covered by the Company's Employee Provident Fund Trust in Point I b above, contributions to the Company's Employees Provident Fund Trust (administered by the Company as per the provisions of Employees' Provident Fund and Misc. Provisions Act, 1952) are made in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contribution to the Trust, the Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and recognizes such obligation, if any, determined based on an actuarial valuation as at the balance sheet date, as an expense.

III. Long Term Compensated Absences

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

3.13. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs (See note 3.18). Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments (net of any incentives received from the lessor) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.14. Forward Currency Contracts

The Company uses forward currency contracts to hedge its foreign currency risks. Such forward currency contracts are initially measured at fair value on the date on which a forward currency contract is entered into and are subsequently re-measured at fair value. Forward currency contracts are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in the fair value of forward contracts are recognized in the Statement of Profit and Loss as they arise.

3.15. Research and Development

Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Expenditure incurred on research of an internal project is recognised as an expense in Statement of Profit and Loss, when it is incurred.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use. An intangible asset arising from development is recognised if, and only if, the following criteria are met:

(a) it is technically feasible to complete the intangible asset so that it will be available for use or sale.

(b) the Company intends to complete the intangible asset and use or sell it.

(c) the Company has ability to use or sell the intangible asset.

(d) the Company can demonstrate how the intangible asset will generate probable future economic benefits.

(e) the Company has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

(f) the Company has ability to measure reliably the expenditure attributable to the intangible asset during its development. Expenditure on research activities is recognised in Standalone Statement of Profit and Loss as incurred.

3.16. Taxes on Income

Tax expense comprises current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

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

3.17. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Company records a provision for decommissioning costs for its certain manufacturing facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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

3.18. Borrowing Costs

Borrowing Costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs. Discount on Commercial papers is amortised over the tenor of the underlying instrument. Borrowing Costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date the asset is ready for its intended use is added to the cost of the assets. Capitalisation of Borrowing Costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

3.19. Earnings Per Share

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

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

3.20. Employees Stock Option

Stock options are granted to the employees under the stock option scheme. The cost of stock options granted to the employees (equity-settled awards) of the Company is the difference between fair value of equity instruments granted and the price at which options may be exercised by concerned employees. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

Aforesaid cost of stock options is recognised, together with a corresponding increase in Employee Stock Options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

3.21. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

a. Debt instruments at amortised cost

b. Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost other than derivative contracts

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost on first time adoption of Ind AS as set out in Note 40. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, investment in subsidiaries and joint ventures, net of directly attributable transaction costs.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

3.22. Standards issued but not effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

3.23. Operating Segments

The Business process and Risk Management Committee of the Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Company. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Company has identified that Chief Operating Decision Maker function is being performed by the Business process and Risk Management Committee. The financial information presented to the Business process and Risk Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Company. As the Company's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 4(a) - Property, plant and equipment

₹ in Crores

Particulars	Gross Block at Cost				Depreciation / Amortisation				Net Block	
	As at 31.03.2016	Additions	Deletions	As at 31.03.2017	As at 31.03.2016	For the Year	On Deletions (accumulated upto the date of sale)	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land										
Freehold	10.07	-	-	**10.07**	**-**	-	-	-	10.07	10.07
Leasehold	6.17	0.99	-	**7.16**	**0.07**	0.08	-	0.15	7.01	6.10
Buildings										
Freehold #	282.58	77.61	-	**360.19**	**10.39**	11.38	-	21.77	338.42	272.19
Leasehold	8.14	3.16	-	**11.30**	**0.29**	0.32	-	0.61	10.69	7.85
Plant & Equipment ##	409.04	169.80	(2.09)	**576.75**	**58.09**	65.08	(1.83)	121.34	455.41	350.95
Furniture and Fixtures	17.85	3.15	(0.07)	**20.93**	**2.29**	3.28	(0.06)	5.51	15.42	15.56
Computer ##	24.96	16.36	(5.10)	**36.22**	**5.99**	9.05	(4.87)	10.17	26.05	18.97
Office Equipment	6.49	1.93	(0.09)	**8.33**	**0.81**	1.59	(0.09)	2.31	6.02	5.68
Vehicles	7.93	2.65	(1.62)	**8.96**	**0.14**	1.96	(1.12)	0.98	7.98	7.79
TOTAL	**773.23**	**275.65**	**(8.97)**	**1,039.91**	**78.07**	**92.74**	**(7.97)**	**162.84**	**877.07**	**695.16**

Note 4(b) - Intangible assets

₹ in Crores

Particulars	Gross Block at Cost				Depreciation / Amortisation				Net Block	
	As at 31.03.2016	Additions	Deletions	As at 31.03.2017	As at 31.03.2016	For the Year	On Deletions (accumulated upto the date of sale)	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Computer Software	13.32	1.56	(3.22)	**11.66**	**4.39**	4.33	(3.13)	5.59	6.07	8.93
TOTAL	**13.32**	**1.56**	**(3.22)**	**11.66**	**4.39**	**4.33**	**(3.13)**	**5.59**	**6.07**	**8.93**

Partly on leasehold land.

(i) Includes following assets (Colour Bank) given under operating lease

₹ in Crores

Particulars	Gross Block at Cost				Depreciation / Amortisation				Net Block	
	As at 31.03.2016	Additions	Deletions	As at 31.03.2017	As at 31.03.2016	For the Year	On Deletions (accumulated upto the date of sale)	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Plant & Equipment	121.57	47.37	-	**168.94**	31.67	35.70	-	**67.37**	**101.57**	89.90
Computer	14.51	4.69	-	**19.20**	3.75	4.04	-	**7.79**	**11.41**	10.76
TOTAL	**136.08**	**52.06**	**-**	**188.14**	**35.42**	**39.74**	**-**	**75.16**	**112.98**	**100.66**

(ii) Also refer note 32

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 4(c) - Capital work in progress

₹ in Crores

Particulars	Gross Block at Cost			
	As at 31.03.2016	Additions	Capitalisation	As at 31.03.2017
Buildings	**13.67**	77.20	(80.77)	10.10
Plant & Equipment	**35.10**	207.48	(196.45)	46.13
TOTAL	**48.77**	**284.68**	**(277.22)**	**56.23**

Note 4(d) - Property, plant and equipment

₹ in Crores

Particulars	Gross Block at Cost				Depreciation / Amortisation				Net Block	
	As at 01.04.2015	Additions	Deletions	As at 31.03.2016	As at 01.04.2015	For the Year	On Deletions (accumulated upto the date of sale)	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Land										
Freehold	9.76	0.31	-	**10.07**	-	-	-	-	**10.07**	**9.76**
Leasehold	6.17	-	-	**6.17**	-	0.07	-	0.07	**6.10**	**6.17**
Buildings										
Freehold #	235.19	47.39	-	**282.58**	-	10.39	-	10.39	**272.19**	**235.19**
Leasehold	8.14	-	-	**8.14**	-	0.29	-	0.29	**7.85**	**8.14**
Plant & Equipment ##	332.85	77.03	(0.84)	**409.04**	-	58.82	(0.73)	58.09	**350.95**	**332.85**
Furniture and Fixtures	13.76	5.31	(1.22)	**17.85**	-	3.41	(1.12)	2.29	**15.56**	**13.76**
Computer ##	18.88	7.71	(1.63)	**24.96**	-	7.58	(1.59)	5.99	**18.97**	**18.88**
Office Equipment	3.60	3.41	(0.52)	**6.49**	-	1.29	(0.48)	0.81	**5.68**	**3.60**
Vehicles	8.02	2.35	(2.44)	**7.93**	-	1.82	(1.68)	0.14	**7.79**	**8.02**
TOTAL	**636.37**	**143.51**	**(6.65)**	**773.23**	**-**	**83.67**	**(5.60)**	**78.07**	**695.16**	**636.37**

Note 4(e) - Intangible assets

₹ in Crores

Particulars	Gross Block at Cost				Depreciation / Amortisation				Net Block	
	As at 01.04.2015	Additions	Deletions	As at 31.03.2016	As at 01.04.2015	For the Year	On Deletions (accumulated upto the date of sale)	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Computer Software	12.57	0.77	(0.02)	**13.32**	-	4.40	(0.01)	**4.39**	**8.93**	**12.57**
TOTAL	**12.57**	**0.77**	**(0.02)**	**13.32**	**-**	**4.40**	**(0.01)**	**4.39**	**8.93**	**12.57**

Partly on leasehold land

(i) Includes following assets (Colour Bank) given under operating lease

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

Particulars	Gross Block at Cost				Depreciation / Amortisation				Net Block	
	As at 01.04.2015	Additions	Deletions	As at 31.03.2016	As at 01.04.2015	For the Year	On Deletions (accumulated upto the date of sale)	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Plant & Equipment	81.69	39.88		**121.57**	-	31.67	-	31.67	89.90	81.69
Computer	9.34	5.17		**14.51**	-	3.75	-	3.75	10.76	9.34
TOTAL	**91.03**	**45.05**	**-**	**136.08**	**-**	**35.42**	**-**	**35.42**	**100.66**	**91.03**

(ii) Also refer note 32

Note 4(f) - Capital work in progress

₹ in Crores

Particulars	Gross Block at Cost			
	As at 01.04.2015	Additions	Capitalisation	As at 31.03.2016
Buildings	43.24	17.82	(47.39)	13.67
Plant & Equipment	44.27	87.70	(96.87)	35.10
TOTAL	**87.51**	**105.52**	**(144.26)**	**48.77**

Note 5a. - Financial assets - Investments

	Number of shares					₹ in Crores		
	Nominal Value per unit	Currency	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Investments (Fully Paid)								
At fair value through profit and loss (FVTPL) :								
Equity Shares - Unquoted								
Shaktikunj Apartments Limited*	1	₹	1,498	1,498	1,498	0.00	0.00	0.00
At deemed cost:								
Equity Shares - Unquoted								
Investment in Wholly Owned Subsidiaries								
Beepee Coatings Private Limited	10	₹	25,00,000	25,00,000	25,00,000	2.50	2.50	2.50
Berger Jenson & Nicholson (Nepal) Private Limited	100	NPR	3,45,421	3,45,421	3,45,421	4.46	4.46	4.46
Berger Paints (Cyprus) Limited	1.71	EURO	55,53,804	32,86,189	30,57,807	65.12	36.78	34.07
Less: Impairment loss (Refer Note 26)						(28.00)	-	-
Lusako Trading Limited	1.71	EURO	55,10,407	54,03,439	51,36,802	67.52	62.40	59.15

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Number of shares					₹ in Crores		
	Nominal Value per unit	Currency	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Investment in Joint Ventures								
Berger Becker Coatings Private Limited	100	₹	2,70,850	2,70,850	2,70,850	2.71	2.71	2.71
Berger Nippon Paint Auomotive Coatings Private Ltd. (Formerly BNB Coatings India Private Limited/BNB Coatings India Limited)	1,000	₹	9,60,400	63,700	63,700	96.04	6.37	6.37
Total Non Current Investments						**210.35**	**115.22**	**109.26**
Aggregate amount of Unquoted Investments						**210.35**	**115.22**	**109.26**
Aggregate Deemed Cost for those investments for which deemed cost is the Previous GAAP carrying amount						**-**	**-**	**109.26**
Aggregate amount of impairment in value of Investment						**28.00**	**-**	**-**

*Refer Note 43

Note 5b. Financial assets - Loans and Deposits

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
(Unsecured considered good unless otherwise stated)						
Security deposits	13.71	15.51	13.70	4.43	3.72	3.80
Loans to related party (Refer Note 34) #	-	-	-	15.11	15.11	5.11
Total loans and deposits	**13.71**	**15.51**	**13.70**	**19.54**	**18.83**	**8.91**
# Loan to BJN Paints India Limited for business purposes	-	-	-	15.11	15.11	5.11
	-	**-**	**-**	**15.11**	**15.11**	**5.11**

Note 5c. Other financial assets

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Bank deposits with original maturity more than twelve months	0.08	0.14	0.14	0.05	-	-
Advances to related parties - towards Share Application money (Refer Note 34) #	0.40	13.17	1.83	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Interest accrued on deposits	-	-	-	0.07	0.66	5.49
Other receivables	-	-	-	1.90	2.00	3.34
Total other financial assets	**0.48**	**13.31**	**1.97**	**2.02**	**2.66**	**8.83**
#						
Berger Paints (Cyprus) Limited	0.08	12.34	1.08			
Lusako Trading Limited	0.32	0.83	0.75			
	0.40	**13.17**	**1.83**			

Note 6. Other assets

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Capital advances	10.13	14.10	12.46	-	-	-
Advances other than capital advances						
Other Advances	-	-	-	0.74	0.76	0.85
Others						
Prepayments	3.37	3.34	2.86	9.88	7.92	12.26
Balances with statutory/ government authorities	19.33	20.04	9.31	44.71	27.63	34.44
Total other assets	**32.83**	**37.48**	**24.63**	**55.33**	**36.31**	**47.55**

Note 7. Inventories

(at the lower of cost and net realisable value)

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Raw materials [including in transit - ₹ 58 crores (31st March 2016 - ₹ 42 crores, 1 April 2015 - ₹ 27 Crores)]	229.91	172.41	161.96
Packing material (Containers)	15.29	11.01	11.20
Work in process [including in transit - ₹ 2 crores (31st March 2016 - ₹ 2 crores, 1 April 2015 - ₹ 3 Crores)]	56.22	47.07	44.66
Finished goods [including in transit - ₹ 41 crores (31st March 2016 - ₹ 32 crores, 1 April 2015 - ₹ 35 Crores)]	511.56	392.37	376.12
Traded goods [including in transit - ₹ 2 crores (31st March 2016 - ₹ Nil, 1 April 2015 - ₹ Nil)	61.52	57.78	46.13
Stores and Spares	9.67	7.58	6.43
Total inventories	**884.17**	**688.22**	**646.50**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 8a. Financial assets - Investments

₹ in Crores

	Number of units						
	Nominal Value ₹ per unit	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
At fair value through profit and loss (FVTPL):							
Investments in Mutual Funds - Unquoted							
Reliance Regular Savings Fund - Debt Plan - Direct Growth Plan	10	28,272,744	282,725,278	-	66.42	60.01	-
Reliance Medium Term Fund Direct Growth	10	-	8,199,423	-	-	26.03	-
Reliance Banking & PSU Debt Fund Direct Growth	10	-	21,487,908	-	-	23.23	-
Birla Sunlife Cash Manager - Direct Growth	10	-	847,098	1,143,086	-	31.58	39.10
Birla Sunlife Short Term Opurtunities fund - Direct Growth	10	-	2,402,253	-	-	6.04	-
Kotak Low Duration Fund - Direct - Growth	10	78,901	287,730	-	16.02	53.28	-
ICICI Prudential Savings Fund - Direct Plan - Growth	10	3,47,336	1,860,371	-	8.75	42.65	-
Reliance Liquid Fund - Cash Plan - Direct - Dividend	10	-	98,912	-	-	10.82	-
Reliance Liquid Fund - Cash Plan - Direct - Growth	10	-	74,668	-	-	18.26	-
Birla Sunlife Cash Plus - Direct Growth	10	-	534,806	-	-	13.01	-
IDFC Liquid Fund - Direct - Growth	10	-	50,207	-	-	15.01	-
Birla Sunlife treasury optimizer - Direct Growth	10	-	-	1,723,029	-	-	30.06
Reliance Short term fund Direct Growth	10	-	-	14,145,708	-	-	37.56
HDFC High Interest Fund - Direct Growth	10	-	-	10,022,944	-	-	27.95
Birla Sunlife Floating Rate Fund Short term - Direct Growth	10	1,132,335	-	-	24.56	-	-
Franklin India Low Duration Fund - Direct - Growth	10	14,847,574	-	-	27.76	-	-
Franklin India Short Term Income Plan - Weekly Dividend	10	10,320	-	-	3.62	-	-
Franklin India Ultra Short Term Bond Fund	10	4,574,710	-	-	10.22	-	-
Franklin India Ultra Short Term Bond Fund - Direct - Growth	10	11,329,882	-	-	25.30	-	-
HDFC Cash Management Fund - Savings Plan - Direct	10	72,497	-	-	24.62	-	-
HDFC Liquid Fund - Direct - Growth	10	31,217	-	-	10.02	-	-
ICICI Prudential Corporate Bond Fund - Direct plan - Growth	10	14,604,133	-	-	38.43	-	-
Kotak Income Opportunity fund - Direct plan	10	17,132,765	-	-	31.98	-	-
Reliance Corporate Bond Fund - Direct - Growth	10	27,145,000	-	-	36.56	-	-
Reliance Money Manager Fund - Direct - Growth	10	77,918	-	-	17.74	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	Number of units						
	Nominal Value ₹ per unit	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
UTI Money Market Fund - Institutional - Direct - Growth	10	138,508	-	-	25.27	-	-
Aggregate amount of Unquoted Investments					**367.27**	**299.92**	**134.67**
Aggregate amount of Repurchase price of Unquoted Investments					**367.27**	**299.92**	**134.67**

Investments at fair value through Profit and Loss reflect investment in unquoted mutual funds. Refer note 36 for determination of their fair value.

Note 8b. Trade receivables

(Unsecured)

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Considered good *	480.59	461.46	434.41
Doubtful	3.34	2.66	2.60
	483.93	464.12	437.01
Provision for doubtful receivables	(3.34)	(2.66)	(2.60)
Total trade receivables	**480.59**	**461.46**	**434.41**
* Includes debts due from private limited companies in which directors of the Company are directors			
Berger Jenson & Nicholson (Nepal) Private Limited	2.74	2.74	2.47
Wazir Estates Private Limited*	0.02	0.01	0.00
Kay Dee Farms Private Limited*	-	0.00	-
Malibu Estate Private Limited*	-	0.00	-
Berger Becker Coatings Private Limited	0.20	0.32	0.43
Berger Nippon Paint Automotive Coatings Private Ltd.(Formerly BNB Coatings India Private Limited/BNB Coatings India Limited)	1.89	1.02	1.89

* Refer Note 43

Trade receivables are non-interest bearing and generally has credit period from 30 to 90 days
For terms and conditions relating to related party receivables, refer Note 34.

Note 8c. Cash and Cash Equivalents

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Balances with banks:			
– On current accounts	12.69	12.24	21.82
– Deposits with original maturity of less than three months	0.12	0.17	35.76
Cheques/drafts on hand	13.79	12.64	-
Cash on hand	0.56	0.61	0.75
Total Cash and Cash Equivalents	**27.16**	**25.66**	**58.33**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 8d. Bank balances other than 8c above.

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Other bank balances:			
– Margin Money deposit *	0.04	0.09	-
– Balance with banks in Unpaid Dividend Account	4.84	4.23	3.73
– Deposits with original maturity of not less than three months but less than twelve months	-	32.83	79.09
Total Bank balances other than 8c above	**4.88**	**37.15**	**82.82**

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

Note - 9. Equity Share Capital

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Authorised Capital			
1,100,000,000 Equity Shares of ₹ 1 each (March 31, 2016: 750,000,000 Equity Shares of ₹ 1 each; April 1, 2015: 750,000,000 Equity Shares of ₹ 1 each)	110.00	75.00	75.00
Issued Capital			
971,078,127 Equity Shares of ₹ 1 each fully paid up (March 31, 2016: 693,569,392 Equity Shares of ₹ 1 each fully paid up; April 1, 2015: 693,375,600 Equity Shares of ₹ 1 each fully paid up)	97.11	69.36	69.34
	97.11	**69.36**	**69.34**
Subscribed and Paid-up Capital			
970,986,647 Equity Shares of ₹ 1 each fully paid up (March 31, 2016: 693,477,912 Equity Shares of ₹ 1 each fully paid up; April 1, 2015: 693,284,120 Equity Shares of ₹ 1 each fully paid up)	97.10	69.35	69.33
	97.10	**69.35**	**69.33**

a) The Reconciliation of share capital is given below:

	As at 31-Mar-2017		As at 31-Mar-2016	
	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
At the beginning of the year	69,34,77,912	69.35	69,32,84,120	69.33
Add: Shares issued on exercise of Employee Stock Options (Refer Note 31)	1,17,570	0.01	1,93,792	0.02
Add: Bonus Shares issued and allotted during the year (Refer Note (f) below)	27,73,91,165	27.74	-	-
At the end of the year	**97,09,86,647**	**97.10**	**69,34,77,912**	**69.35**

b) Terms/Rights attached to class of shares

The Company has only one class of Equity Shares having a par value of ₹ 1 each. Holder of each Equity Share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

c) Equity Shares held by the Holding Company and/or the subsidiaries/associates of Holding Company :

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-April-2015
U K Paints (India) Limited (Holding Company)	48,65,45,399	33,72,55,608	33,67,97,404
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	10,04,69,130	10,04,69,130
Citland Commercial Credits Limited	3,09,15,659	2,20,82,614	2,23,22,614
Wang Investment Finance Pvt. Ltd.	2,98,10,580	2,12,93,272	2,14,18,272
Bigg Investment & Finance Pvt. Ltd.	79,52,420	56,80,300	56,80,300

d) Details of Shareholders holding more than 5 percent of Equity Shares in the Company :

	As at 31-Mar-2017		As at 31-Mar-2016		As at 01-April-2015	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
U K Paints (India) Limited (Holding Company)	48,65,45,399	50.11%	33,72,55,608	48.63%	33,67,97,404	48.58%
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	14.49%	10,04,69,130	14.49%	10,04,69,130	14.49%
Nalanda India Fund Limited	5,07,49,406	5.23%	3,62,49,576	5.23%	3,62,49,576	5.23%

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

e) Shares reserved for issue under Employee Stock Options:

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer Note 31.

f) Fully paid up equity shares allotted by way of bonus shares :

277,391,165 (March 31, 2016: NIL; April 1, 2015: NIL) Bonus shares were issued and allotted during the year by the Company to the eligible members of the Company holding ordinary shares of ₹ 1 each (ratio 2:5) by capitalizing ₹ 27.74 Crores out of the sum standing to the credit of Company's Securities Premium Account. The above had been allotted to the shareholders of the Company on 19th July, 2016 and record date was fixed as 18th July, 2016.

Note - 10. Other equity

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Reserves & Surplus			
Securities Premium Account	111.31	137.50	135.91
Retained earnings	1,422.19	1,093.79	846.46
General Reserve	290.61	290.61	290.61
Other reserves			
Employee Stock Options outstanding	0.87	0.83	1.93
Capital reserve	0.02	0.02	0.02
Capital redemption reserve	0.04	0.04	0.04
Total other equity	**1,825.04**	**1,522.79**	**1,274.97**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Capital redemption reserve - Represents the amount transferred, for a sum equal to the face value of equity shares, at the time of buy-back of shares.

Employee Stock Options outstanding - The Company has two share option schemes under which options to subscribe for the Company's shares have been granted to specific employees net of options exercised by concerned employees.

The Employees Stock Options outstanding reserve is used to recognise the value of equity-settled share-based payments provided to employees as part of their remuneration. Refer to Note 31 for further details of these plans.

Securities Premium Account - Premium received on equity shares issued are recognised in the securities premium account net of utilization for bonus shares issued etc.

General Reserve - Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the Company for that year, the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Retained Earnings - Retained earnings includes surplus in the Statement of Profit and Loss, Ind-AS related adjustments as on the date of transition, remeasurement gains/ losses on defined benefit plans and Revaluation reserve amounting to ₹ 0.83 crores (March 31, 2016: ₹ 0.83 crores; April 1, 2015: ₹ 0.83 crores) created on revaluation of Freehold Building, Leasehold Land / Freehold Building and Freehold Land / Building of the Parent Company in 1985, 1989 and 1993 done by approved valuers. The aforementioned revaluation reserve is not a free reserve as per the Companies Act, 2013 and hence is not available for distribution as dividend.

Note 11. Other Financial Liabilities

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Interest accrued but not due on borrowings	-	-	-	0.11	0.20	0.26
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	-	-	-	4.84	4.23	3.73
Others						
Deposits	2.86	2.14	1.45	35.65	28.93	23.10
Capital Creditors	-	-	-	49.87	16.58	14.78
Accrued Employee Liabilities	-	-	-	24.83	26.25	9.32
Derivatives not designated as hedges						
-Foreign Exchange Forward Contracts	-	-	-	4.11	0.40	1.09
Financial Guarantee Contracts				2.94	1.28	2.19
Other Payables	-	-	-	5.42	7.79	5.41
Total other financial liabilities	**2.86**	**2.14**	**1.45**	**127.77**	**85.66**	**59.88**

Foreign exchange forward contracts

The Company has entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of borrowings and payables. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

Refer note no 33 for details of guarantee issued by the Company

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 12. Provisions

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Provision for Employee Benefits						
- Provision for Gratuity (Refer Note 30)	-	-	-	0.45	0.35	0.75
- Provision for Leave Encashment	-	-	-	13.38	11.16	10.51
Others						
- Provision for Decommissioning Cost [Refer Note (a) below]	2.71	2.51	2.32	-	-	-
Total Provisions	**2.71**	**2.51**	**2.32**	**13.83**	**11.51**	**11.26**

(a) Provision for Decommissioning Cost

	As at 31-Mar-2017	As at 31-Mar-2016
At the beginning of the year	2.51	2.32
Arisen during the year	-	-
Interest unwinding for the year	0.20	0.19
At the end of the year	**2.71**	**2.51**

Provision for decommissioning cost has been recognised towards decommissioning/dismantling costs associated with Company's factories constructed by the Company on leasehold lands.

Note 13. Deferred Tax Assets & Liabilities (Net)

₹ in Crores

Nature - (Liability) / Asset	Balance Sheet			Statement of Profit and Loss	
	31-Mar-17	31-Mar-16	1-Apr-15	31-Mar-17	31-Mar-16
Deferred Tax Liabilities					
Arising out of temporary differences in depreciable assets	54.91	44.05	34.61	(10.86)	(9.44)
Expenses claimed for tax purposes on payment basis	9.59	4.08	-	(5.51)	(4.08)
Total (A)	**64.50**	**48.13**	**34.61**	**(16.37)**	**(13.52)**
Deferred Tax Assets					
On expenses allowable against taxable income in future years	3.75	1.06	1.04	(2.69)	(0.02)
Financial Assets at Fair Value through Profit and Loss	(1.03)	(0.12)	0.32	0.91	0.44
Decommissioning Liability	0.56	0.45	0.35	(0.11)	(0.10)
Others	0.26	0.12	0.09	(0.14)	(0.03)
Others through other comprehensive income	0.87	0.23	-	(0.64)	(0.23)
Total (B)	**4.41**	**1.74**	**1.80**	**(2.67)**	**0.06**
Net Deferred Tax (Liabilities)/Assets (B-A)	**(60.09)**	**(46.39)**	**(32.81)**	**13.70**	**13.58**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Reconciliation of deferred tax Liabilities (net)

₹ in Crores

	31-Mar-17	31-Mar-16
Opening balance	(46.39)	(32.81)
Tax income/(Expense) during the period recognised in Statement of Profit and Loss	(14.34)	(13.81)
Tax income/(Expense) during the period recognised in OCI	0.64	0.23
Closing balance	(60.09)	(46.39)

During the year ended 31 March 2017 and 31 March 2016, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence DDT paid is charged to equity.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2016 and 31 March 2017:

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporate tax in India (34.608%) as follows:

₹ in Crores

	Year Ended 31-Mar-2017	Year Ended 31-Mar-2016
Accounting Profit before income tax	**665.70**	**538.69**
Profit before income tax multiplied by standard rate of corporate tax in India of 34.608% (31 March 2016: 34.608%)	230.39	186.43
Effects of: Permanent differences affecting income tax expense: Additional deduction allowed in respect of R&D activities carried out by the company	(4.61)	(3.46)
Difference in tax on exceptional item (sale of business)	(10.00)	-
Allowance for capital expenditure u/s 32AC	(8.71)	(4.08)
Disallowance of exceptional item (impairment)	9.69	-
Other miscellaneous disallowances	1.85	3.31
Net effective income tax	**218.61**	**182.20**
Income Tax expense reported in the Statement of Profit and Loss	219.25	182.43
Income Tax expense reported in Other Comprehensive Income	(0.64)	(0.23)
	218.61	**182.20**

Note 14a. Current Borrowings

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Secured			
From Banks			
Cash credit (repayable on demand)	30.20	61.24	213.08
Buyers' Credit (in foreign currency)	84.29	5.27	75.41
Total current borrowings	**114.49**	**66.51**	**288.49**

Cash Credits from banks are secured by way of first charge on book debts and current assets ranking pari passu between the lenders (first *pari passu* charge over entire current assets). Cash Credit is repayable on demand and carries interest at 8%-10% per annum (31-March-2016: 8%-11% per annum; 01-April-2015: 8.5%-14.5%)

The buyers' credit is repayable in six months and carries interest at LIBOR +0.25% (31 March 2016: LIBOR +0.25%) and is secured by hypothecation of stocks and book debts, both present and future.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 14b. Trade Payables

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Acceptances	111.93	148.21	120.33
Other than Acceptances			
- Total outstanding dues of Micro, Small & Medium Enterprises (See Note below)	11.25	3.93	2.05
- Total outstanding dues of creditors other than Micro, Small & Medium Enterprises	604.33	482.30	384.29
Total Trade Payables	**727.51**	**634.44**	**506.67**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under to the extent the Company has received intimation from the suppliers regarding their status under the Act.

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-April-2015
Principal amount remaining unpaid at the end of the year	10.17	3.04	1.28
Interest due thereon remaining unpaid at the end of the year	1.08	0.89	0.77
	11.25	**3.93**	**2.05**
Delayed payment of Principal amount paid beyond appointed date during the entire financial year	16.48	15.39	6.60
Interest actually paid under Section 16 of the Act during the entire accounting year	-	-	-
Amount of Interest due and payable for the period of delay in making the payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	-	-	-
Amount of Interest due and payable for the period (where principal has been paid but interest under the MSMED Act not paid)	0.17	0.11	0.05
Interest accrued and remaining unpaid at the end of the year	0.18	0.12	0.06
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises for the purpose of disallowances as deductible expenditure under Section 23 of this Act	1.08	0.89	0.77

Terms and conditions of the above trade payables:

Trade payables are non interest bearing and are normally settled on 45-60 days terms. For terms and conditions with related parties, refer to Note 34.

Note 15. Other liabilities

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Others						
Advance from customers	-	-	-	11.04	9.97	10.09
Statutory liabilities	-	-	-	67.98	59.28	51.26
Other liabilities	0.87	0.86	0.74	1.10	0.65	0.64
Total Other Liabilities	**0.87**	**0.86**	**0.74**	**80.12**	**69.90**	**61.99**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 16a. Financial Assets

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Financial Assets - Non Current			
At Fair Value through profit or loss			
Investments *	0.00	0.00	0.00
At Amortised Cost			
(a) Loans and Deposits	13.71	15.51	13.70
(b) Other Financial Assets	0.48	13.31	1.97
	14.19	**28.82**	**15.67**
At Deemed Cost/Subsequent additions at cost			
Investments	210.35	115.22	109.26
Total Non Current Financial Assets (a)	**224.54**	**144.04**	**124.93**
Financial Assets - Current			
At fair value through profit or loss			
(a) Investments	367.27	299.92	134.67
At Amortised Cost			
(a) Loans and Deposits	19.54	18.83	8.91
(b) Trade receivables	480.59	461.46	434.41
(c) Cash and Cash Equivalents	27.16	25.66	58.33
(d) Bank balances other than (c) above	4.88	37.15	82.82
(e) Other financial assets	2.02	2.66	8.83
Total Current Financial Assets (b)	**901.46**	**845.68**	**727.97**
Total Financial Assets (a + b)	**1,126.00**	**989.72**	**852.90**

* Refer Note 43

Note 16b. Financial Liabilities

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Financial Liabilities - Non Current			
At Amortised Cost			
a) Other Financial Liabilities	2.86	2.14	1.45
Total Non Current Financial Liabilities (a)	**2.86**	**2.14**	**1.45**
Financial Liabilities - Current			
At fair value through profit and loss			
Other Financial Liabilities			
Foreign exchange forward contracts	4.11	0.40	1.09
Financial guarantee contracts	2.94	1.28	2.19

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
At Amortised Cost			
(a) Borrowings	114.49	66.51	288.49
(b) Trade Payables	727.51	634.44	506.67
(c) Other financial liabilities			
Interest accrued but not due on borrowings	0.11	0.20	0.26
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	4.84	4.23	3.73
Others			
Deposits	35.65	28.93	23.10
Capital creditors	49.87	16.58	14.78
Accrued employee liabilities	24.83	26.25	9.32
Other payable	5.42	7.79	5.41
Total Current Financial Liabilities (b)	**969.77**	**786.61**	**855.04**
Total Financial Liabilities (a + b)	**972.63**	**788.75**	**856.49**

Note 17. Distribution made and proposed

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016
Dividends on equity shares declared and paid:		
Interim dividend for 31 March 2017 - ₹ Nil per share (31st Mar 2016 - ₹ 0.65 per share)	-	45.08
DDT on interim dividend	-	9.18
Final dividend for 31 March 2016 - ₹ 1 per share (1st April 2015 - ₹ 0.65 per share)	97.09	45.06
DDT on final dividend	19.76	9.17
	116.85	**108.49**
Proposed dividends on equity shares:		
Final cash dividend for 31 March 2017 - ₹ 1.75 per share (31st March 2016 - ₹ 1 per share)	169.93	97.09
DDT on proposed dividend	34.59	19.76
	204.52	**116.85**

As at March 31 2017, proposed dividend on equity shares are subject to approval in the ensuing Annual General Meeting. Consequently, such proposed dividend and dividend distribution tax thereon have not been recognised in these financial statements.

Note 18. Revenue from Operations

₹ in Crores

	31-Mar-17	31-Mar-16
Sale of products (including excise duty)	4,594.57	4,293.37
Other operating revenue		
Scrap sales	7.36	8.11
Others	6.60	4.43
Total	**4,608.53**	**4,305.91**

Sale of products includes excise duty collected from customers amounting to ₹ 487.00 Crs (31 March 2016 : ₹ 448.10 Crs).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 19. Other income

₹ in Crores

	31-Mar-17	31-Mar-16
Interest Income from financial assets		
Deposits with banks	2.40	5.83
Loan to subsidiary (Refer note 34)	0.80	0.40
Other non operating income		
Net gain on sale of mutual fund investments	26.99	16.81
Fair value gain on mutual fund investment	2.97	0.75
Foreign Exchange Gain (net)	1.71	-
Others	13.80	12.41
Total Other Income	**48.67**	**36.20**

Note 20. Cost of materials consumed

₹ in Crores

	31-Mar-17	31-Mar-16
Raw Materials Consumed		
Opening Stocks	172.41	161.96
Add: Purchases	1,843.35	1,639.69
Less: Closing stock	(229.91)	(172.41)
	1,785.85	**1,629.24**
Packing Material Consumed		
Opening Stocks	11.01	11.20
Add: Purchases	329.68	297.13
Less: Closing stock	(15.29)	(11.01)
	325.40	**297.32**
Cost of materials consumed	**2,111.25**	**1,926.56**

Also refer note no 41 for expenses on research and development

Note 21. (Increase)/Decrease in inventories of finished goods, work-in-process and traded goods

₹ in Crores

	31-Mar-17	31-Mar-16
Opening Stock		
Work-in-process	47.07	44.66
Finished goods	392.37	376.12
Traded goods	57.78	46.13
	497.22	**466.91**
Closing Stock		
Work-in-process	56.22	47.07
Finished goods	511.56	392.37
Traded goods	61.52	57.78
Total	**629.30**	**497.22**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	31-Mar-17	31-Mar-16
Consumed in painting contracts/Others	(3.00)	(5.63)
(Increase)/Decrease in Excise Duty on Stock of Finished Goods	15.80	11.94
(Increase)/Decrease in inventories of finished goods, work-in-process and traded goods	**(119.28)**	**(24.00)**

Note 22. Employee Benefit Expense

₹ in Crores

	31-Mar-17	31-Mar-16
Salaries and Wages	193.85	172.23
Contribution to Provident and Other Funds (Refer Note 30)	12.25	12.44
Employee Stock Option Scheme (Refer Note 31)	1.60	0.49
Staff Welfare Expenses	20.22	18.60
Total	**227.92**	**203.76**

Also refer note no 41 for expenses on research and development

Note 23. Finance Costs

₹ in Crores

	31-Mar-17	31-Mar-16
Interest on debts and borrowings	7.21	16.86
Unwinding of discount on provisions (Refer Note 12)	0.20	0.19
Total	**7.41**	**17.05**

Note 24. Depreciation and amortization expense

₹ in Crores

	31-Mar-17	31-Mar-16
Depreciation of tangible assets (Note 4)	92.74	83.67
Amortization of intangible assets (Note 4)	4.33	4.40
Total	**97.07**	**88.07**

Note 25. Other Expenses

₹ in Crores

	31-Mar-17	31-Mar-16
Freight, Octroi and Delivery	287.06	262.68
Power and Fuel	36.25	34.32
Consumption of stores and spare parts	7.28	5.57
Repairs to Plant and Machinery	14.50	15.19
Repairs to Building	2.32	0.58
Repairs to Others	1.92	2.31
Rent (Refer Note 32)	43.89	37.34
Rates and Taxes	9.15	8.97
Travelling	42.30	37.85

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Contd. ₹ in Crores

	31-Mar-17	31-Mar-16
Advertisement and Sales Promotion Expenses	214.32	185.20
Insurance	2.16	2.51
Processing Charges	43.77	41.01
Directors' Fees	0.01	0.01
Foreign Exchange Loss (net)	-	3.83
Commission to Non-Executive Directors	0.43	0.41
Loss on sale/discard of Property, plant and equipment and intangible assets	0.35	0.04
Audit Fees (Refer Note 25.1)	0.51	0.48
CSR expenditure (Refer Note 25.2)	8.18	4.38
Other Expenses (Refer Note 41)	134.40	116.12
Total	**848.80**	**758.80**

Note 25.1 Auditor's Remuneration

₹ in Crores

	31-Mar-17	31-Mar-16
As Auditor:		
Audit fees	0.28	0.28
Tax audit fee	0.04	0.04
Miscellaneous Certificates and Other Matters	0.16	0.12
Reimbursement of expenses	0.03	0.04
Total	**0.51**	**0.48**

Note 25.2 Details of CSR expenditure:

₹ in Crores

	31-Mar-17	31-Mar-16
(a) Gross amount required to be spent by the Company during the year	8.45	6.79
(b) Amount spent during the year:		
(i) Construction/Acquistion of an asset	-	-
(ii) Purposes other than (i) above	8.18	4.38
Total	**8.18**	**4.38**

Corporate Social Responsibility expenses of ₹ 8.18 Crores (2015-16: ₹ 4.38 Crores) includes Company's own programme for promoting employment enhancing vocational skill programme named 'iTrain'

Note 26. Exceptional Items

₹ in Crores

	31-Mar-17	31-Mar-16
Profit on transfer of Company's paint division relating to 4 wheeler passenger cars and SUVs, 3 wheelers and related ancillaries (Refer Note 1)	86.67	-
Impairment in subsidiary (Refer Note 2)	(28.00)	-
Total	**58.67**	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. The Company's paint division ("the Business") relating to 4 wheeler passenger cars and SUVs, 3 Wheelers and related ancillaries was transferred to Berger Nippon Paint Automotive Coatings Private Limited or BNPAC (Formerly known as BNB Coatings India Private Limited), an existing joint venture between Berger Paints India Limited and Nippon Paints Automotive Coatings Co. Ltd., Japan after the close of business hours of 30th June, 2016 on a slump sale basis at a consideration of ₹ 90 crores, paid in cash. By virtue of being a joint venture where Berger Paints India Limited holds 49% of the paid up share capital, BNPAC may be deemed to be a related party and the transaction was done at an arm's length basis. The exceptional item for the year ended March 31, 2017 represents the profit on the transfer of the Business, being ₹ 86.67 crores, which is subject to tax.
2. The Company has provided for impairment in the carrying value of its investment in its wholly owned subsidiary, Berger Paints Cyprus Limited (BPCL) on account of losses sustained by the ultimate wholly owned subsidiary Berger Paints Overseas Limited (BPOL) due to downturn in Russian economy which were reflected in the consolidated financial position of the Company. The Company had made an assessment of the fair value of the investments in Berger Paints Overseas Limited taking into account past business performance, prevailing business conditions and revised expectations about future performance. Based on the above factors and as matter of prudence provision of ₹ 28 crores towards impairment of such investment has been recognised in the accounts. The recoverable amount of the investment was determined at ₹ 37.12 crores, which was based on its value in use. This value in use calculation was carried out taking into account the discount rate of 14% per annum.

Note 27. Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-17	31-Mar-16
Net Profit for calculation of Basic and Diluted Earnings Per Share (₹ in crores) (I)	446.45	356.26
Weighted average number of shares (II)		
- Basic	97,09,18,392	97,07,81,269
- Diluted (refer note below)	97,10,59,627	97,08,68,054
Earning per equity share [nominal value of ₹ 1 per share] [(I)/(II)]		
- Basic	4.60	3.67
- Diluted	4.60	3.67
Effect of dilution:		
Weighted average number of equity shares in calculating Basic Earnings Per Share	97,09,18,392	97,07,81,269
Dilution - Stock options granted under ESOP	1,41,235	86,785
Weighted average number of equity shares in calculating diluted EPS	97,10,59,627	97,08,68,054

Note 28. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the process of applying the Company's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the Financial Statements.

Defined Employer Benefit plans

The cost and the present value of the defined benefit gratuity plan and other post-employment leave encashment benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of appropriate discount rate, estimating future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. For further details refer Note 30.

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 for further disclosures.

Depreciation on Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Decommissioning Liability

Decommissioning Liability has been recognised for items of property plant and equipment built or installed on specified leasehold land the terms of which said leases include decommissioning of such assets on expiry of the lease prior to handing over to the lessor. The decommissioning costs as at the end of the lease period have been estimated based on current costs by the Company's own technical experts and have been escalated to the end of the leasehold period using suitable inflation factors. The said escalated cost as at the end of the lease period is now discounted to the present value of such liability by applying Company's weighted average cost of capital.

Impairment of Investment

Based on indication that the carrying value of investment in a step down subsidiary may be lower than the fair value, an impairment assessment has been carried out. Market related information and estimates are used to determine the recoverable value, of the investment. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 29. Information on Joint Venture Entities

Description of Company's interest in the joint venture Company

	As at 31-Mar-2017		As at 31-Mar-2016		As at 1-Apr-2015	
Name of the entity	Proportion of Interest	Country of Incorporation	Proportion of Interest	Country of Incorporation	Proportion of Interest	Country of Incorporation
Berger Becker Coatings Private Limited	48.98%	India	48.98%	India	48.98%	India
Berger Nippon Paint Automotive Coatings Private Ltd. (Formerly BNB Coatings India Private Limited/BNB Coatings India Limited)	49.00%	India	49.00%	India	49.00%	India

Note 30. Employee Benefits Obligation

(I) Defined benefit plans

(a) Gratuity

(i) The following table summarizes the components of net benefit expense recognised in the Statement of Profit and loss and OCI and the funded status and amounts recognised in the Balance Sheet.

₹ in Crores

Particulars	31-Mar-17	31-Mar-16
Changes in the present value of defined benefit obligation		
Present value of defined benefit obligation as at year beginning	25.30	24.36
Current Service Cost	1.41	1.86
Interest Cost	1.75	2.35
Remeasurements (gains)/losses		
-Actuarial (gains)/losses arising from changes in financial assumptions	1.71	0.27
-Actuarial (gains)/losses arising from changes in experience adjustments	(0.08)	(0.02)
Benefits Paid	(2.37)	(3.52)
Present value of defined benefit obligation as at year end	**27.72**	**25.30**
Changes in fair value of plan assets		
Fair Value of Plan Assets as at year beginning	24.95	23.61
Interest Income	1.99	2.60
Remeasurements (gains)/losses		
-Return on plan assets, (excluding amount included in net Interest expense)	(0.21)	(0.42)
Employer's Contribution	2.91	2.68
Benefits Paid	(2.37)	(3.52)
Fair Value of Plan Assets as at year end	**27.27**	**24.95**
Amounts Recognised in the Balance Sheet		
Present value of defined benefit obligation at the year end	27.72	25.30
Fair Value of the Plan Assets at the year end	27.27	24.95
Liability/(Asset) Recognised in the Balance Sheet	**(0.45)**	**(0.35)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

Particulars	2016-17	2015-16
Expense recognised in the Statement of Profit and Loss:		
Current Service Cost	1.41	1.86
Net Interest Cost/(Income)	(0.24)	(0.25)
Net Cost Recognised in the Statement of Profit and Loss	**1.17**	**1.61**
Expense recognised in the Other Comprehensive Income:		
Remeasurements (gains)/losses	1.84	0.67
Net Cost Recognised in the Statement of Profit and Loss	**1.84**	**0.67**

(ii) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

Significant Actuarial Assumptions	31-Mar-17	31-Mar-16	1-Apr-15
Discount Rate	7.3%	7.9%	8%
Employee turnover	Age wise 0.10%-0.50%	Age wise 0.10%-0.50%	Age wise 0.10%-0.50%
Mortality Rate	Indian Assured Lives (Mortality 2006-08 modified) Ult	Indian Assured Lives (Mortality 2006-08 modified)	Indian Assured Lives (Mortality 2006-08 modified)

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The discount rate is based on the government securities yield

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

(iii) Major category of Plan Assets of the fair value of the total plan assets are as follows:-

	31-Mar-17	31-Mar-16
Assets under scheme of insurance	100%	100%

(iv) A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below

	31-Mar-17		31-Mar-16	
Assumptions	**Discount rate**		**Discount rate**	
Sensitivity Level	1% increase (₹ crores)	1% decrease (₹ crores)	1% increase (₹ crores)	1% decrease (₹ crores)
Impact on defined benefit obligation	(2.59)	3.05	(2.24)	2.63
Assumptions	**Future Salary increase**		**Future Salary increase**	
Sensitivity Level	1% increase (₹ crores)	1% decrease (₹ crores)	1% increase (₹ crores)	1% decrease (₹ crores)
Impact on defined benefit obligation	2.56	(2.38)	2.10	(2.23)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Impact on defined benefit obligation

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk Exposure

Since the employees gratuity fund is a defined benefit plan the liability to be provided will be subject to interest rate risk since the future valuation of benefit depends upon the yield of government bonds for matching maturities.

(vi) Defined Benefit Liability and Employer Contributions

Since the employees gratuity fund is a defined benefit plan maintained by Life Insurance Corporation of India the return is generated from a pool of assets invested by them and any deficit in the liability and return on plan assets is funded by the Company on a yearly basis.

(vii) In 2017-18, the Company expects to contribute ₹ 0.60 crores (31 March 2016: ₹ 2.71 crores) to gratuity

(viii) Maturity profile of the defined benefit obligation

	31-Mar-17	31-Mar-16
Weighted Average duration of the defined benefit obligation	12 Years	14 Years
Expected benefit payments for the year ending		
Not Later than 1 year	0.69	0.93
Later than 1 year and not later than 5 years	9.25	8.05
More than 5 years	13.23	12.97

(b) Provident Fund

Provident Fund for certain eligible employees is administered by the Company through "Berger Paints Provident Fund (Covered)" as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Rules for such a trust provide that in a provident fund set up by the employer, any shortfall in the rate of interest on member's contributions as compared to the relevant rate of interest declared by the Government of India for this purpose will have to be met by the employer. Such provident fund would in effect be a defined benefit plan in accordance with the requirement of Ind AS 19 - Employee Benefits.

Based on valuation of related defined benefit obligation and plan assets at the year end carried out by an independent actuary no provision has been considered necessary in this regard in these financial statements. Key actuarial assumptions are as follows.

	2016-17	2015-16
Discount rate	7.30%	7.90%
Expected rate of return on Plan Assets	8.65%	8.65%

(c) Other Defined Benefit Plans

The amounts for "Other Defined Benefit Plans" are below the rounding off norm adopted by the Company (refer Note 43) and hence the disclosures as required under Ind AS 19 - "Employee Benefits" have not been given.

(II) Defined contribution plans

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	2016-17	2015-16
Provident and Family Pension Fund (applicable for eligible employees whose provident fund accounts are maintained with the Regional Provident Fund Commissioner)	1.14	1.34
Superannuation Fund	1.95	2.01

Note 31. Employee Stock Option Plan

Berger Paints India Limited Employee Stock Option Scheme, 2010

The Berger Paints India Limited – Employee Stock Option Plan ['the Plan'] was approved at the Annual General Meeting of the Company held on 29th July, 2010. The objective of the plan is to: 1) Attract, retain and motivate Employees, 2) Create and share wealth with the Employees, 3) Recognise and reward employee performance with shares and 4) Encourage employees to align individual performance with the objective of the Company. The terms and conditions of the Plan is reproduced below:

a) "Vesting Date" means the date on and from which the Option vests with the Participant and thereby becomes exercisable.

b) "Exercise Date" means the date on which the Participant exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant exercises part of his Vested Options.

c) "Vesting Period" means the period during which the Vesting of the Option granted to the Participant in pursuance of the Plan takes place.

d) "Exercise Period" means a period of 3 years from the Vesting Date as defined above of the Plan within which the Vested Options can be exercised in pursuance of the Plan.

e) The Exercise Price of an Option shall be the face value of ₹ 2/- per Share. However, due to sub-division of Company's share from F.V of ₹ 2/- to ₹ 1/- w.e.f from 9th January, 2015, the Compensation & Nomination & Remuneration Committee made fair and reasonable adjustments with respect to ESOP's earlier approved and granted by the Compensation & Nomination & Remuneration Committee.

f) Cashless exercise of the Options are not permitted under the Plan. Participants to pay full Aggregate Exercise Price upon the Exercise of the Vested Options.

g) Subject to Participant's continued employment as defined in Clause 14 of the Plan the Unvested Options shall vest with the Participant automatically in accordance with the following schedule : a) 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the first anniversary of the Grant Date; b) further 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the second anniversary of the Grant Date and c) balance 34% of the total Options granted, rounded up to the whole number such that the total number of Options vested shall add up to 100%, shall vest on the third anniversary of the Grant Date.

h) The Date of grant of options :1st August, 2010.

Berger Paints India Limited Employee Stock Option Plan 2016

The Berger Paints India Limited – Employee Stock Option Plan 2016 ['the Plan'] was approved at the Annual General Meeting of the Company held on 3rd August, 2016. The objective of the plan is to:1) Attract, retain and motivate Employees, 2) Create and share wealth with the Employees, 3) Recognise and reward employee performance with shares and 4) Encourage employees to align individual performance with the objective of the Company. The terms and conditions of the Plan is reproduced below:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

a) "Vesting Date" means the date on and from which the Option vests with the Participant and thereby becomes exercisable.

b) "Exercise Date" means the date on which the Participant exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant exercises part of his Vested Options.

c) "Vesting Period" means the period during which the Vesting of the Option granted to the Participant in pursuance of the Plan takes place.

d) "Exercise Period" means a period of 3 years from the Vesting Date as defined above of the Plan within which the Vested Options can be exercised in pursuance of the Plan.

e) The Exercise Price of an Option shall be the face value of ₹ 1/- per Share

f) Cashless exercise of the Options are not permitted under the Plan. Participants to pay full Aggregate Exercise Price upon the Exercise of the Vested Options.

g) Subject to Participant's continued employment as defined in Clause 14 of the Plan the Unvested Options shall vest with the Participant automatically in accordance with the following schedule : a) 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the first anniversary of the Grant Date; b) further 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the second anniversary of the Grant Date and c) balance 34% of the total Options granted, rounded up to the whole number such that the total number of Options vested shall add up to 100%, shall vest on the third anniversary of the Grant Date.

h) The Date of grant of options : 9th November, 2016.

		As at 31-Mar-2017	As at 31-Mar-2016
a.	Number of Stock Options outstanding (ESOP Grant I)	Nil	Nil
	Number of Stock Options outstanding (ESOP Grant II)	Nil	Nil
	Number of Stock Options outstanding (ESOP Grant III)	1,390	2,224
	Number of Stock Options outstanding (ESOP Grant IV)	1,172	85,452
	Total Number of Options in force (Additional grant Options vested on account of bonus issues from ESOP 2010 balances on 21.11.2016)	1,025	-
	Number of Stock Options outstanding (ESOP 2016)	138,270	-
		141,857	**87,676**
b.	Option granted during the year		
	"ESOP 2016 : 140811; 34653 Additional Grant on 21.11.2016 in lieu of bonus issue from ESOP 2010 balance shares"	175,464	-
c.	Number of Options vested (ESOP Grant I)	Nil	Nil
	Number of Options vested (ESOP Grant II)	Nil	Nil
	Number of Options vested (ESOP Grant III)	-	108,416
	Number of Options vested (ESOP Grant IV)	84,280	90,628
	Number of Options vested (ESOP 2016)	-	-
	Number of Additional grant Options vested in lieu of bonus issues from ESOP 2010 balances on 21.11.2016	34,653	-
		1,18,933	**1,99,044**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

		As at 31-Mar-2017	As at 31-Mar-2016
d.	Number of Options exercised (ESOP Grant I)	Nil	Nil
	Number of Options exercised (ESOP Grant II)	Nil	Nil
	Number of Options exercised (ESOP Grant III) (834 options exercised during 2016-17 were vested during the year 2015-16)	834	1,06,192
	Number of Options exercised (ESOP Grant IV)	83,108	87,600
	Number of Options exercised (ESOP 2016)	-	-
	Number of Additional grant Options exercised on account of bonus issues from ESOP 2010 balances on 21.11.2016	33,628	-
		1,17,570	**1,93,792**
e.	Number of Shares arising on exercise (ESOP Grant I)	Nil	Nil
	Number of Shares arising on exercise (ESOP Grant II)	Nil	Nil
	Number of Shares arising on exercise (ESOP Grant III)	834	106,192
	Number of Shares arising on exercise (ESOP Grant IV)	83,108	87,600
	Number of Shares arising on exercise (ESOP 2016)	-	-
	Number of Additional shares arising as result on exercise from ESOP 2010 balances on 21.11.2016	33,628	-
		1,17,570	**1,93,792**
f.	Number of Options lapsed (ESOP Grant I)	Nil	Nil
	Number of Options lapsed (ESOP Grant II)	Nil	Nil
	Number of Options lapsed (ESOP Grant III)	Nil	1,390
	Number of Options lapsed (ESOP Grant IV)	1,172	10,546
	Number of Options lapsed (ESOP 2016)	2,541	-
		3,713	**11,936**
g.	Variation of terms of Option	None during the period	None during the period
h.	Total Number of Options in force (ESOP Grant I)	Nil	Nil
	Total Number of Options in force (ESOP Grant II)	Nil	Nil
	Total Number of Options in force (ESOP Grant III)	1,390	2,224
	Total Number of Options in force (ESOP Grant IV)	1,172	85,452
	Total Number of Options in force (Additional grant Options vested on account of bonus issues from ESOP 2010 balances on 21.11.2016)	1,025	-
	Total Number of Options in force (ESOP 2016)	138,270	-
		1,41,857	**87,676**
i.	Weighted Average exercise price of the Share Options		
	Outstanding at the beginning of the year	1	1
	Granted during the year	1	1
	Forfeited during the year	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

		As at 31-Mar-2017	As at 31-Mar-2016
	Exercised during the year	1	1
	Expired during the year	1	1
	Outstanding at the end of the year	1	1
	Exercisable at the end of the period	1	1
j.	Weighted Average share price of options exercised during the year on the date of exercise	₹ 1	₹ 1
k.	Weighted Average fair value of the Options granted during the year		
	i. ESOP 2016 (Fair value as on 31.03.2017)	₹ 236.35	NA
	ii. Additional grant on account of bonus issues from ESOP 2010 balances of Grant III and IV (Fair value as on 31.03.2017)	₹ 238.99	NA

l.	A description of the method and significant assumptions used during the year to estimate the fair value of Options granted, including the following weighted average information:		
	The Black Scholes Option Pricing Model for dividend paying stock has been used to compute the fair value of the Options. The significant assumptions are:		
	i. Date of grant		
	a. ESOP 2016	09.11.2016	NA
	b. Additional grant on account of bonus issues from ESOP 2010 balances	21.11.2016	NA
	ii. Weighted average share price	₹ 242.10	₹ 244.80
	iii. Exercise Price	₹ 1	₹ 1
	iv. Risk Free Interest rate	6.69%	7.46%
	v. Expected Life:		
	a. For options vested on 01.08.2015	1.33 years	2.33 years
	b. For options vested on 01.08.2016	2.33 years	NA
	c. For options yet to be vested	3 years from the vesting day	NA
	vi. Expected Volatility	26%	24%
	vii. Expected dividend yield	0.69%	0.61%
	viii. Weighted Average fair value as on grant date		
	a. ESOP 2016 (Grant date 09.11.2016)	₹ 229.10	NA
	b. Additional grant on account of bonus issues from ESOP 2010 balances (Grant date 21.11.2016)	₹ 218.21	NA
	ix. The price of the underlying share in the market at the time of option grant:		
	a. Grant-III- 31.07.2012	₹ 138.70	₹ 138.70
	b. Grant IV- 31.07.2013	₹ 205.45	₹ 205.45
	c. ESOP 2016- 08.11.2016	₹ 234.85	NA
	d. Additional grant on 21.11.2016 on account of bonus issues from ESOP 2010 balances- 18.11.2016	₹ 187.10	NA
	x. Time to maturity		
	a. For options vested on 01.08.2015 (Grant III)	1.33 years	2.33 years

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

		As at 31-Mar-2017	As at 31-Mar-2016
	b. For options vested on 01.08.2016 (Grant IV)	2.33 years	3.33 years
	c. Additional grants vested on 21.11.2016	1.33 years and 2.33 years	NA
	d. For options yet to be vested	3 years from the vesting day	Not applicable

Expected volatility during the expected term of the ESOP is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the ESOP.

The fair values of our ESOP are based on the market value of our stock on the date of grant.

m. The following table summarizes information about Share Options outstanding as at year end:-

Range of exercise Prices per option (₹)	As at 31-Mar-2017		
	No. of options outstanding	Weighted average remaining contractual life	Weighted average exercise price (₹)
1	1,946	1.33 years	1
1	1,641	2.33 years	1
1	138,270	Yet to be vested	1
Range of exercise Prices per option (₹)	As at 31-Mar-2017		
	No. of options outstanding	Weighted average remaining contractual life	Weighted average exercise price (₹)
1	2,224	2.33 years	1
1	85,452	3.33 years	1

Note 32. Leases

Operating lease — Company as lessee

The Company's leasing arrangement are in the nature of cancellable operating leases. The Company has taken various depots, offices etc. on Operating Leases. These leases have a life of between 1 year to 20 years (31 March 2016 - 1 year to 20 years; 1 April 2015-1 year to 20 years) which is renewable by mutual consent of concerned parties. No contingent rent is payable by the Company in respect of the above leases. Some of the lease agreements have price escalation clauses. Related lease rentals have been disclosed under the head "Rent" in Note 25 of Statement of Profit and Loss. There are no restrictions placed upon the Company by such leases.

Operating lease — Company as lessor

The Company has given Colour bank (tinting machines) on operating lease to its dealers. The Company enters into 3-5 years cancellable lease agreements. However the corresponding lease rentals may be receivable for a shorter period or may be waived off. The minimum aggregate lease payments to be received in future is considered as ₹ Nil. Accordingly the disclosure of the minimum lease payments receivable at the balance sheet date is not made. Also refer note 4.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 33. Commitment and Contingencies

a.	**Commitments**			₹ in Crores
		As at 31.03.2017	**As at 31.03.2016**	**As at 01.04.2015**
	Estimated amount of contracts remaining to be executed on capital expenditure and not provided for (net of advances)	37.42	81.93	18.98
b.	**Contingent Liabilities**			
i.	Claims against the Company not acknowledged as debts:			₹ in Crores
		As at 31.03.2017	**As at 31.03.2016**	**As at 01.04.2015**
	Income Tax	15.83	32.24	24.74
	Sales Tax	27.33	54.74	32.87
	Excise Duty	27.28	23.75	17.72
		70.44	**110.73**	**75.33**
The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums. No reimbursements is expected to arise to the Company in respect of above cases.				
				₹ in Crores
		As at 31.03.2017	**As at 31.03.2016**	**As at 01.04.2015**
ii.	Outstanding Bank guarantees	34.24	24.05	7.62
iii.	Corporate guarantees issued by the Company to certain banks for loans taken by some of its subsidiaries and amount outstanding as at the year end (Refer note a and b below)	253.18	259.90	267.40

a) Tangible assets having carrying value of ₹ 232.95 crores (31 March, 2016 - ₹ 191.29 crores, 1 April, 2015 - ₹ 197.93 crores) have been mortgaged by deposit of title deeds in favour of BNP Paribas & Standard Chartered towards loan extended to M/s. Lusako Trading Limited, a Subsidiary of the Company.

b) The loan is utilised by the subsidiaries towards their business purposes. Also refer note 11 and 34.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 34. Disclosure in respect of Related Parties pursuant to Ind AS 24

List of Related Parties

I.	**Parent and Subsidiary Companies:**	
	Name of related parties	**Nature of relationship**
	U K Paints (India) Private Limited	Holding Company
	Berger Jenson & Nicholson (Nepal) Private Limited	Wholly Owned Subsidiary
	Beepee Coatings Private Limited	Wholly Owned Subsidiary
	Berger Paints (Cyprus) Limited	Wholly Owned Subsidiary
	Lusako Trading Limited	Wholly Owned Subsidiary
	BJN Paints India Limited	Wholly Owned Subsidiary of Beepee Coatings Private Limited
	Berger Paints Overseas Limited	Wholly Owned Subsidiary of Berger Paints (Cyprus) Limited
	Bolix S.A.	Wholly Owned Subsidiary of Lusako Trading Limited
	BUILD-TRADE BIS sp. z o.o	Wholly Owned Subsidiary of Bolix S.A.
	Bolix UKRAINA sp.z o.o	Wholly Owned Subsidiary of Bolix S.A.
	Soltherm External Insulations Limited	Wholly Owned Subsidiary of Bolix S.A.
	Soltherm Insolations Thermique Exterieure (w.e.f July, 2016)	Wholly Owned Subsidiary of Bolix S.A.
II.	**Other related parties with whom transactions have taken place during the year:**	
	a) Key Managerial Personnel	
	Name of related parties	**Nature of relationship**
	Mr. K. S. Dhingra	Director
	Mr. G. S. Dhingra	Director
	Mr. Kanwardip Singh Dhingra	Whole time director and relative of Mr. G. S. Dhingra
	Mrs. Rishma Kaur	Whole time director and relative of Mr K. S. Dhingra
	Mr. Abhijit Roy	Managing Director & CEO
	Mr. Srijit Dasgupta	Director-Finance & Chief Financial Officer
	Mr. Aniruddha Sen	Senior Vice President & Company Secretary
	Mr. Kamal Ranjan Das	Independent Director
	Mr. Naresh Gujral	Independent Director
	Mr. Dhirendra Swarup	Independent Director
	Mr. Gopal Krishna Pillai	Independent Director
	b) Others	
	Name of related parties	**Nature of relationship**
	Berger Becker Coatings Private Limited	Joint Venture of the Company
	Berger Nippon Paint Automotive Coatings Private Limited (Formerly known as BNB Coatings India Private Limted/BNB Coatings India Limited)	Joint Venture of the Company
	Jenson & Nicholson (Asia) Limited	Fellow Subsidiary
	Berger Paints (Bangladesh) Limited	Fellow Subsidiary
	Citland Commercial Credits Limited	Fellow Subsidiary
	Wang Investment Finance Private Limited	Fellow Subsidiary
	Berger Paints Provident Fund (Covered)	Post-employment benefit plan of the Company
	Berger Paints Officers (Non-Management Category) Superannuation Fund	Post-employment benefit plan of the Company

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Berger Paints Management Staff Superannuation Fund	Post-employment benefit plan of the Company
	Seaward Packaging Private Limited	Entity controlled by Key Managerial Personnel
	Flex Properties Private Limited	Entity controlled by Key Managerial Personnel
	Wazir Estates Private Limited	Entity controlled by Key Managerial Personnel
	Kay Dee Farms Private Limited	Entity controlled by Key Managerial Personnel
	Malibu Estate Private Limited	Entity controlled by Key Managerial Personnel
	Bigg Investment & Finance Private Limited	Entity controlled by Key Managerial Personnel
	Mrs. Meeta Dhingra	Spouse of Mr. K. S. Dhingra
	Mrs. Vinu Dhingra	Spouse of Mr. G. S. Dhingra
	Mrs. Jessima Kumar	Daughter of Mr. K. S. Dhingra
	Ms. Dipti Dhingra	Daughter of Mr. K. S. Dhingra
	Mrs. Sunaina Kohli	Daughter of Mr. G. S. Dhingra
	Mrs. Anshna Sawhney	Daughter of Mr. G. S. Dhingra

A. During the year the following transactions were carried out with the related parties in the ordinary course of business:

₹ in Crores

Transaction	Related Party	2016-17	2015-16
Sale of Goods	Berger Becker Coatings Private Limited	1.29	1.35
	Berger Jenson & Nicholson (Nepal) Private Limited	6.00	4.76
	Berger Nippon Paint Automotive Coatings Private Limited	17.32	3.45
	BJN Paints India Limited	2.18	2.41
	Wazir Estates Private Limited	0.07	0.03
	Berger Paints (Bangladesh) Limited	0.48	-
	Berger Paints Overseas Limited	0.39	0.67
	U K Paints (India) Private Limited	0.40	0.35
	Mr. K. S. Dhingra*	0.00	0.00
	Mr. G. S. Dhingra*	0.00	0.00
	Seaward Packaging Private Limited*	0.00	0.01
	Malibu Estate Private Limited*	-	0.00
	Bolix S.A.	0.07	-
Royalty Income	Berger Jenson & Nicholson (Nepal) Private Limited	1.93	1.50
	Berger Paints (Bangladesh) Limited	0.10	0.20
Rental Income	BJN Paints India Limited	0.03	0.03
Interest Income	BJN Paints India Limited	0.80	0.40
Purchase of Goods	U K Paints (India) Private Limited	62.24	61.30
	Berger Becker Coatings Private Limited	0.16	0.00
	Seaward Packaging Private Limited	31.20	23.30
	Berger Nippon Paint Automotive Coatings Private Limited	0.07	0.11

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Transaction	Related Party	2016-17	2015-16
Processing Charges	U K Paints (India) Private Limited	15.75	14.53
	Beepee Coatings Private Limited	24.89	23.22
	Seaward Packaging Private Limited	0.04	-
Rent Expenses	U K Paints (India) Private Limited	3.84	3.50
	Flex Properties Private Limited	0.16	0.22
	Beepee Coatings Private Limited	0.07	0.07
	Mr. K. S. Dhingra	0.19	0.19
	Mr. G. S. Dhingra	0.19	0.19
Security Deposit given	U K Paints (India) Private Limited	0.05	-
Machinery Rental Income	Beepee Coatings Private Limited	0.43	0.43
Business Transfer in relation to the 4 wheelers passenger cars and SUV, 3 wheelers and related ancillaries (Refer Note No 26)	Berger Nippon Paint Automotive Coatings Private Limited	90.00	-
Contribution to Provident Fund	Berger Paints Provident Fund (Covered)	12.70	12.76
Contribution to Superannuation Fund	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.64	0.71
	Berger Paints Management Staff Superannuation Fund	1.34	1.40
Directors' Commission & Fees	Mr. K. S. Dhingra	0.10	0.10
	Mr. G. S. Dhingra	0.10	0.10
	Mr. Kamal Ranjan Das	0.03	0.03
	Mr. Naresh Gujral	0.07	0.06
	Mr. Dhirendra Swarup	0.07	0.06
	Mr. Gopal Krishna Pillai	0.07	0.06
Short Term Loan given	BJN Paints India Limited	-	10.00
Equity Contribution	Berger Nippon Paint Automotive Coatings Private Limited	89.67	-
	Berger Paints (Cyprus) Limited	28.34	2.71
	Lusako Trading Limited	1.34	3.25
Advance towards Share application money	Berger Paints (Cyprus) Limited	0.08	13.97
	Lusako Trading Limited	0.32	3.33
Key Managerial Personnel Compensation	Mr. Abhijit Roy	2.20	1.81
	Mr. Srijit Dasgupta	1.29	1.11
	Mr. Aniruddha Sen	0.88	0.82
	Mr. Kanwardip Singh Dhingra	0.26	0.23
	Mrs. Rishma Kaur	0.27	0.24
Dividend Payment	U K Paints (India) Private Limited	47.25	43.80
	Jenson & Nicholson (Asia) Limited	14.07	13.06
	Others	11.52	10.74
Impairment in Subsidiary	Berger Paints (Cyprus) Limited	28.00	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Transaction	Related Party	2016-17	2015-16
B. Balances outstanding at the year end:			
Outstanding	**Related Party**	**2016-17**	**2015-16**
Payable	U K Paints (India) Private Limited	21.31	15.86
	Beepee Coatings Private Limited	9.19	6.52
	Seaward Packaging Private Limited	7.12	5.64
	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.05	0.07
	Berger Paints Management Staff Superannuation Fund	0.11	1.03
	Mr. Abhijit Roy	0.37	0.31
	Mr. K. S. Dhingra*	0.00	0.01
	Mr. G. S. Dhingra*	0.00	0.01
Receivable	Berger Becker Coatings Private Limited	0.20	0.32
	Berger Jenson & Nicholson (Nepal) Private Limited	2.74	2.74
	Berger Nippon Paint Automotive Coatings Private Limited	1.89	1.02
	BJN Paints India Limited (interest bearing)	18.98	19.14
	Wazir Estates Private Limited	0.02	0.01
	Berger Paints (Bangladesh) Limited	0.84	0.40
	Berger Paints (Cyprus) Limited	0.08	12.34
	Lusako Trading Limited	0.32	0.83
	Berger Paints Overseas Limited	-	2.12
	Kay Dee Farms Private Limited*	-	0.00
	Malibu Estate Private Limited*	-	0.00
	Berger Paints Provident Fund (Covered)*	-	0.00
Corporate Guarantee outstanding (Also Refer Note 33 for details of security given)	Lusako Trading Limited	247.68	253.39
	Others	5.50	6.51
C. Details of remuneration to Key Managerial Personnel is given below			
Particulars		**2016-17**	**2015-16**
- Short-term employee benefits		4.32	3.53
- Post employment benefits		0.36	0.31
- Share based payment		0.21	0.36
		4.89	**4.20**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to Note 31 for further details of the scheme.

* Refer Note 43

Notes:

Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except as otherwise mentioned.

Note 35.

Excise Duty charge for the year is net off excise duty benefit of ₹ 26.20 crores (31st March 2016: ₹ 27.65 crores)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 36 Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

a) Financial assets and liabilities measured at fair value through profit and loss at 31 March 2017

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	367.27	-	-	367.27
Investment in unquoted equity instruments	-	0.00	-	-
Financial Liabilities				
Financial Guarantee Contracts	-	-	2.94	2.94
Derivatives not designated as hedges	-	4.11	-	4.11

Financial assets and liabilities measured at fair value through profit and loss at 31 March 2016

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	299.92	-	-	299.92
Investment in unquoted equity instruments	-	0.00	-	-
Financial Liabilities				
Financial Guarantee Contracts	-	-	1.28	1.28
Derivatives not designated as hedges	-	0.40	-	0.40

Financial assets and liabilities measured at fair value through profit and loss at 1 April 2015

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	134.67	-	-	134.67
Investment in unquoted equity instruments	-	0.00	-	-
Financial Liabilities				
Financial Guarantee Contracts	-	-	2.19	2.19
Derivatives not designated as hedges	-	1.09	-	1.09

Description of significant unobservable inputs to valuation:

	Valuation technique	Significant unobservable techniques
Financial Guarantee Contracts - Also refer Note 33	DCF Method	Interest saved approach

b) **Financial instruments at amortized cost**
The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

c) During the year there has been no transfer from one level to another

d) Also refer note 16a and 16b.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 37. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans, investments, short-term deposits and cash & cash equivalents, which arise directly from its operations. The Company enters into derivative transactions by way of forward exchange contracts to hedge its payables.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by the Business Process and Risk Management Committee (BPRMC) that advises on financial risks and the appropriate financial risk governance framework for the Company. The BPRMC provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by personnel that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk , liquidity risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and financial derivative. The sensitivity analysis in the following sections relate to the position as at 31 March 2017 and 31 March 2016.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant at 31 March 2017. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations.

The following assumptions have been made in calculating the sensitivity analysis:

► The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2017 and 31 March 2016.

► The sensitivity of equity is calculated as at 31 March 2017 for the effects of the assumed changes of the underlying risk.

Interest rate risk

The Company has incurred short term debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk. Borrowing issued at fixed rates expose the Company to fair value interest rate risk. The Company's interest rate risk management policy includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt through evaluation of various bank loans and money market instruments.

Some of the Company's borrowings are index linked, that is their cost is linked to changes in the London inter-bank offer rate (LIBOR)

Although the Company has significant variable rate interest bearing liabilities at March 31, 2017, there would not be any material impact on pre-tax profit of the Company on account of any anticipated fluctuations in interest.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates of any currency. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities by way of direct imports or financing of imports through foreign currency instruments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

The Company proactively hedged its currency exposures in case of a significant movement in exchange rates for imports and in case the hedged cost of foreign currency instrument is lower than the domestic cost of borrowing in case of short term import financing.

At 31 March 2017, the Company hedged 58% (31 March 2016: 9%, 1 April 2015: 59%), for 6 months, of its expected foreign currency payables. This foreign currency risk on payables is hedged by using foreign currency forward contracts.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD/Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Company's exposure to foreign currency changes for all other currencies is not material.

₹ in Crores

		Change in USD rate(%)	Effect on profit before tax	Effect on pre-tax equity
31-Mar-17	USD	5%	(6.73)	(6.73)
	USD	(5%)	6.73	6.73
	EURO	5%	(0.08)	(0.08)
	EURO	(5%)	0.08	0.08
31-Mar-16	USD	5%	(2.73)	(2.73)
	USD	(5%)	2.73	2.73
	EURO	5%	(0.07)	(0.07)
	EURO	(5%)	0.07	0.07

Commodity price risk

The Company doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

Equity price risk

The Company does not have any investments in listed securities or in Equity Mutual Funds and thereby is not exposed to any Equity price risk.

Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored by BPRMC and corrective actions taken.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2017 and 31 March 2016 is the carrying amounts as illustrated in Note 11 except for financial guarantees and financial derivative instruments. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in Note 37 and the liquidity table below.

Liquidity risk

The Company monitors its risk of shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in Crores

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31-Mar-17						
Borrowings	29.39	85.10	-	-	-	114.49
Other financial liabilities	4.84	84.34	35.65	2.86	-	127.69
Financial Guarantee	253.18	-	-	-	-	253.18
Trade payables	1.06	726.45	-	-	-	727.51
	288.47	**895.89**	**35.65**	**2.86**	**-**	**1,222.87**
Year ended 31-Mar-16						
Borrowings	61.24	5.27	-	-	-	66.51
Financial Liabilities						
Other financial liabilities	4.23	51.22	28.93	2.14	-	86.52
Financial Guarantee	259.90	-	-	-	-	259.90
Trade payables	0.89	633.55	-	-	-	634.44
	326.26	**690.04**	**28.93**	**2.14**	**-**	**1,047.37**
As at 1 April 2015						
Borrowings	213.08	23.56	51.85	-	-	288.49
Financial Liabilities						
Other financial liabilities	3.73	30.14	23.83	1.45	-	59.15
Financial Guarantee	267.40	-	-	-	-	267.40
Trade payables	0.77	505.90	-	-	-	506.67
	484.98	**559.60**	**75.68**	**1.45**	**-**	**1,121.71**

Note 38. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company only avails short term borrowings to bridge its working capital gap and finances its capital expenditure through internal generation of funds. The company has a generally low debt equity ratio.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	31-Mar-17	31-Mar-16	1-Apr-15
Borrowings	114.49	66.51	288.49
Trade payables	727.51	634.44	506.67
Less: cash and cash equivalents	(27.16)	(25.66)	(58.33)
Net debt	**814.84**	**675.29**	**736.83**
Total capital	1,922.14	1,592.14	1,344.30
Capital and net debt	**2,736.98**	**2,267.43**	**2,081.13**
Gearing ratio	30%	30%	35%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

Note 39. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions and exceptions applied

Ind AS 101 allows first-time adopters certain exemptions and mandatory exceptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions and exceptions:

1 The Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value as on the date of transition. The written down value as per the Previous GAAP as on April 1, 2015 has been considered as the Gross Block under Ind AS for respective classes of assets in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards.

In addition, decommissioning liability measured in accordance with Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets at the date of transition has been included in the above deemed cost as per Ind AS 101- First-time adoption of Indian Accounting Standards.

2 The Company has elected to measure all of its investment in subsidiaries and joint ventures at their previous GAAP carrying value in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards.

3 The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from FVTPL – Mutual Funds and Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2015 (i.e. the date of transition to Ind-AS) and as of 31 March 2016.

4 Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards.

Note 40. Effect of the Transition to Ind AS

Reconciliations of the Company's balance sheets prepared under Indian GAAP and Ind AS as of April 1, 2015 and March 31, 2016 and reconciliation of the Company's Statement of Profit and Loss for the year ended March 31, 2016 prepared in accordance with Indian GAAP and Ind AS are presented below.

Particulars	Total Equity		Total Comprehensive Income (₹ in Crores)	Remarks
	31-Mar-16	31-Mar-15	2015-16	
Balance of Equity/Net profit under Indian GAAP	1,510.45	1,292.80	354.87	
Actuarial gains/(losses) on defined benefit plan	0.67	-	0.67	Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, were charged to the Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognised in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income(OCI) (net of tax). Thus, the employee benefit expense is lower by ₹ 0.67 crores for the year ended March 31, 2016 and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI (net of tax).
Dividend including dividend distribution tax	83.47	54.23	-	Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established. Under Previous GAAP, dividend payable is recorded as a liability in the period to which it relates. This has resulted in an increase in equity by ₹ 54.23 crores and ₹ 83.47 crores as at April 1, 2015 and March 31, 2016 respectively.
Financial Assets at amortized cost	(0.35)	(0.25)	(0.10)	Under the Previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the Security Deposit has been recognised as prepaid rent. Total equity decreased by ₹ 0.25 crores as on April 1, 2015 and by ₹ 0.35 crores as on 31 March 2016. The profit for the year as at March 31, 2016 decreased by ₹ 0.10 crores due to amortisation of the prepaid rent of ₹ 0.53 crores which is partially off set by the notional interest income of ₹ 0.43 crores recognised on security deposits.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Total Equity		Total Comprehensive Income (₹ in Crores)	Remarks
	31-Mar-16	31-Mar-15	2015-16	
Corporate Guarantee given to subsidiary	(1.28)	(2.19)	0.91	Guarantee fee in respect of corporate guarantee provided by the Company to banks for loans provided by them to a subsidiary company requires to be recognised at fair value as per IND AS 109 on Financial Instruments. On the date of transition, the difference between fair value of such guarantee fee and the actual fee charged has resulted in an increase in other financial liabilities by ₹ 2.19 crores with a corresponding decrease in retained earnings as the Company has elected to measure all its investments in subsidiaries and joint ventures at their previous GAAP carrying value in accordance with IND AS 101 first-time Adoption of Indian Accounting Standards. Subsequently, the difference between the fair value of guarantee fee provided during the year ended March 31 2016 and the actual fee charged has been added to the carrying value of investment in such subsidiary amounting to ₹ 1.28 crores with a corresponding increase in other financial liabilities. An amount of ₹ 0.91 crores has been recognised in other income resulting from cancellation of a guarantee contract and release of proportionate obligation from existing guarantee contract with a corresponding reduction in other financial liabilities. Resultant increase on profit for the year ended 31 March 2016 is ₹ 0.91 crores. Total equity has decreased by ₹ 2..19 crores and ₹ 1.28 crores as on 1 April 2015 and 31 March 2016 respectively.
Change in Fair Valuation of Mutual Funds	0.69	0.12	0.57	Under previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS Financial assets other than amortised cost are subsequently measured at fair value. Investment in mutual funds have been classified as fair value through statement of profit and loss and changes in fair value are recognised in statement of profit and loss. This has resulted in increase in retained earnings of ₹ 0.69 crore and ₹ 0.12 crore as at March 31, 2016 and April 1, 2015 respectively and increase in net profit by ₹ 0.57 crores for the year ended March 31, 2016.
Change in Fair Valuation of Derivative Instruments	0.14	0.20	(0.06)	The Company had certain outstanding foreign currency forward contracts to hedge certain of its foreign currency financial liability. Under Indian GAAP, premium/discount on forward contracts are amortised over the period of forward contract and the outstanding forward contracts are restated as at the balance sheet date. However, under Ind AS 109, the foreign currency financial assets and liabilities are restated at closing rate and the derivative contracts are fair valued by recognising the mark-to-market gain/loss on the forward contract in the Statement of Profit and Loss. Further, premium/discounts on forward contracts are charged to the Statement of Profit and Loss as and when they are incurred. Accordingly, the Company has charged off the unamortised premium on the outstanding forward contracts and fair valued the derivative contracts by recognising the mark-to-market gain/loss on the forward contract in the Statement of Profit and Loss. Consequent to this the profit for the year ended March 31, 2016 have decreased by ₹ 0.06 crores. Resultant increase in equity as on 1 April 2015 was ₹ 0.20 crores and ₹ 0.14 crores as on 31 March 2016.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Total Equity		Total Comprehensive Income (₹ in Crores)	Remarks
	31-Mar-16	31-Mar-15	2015-16	
Decommissioning Liability	(1.31)	(1.02)	(0.29)	Provision for site restoration/decommissioning liabilities has been considered for land taken on lease by the Company as per Ind-AS 37 - Provisions, Contingent liabilities and Contingent Assets. On transition to Ind AS, Property, Plant and Equipment has been increased by the present value of such provision. Consequent to this, decrease in equity is ₹ 1.31 crores as on 31 March 2016 and ₹ 1.02 crores as on 1 April 2015 and resultant decrease on profit for the year ended 31 March 2016 is ₹ 0.10 crores on account of depreciation and ₹ 0.19 crores on account of unwinding of interest on decommissioning liability
Deferred tax asset/ (liability)	0.10	0.41	(0.31)	Indian GAAP requires deferred tax accounting using the income statement approach, which measures deferred tax based on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which measures deferred tax based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On transition to IND AS , the net impact on deferred tax is of ₹ 0.10 crores as on March 31 2016 (1 April 2015 ₹ 0.41 crores). Consequent to this profit for the year ended 31 March 2016 have decreased by ₹ 0.31 crores
Net Profit as per IND AS			**356.26**	
Re-measurement gains and (losses) on defined benefit obligations reclassified as other comprehensive income net of tax	(0.44)	-	(0.44)	Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, were charged to the Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognised in the balance sheet with a corresponding debit or credit to retained earnings through OCI (net of tax). Thus, the employee benefit expense is lower by ₹ 0.67 crores for the year ended March 31, 2016 and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI amounting to ₹ 0.44 crores (net of taxes of ₹ 0.23 crores).
Balance of Equity/Total comprehensive income as on March 31, 2016 under Ind AS	**1,592.14**	**1,344.30**	**355.82**	

Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 41 Expenditure on Research & Development

₹ in Crores

	31-Mar-17	31-Mar-16
a. Details of Research & Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss is given below		
Employee Benefit Expenses	9.08	6.72
Materials consumption	0.97	0.75
Power and Fuel	0.43	0.32
Depreciation	1.75	1.25
Others	0.77	0.78
	13.00	**9.82**
b. Details of Capital expenditure incurred for Research & Development are given below		
Capital Expenditure	3.51	1.11
	3.51	**1.11**
Total	**16.51**	**10.93**

Above includes allowable expenditure under section 35(2AB) of the Income Tax Act

Capital expenditure ₹ 1.10 crores (31 March 2016 ₹ 0.45 crores)

Revenue expenditure ₹ 8.72 crores (31 March 2016 ₹ 7.20 crores)

The Company has a research & development unit situated in Howrah, Kolkata which focuses on research on new and existing paint products, reformulation for cost optimization, environment friendly products etc.

Note 42. Segment Information

The Company is engaged in the business of manufacturing and selling of paints. Based on the nature of products, production process , regulatory environment, customers and distribution methods there are no reportable segment(s) other than "Paints".

Note 43. All figures are in Rupees Crores. Figures marked with (*) are below the rounding off norm adopted by the Company.

Note 44. Details of Specified Bank Notes (SBN) held and transacted during the period November 8,2016 to December 30, 2016

(₹)

Particulars	SBNs	Other denomination notes	Total
Closing Cash in hand as on November 8, 2016	2,795,000	8,055,138	10,850,138
(+) Permitted Receipts	-	26,633,191	26,633,191
(-) Permitted payments	14,500	26,457,574	26,472,074
(-) Amount deposited in Banks	2,780,500	-	2,780,500
Closing Cash in hand as on December 30, 2016		8,230,755	8,230,755

For S.R. BATLIBOI & CO. LLP

Firm Registration Number 301003E/E300005
Chartered Accountants
per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated : May 30, 2017

For and on behalf of Board of Directors

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

FORM AOC-1

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

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

Part "A" : Subsidiaries

₹ in Crores

Sl. No.	Name of Subsidiary	Berger Jenson & Nicholson (Nepal) Private Limited	Beepee Coatings Private Limited	BJN Paints India Limited	Berger Paints (Cyprus) Limited	Lusako Trading Limited	Berger Paints Overseas Limited	Bolix S.A.	Build-Trade sp z.o.o.	Bolix Ukraine Limited Liability Company	Soltherm External Insulations Limited	Soltherm Insula-tions Ther-mique Exterieure
1.	Reporting Period	13/03/2017	31/03/2017	31/03/2017	31/12/2016	31/12/2016	31/12/2016	31/12/2016	31/12/2016	31/12/2016	31/12/2016	31/12/2016
2.	Reporting Currency	Nepalese Rupees	INR	INR	USD	USD	Russian Ruble	Polish Zloty	Polish Zloty	Ukranian hryvnia	GBP	EUR
3.	Exchange Rate as on last date of relevant Financial year in case of foreign subsidiaries	0.62	1.00	1.00	67.95	67.95	1.12	16.26	16.26	2.51	83.65	71.93
4.	Share Capital	2.16	2.50	0.05	75.18	85.43	1.56	16.26	0.08	0.20	0.25	0.04
5.	Reserves & Surplus	102.98	7.52	(9.42)	(2.85)	(68.83)	(25.23)	156.05	0.02	(1.38)	0.09	0.01
6.	Total assets	145.03	16.34	53.92	72.38	277.10	44.79	251.90	0.10	0.30	1.36	0.26
7.	Total liabilities	39.89	6.32	63.29	0.05	260.51	68.46	79.59	0.00	1.47	1.02	0.21
8.	Investments	-	0.05	-	3.37	268.62	-	0.88	0.00	-	-	-
9.	Turnover	135.32	24.90	114.99	-	-	5.36	189.70	-	1.60	3.51	0.21
10.	Profit before taxation	35.04	4.26	(2.35)	(0.38)	(6.38)	3.42	9.93	0.03	0.16	0.13	0.02
11.	Provision for taxation	7.17	1.47	-	-	-	-	1.45	0.00	-	0.06	0.01
12.	Profit after taxation	27.87	2.79	(2.35)	(0.38)	(6.38)	3.42	8.48	0.03	0.16	0.08	0.01
13.	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
14.	% of shareholding	100%	100%	99.90%	100%	100%	100%	100%	100%	99%	100%	100%

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

1. Names of subsidiaries which are yet to commence operations - Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

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

Part "B" : Associates and Joint Ventures

₹ in Crores

Sl. No.	Name of Associates / Joint Ventures	Berger Becker Coatings Private Limited	Berger Nippon Paint Automotive Coatings Privated Limited "Formely BNB Coatings India Pvt. Ltd."
		Joint Venture	**Joint Venture**
1.	Latest audited Balance Sheet Date	**31st March, 2017**	**31st March, 2017**
2.	Shares of Associate / Joint Ventures held by the company on the year end		
	i) Number	2,70,850	96,400
	ii) Amount of Investment in Associates / Joint Venture	2.71	96.04
	iii) Extent of Holding %	48.98%	49.00%
3.	Description of how there is significant influence	By way of shareholding	By way of shareholding
4.	Reasons why the associate / joint venture is not consolidated	Consolidated	Consolidated
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	43.41	104.03
6.	Profit / Loss for the year		
	i) Considered in consolidation	7.11	3.04
	ii) Not Considered in consolidation	Not Applicable	Not Applicable

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

1. Names of associates or joint ventures which are yet to commence operations - Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

For and on behalf of Board of Directors
Kuldip Singh Dhingra - Chairman
Gurbachan Singh Dhingra - Vice-Chairman
Abhijit Roy - Managing Director & CEO
Srijit Dasgupta - Director-Finance & CFO
Aniruddha Sen - Sr. Vice President & Company Secretary

Place : Kolkata
Dated : 30th May, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BERGER PAINTS INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Berger Paints India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Jointly controlled entities in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, and jointly controlled entities, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2017, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and jointly controlled entities, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

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

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and jointly controlled entities incorporated in India, none of the directors of the Group's companies, and jointly controlled entities incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, and jointly controlled entities incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and jointly controlled entities, as noted in the 'Other matter' paragraph:

    i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and jointly controlled entities – Refer Note 33 to the consolidated Ind AS financial statements;

    ii. The Group and jointly controlled entities did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India during the year ended March 31, 2017.

    iv. The Holding Company, and its subsidiaries incorporated in India, have provided requisite disclosures in Note 44 to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group and as produced to us by the Management of the Holding Company.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 10 subsidiaries and 1 jointly controlled entity, whose Ind AS financial statements include total assets of ₹ 515.90 Crores and net assets of ₹ 78.94 Crores as at March 31, 2017, and total revenues of ₹ 470.79 Crores and net cash inflows of ₹ 2.15 Crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 7.11 Crores for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of one jointly controlled entity, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the jointly controlled entity, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entity, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The transition date opening balance sheet as at April 01, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2015 dated May 29, 2015 expressed an unmodified opinion on those Consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

(c) The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 2.94 Crores for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of 1 jointly controlled entity, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these jointly controlled entity, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 55596
Place of Signature: Kolkata
Date: May 30, 2017

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

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

In conjunction with our audit of the consolidated financial statements of Berger Paints India Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Berger Paints India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

In respect of 1 jointly controlled entity, incorporated in India, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar it relates to such jointly controlled entity, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 55596
Place of Signature: Kolkata
Date: May 30, 2017

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

₹ in Crores

	Notes	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
ASSETS				
Non-current assets				
Property plant and equipment	4	950.20	766.48	708.42
Capital work-in-progress		62.21	51.06	89.79
Goodwill	4	178.90	186.46	197.13
Other intangible assets	4	6.86	9.98	14.06
Investments in joint ventures	5	104.86	47.62	41.82
Financial assets				
(a) Investments	5a	0.00	0.00	0.00
(b) Loans and deposits	5b	13.71	15.51	13.70
(c) Other financial assets	5c	3.99	11.55	2.45
Deferred tax assets (Net)	13b	0.76	0.53	0.15
Other non-current assets	6	36.28	40.80	27.27
Income tax assets (net)		14.76	7.87	3.80
		1,372.53	**1,137.86**	**1,098.59**
Foreign currency monetary item translation difference account		10.08	9.00	6.93
Current Assets				
Inventories	7	935.47	733.23	693.80
Financial assets				
(a) Investments	8a	367.27	299.92	134.67
(b) Trade receivables	8b	578.14	545.40	500.38
(c) Cash and cash equivalents	8c	45.21	41.56	73.83
(d) Bank balances other than (c) above	8d	57.24	63.77	94.13
(e) Loans and deposits	5b	11.33	4.74	5.21
(f) Other financial assets	5c	4.66	4.13	10.49
Other current assets	6	58.40	37.71	48.99
		2,057.72	**1,730.46**	**1,561.50**
TOTAL ASSETS		**3,440.33**	**2,877.32**	**2,667.02**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	97.10	69.35	69.33
Other equity	10	1,804.46	1,492.74	1,244.73
Total Equity		**1,901.56**	**1,562.09**	**1,314.06**
Liabilities				
Non-Current Liabilities				
Financial liabilities				
(a) Borrowings	14a	262.08	210.75	243.86
(b) Other financial liabilities	11	5.59	4.81	5.39
Provisions	12	4.17	3.84	3.38
Deferred tax liabilities (Net)	13a	81.45	68.36	57.32
Other non- current liabilities	15	1.24	1.14	1.00
Income tax Liabilities (net)		4.75	2.57	0.56
		359.28	**291.47**	**311.51**
Current Liabilities				
Financial liabilities				
(a) Borrowings	14a	144.13	98.79	339.65
(b) Trade payables	14b	761.20	669.87	538.17
(c) Other financial liabilities	11	154.62	154.10	75.33
Other current liabilities	15	89.82	77.58	69.31
Provisions	12	29.72	23.42	18.99
		1,179.49	**1,023.76**	**1,041.45**
Total Liabilities		**1,538.77**	**1,315.23**	**1,352.96**
TOTAL EQUITY AND LIABLITIES		**3,440.33**	**2,877.32**	**2,667.02**
Significant accounting policies	3			

The accompanying notes are an integral part of the financial statements.
As per our report on even date.

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants
per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated: May 30, 2017

For and on behalf of Board of Directors

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

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	Notes	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Income			
Revenue from operations	18	5,050.45	4,683.85
Other income	19	54.54	34.68
Total Income		**5,104.99**	**4,718.53**
Expenses			
Cost of materials consumed	20	2,283.60	2,075.45
Purchases of traded goods		433.79	414.36
(Increase)/decrease in inventories of finished goods, work-in-process and traded goods	21	(125.09)	(19.62)
Excise duty on sale of goods		498.20	460.75
Employee Benefits Expense	22	306.72	273.50
Finance Costs	23	16.22	27.28
Depreciation and Amortisation Expense	24	108.05	98.65
Other Expenses	25	934.67	834.67
Total Expense		**4,456.16**	**4,165.04**
Profit Before share of Joint Ventures, exceptional Items and Tax		**648.83**	**553.49**
Share in Profit of Joint Ventures	5	10.05	5.69
Profit Before exceptional Items and tax		**658.88**	**559.18**
Exceptional Items	26	44.20	-
Profit Before Tax		**703.08**	**559.18**
Tax Expense			
Current tax [net of (₹ 0.06 Cr.) (31 March 2016: ₹ 3.34 Cr.) relating to adjustment of tax in respect of earlier years]		214.83	176.17
Deferred Tax		14.59	12.45
		229.42	**188.62**
Profit for the year (I)		**473.66**	**370.56**
Other Comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains and (losses) on defined benefit obligations (net)		(2.42)	(1.06)
Income tax effect thereof		0.75	0.38
Share of Other comprehensive income in Joint Venture (net of tax)	5	(0.02)	0.10
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(17.25)	(13.97)
Other comprehensive income/(loss) for the year, net of tax (II)		**(18.94)**	**(14.55)**
Total comprehensive income for the year, net of tax (I + II)		**454.72**	**356.01**
Earnings per Equity Share of ₹ 1 each	27		
Basic		4.88	3.82
Diluted		4.88	3.82
Significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.
As per our report on even date.

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

per **Bhaswar Sarkar**
Partner

Membership Number : 055596
Place: Kolkata
Dated: May 30, 2017

For and on behalf of Board of Directors

Kuldip Singh Dhingra - Chairman
Gurbachan Singh Dhingra - Vice-Chairman

Abhijit Roy - Managing Director & CEO
Srijit Dasgupta - Director -Finance & CFO

Aniruddha Sen - Sr. VP & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
A. Cash flow from operating activities:		
Profit before tax	**703.08**	**559.18**
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	108.05	98.65
Loss on sale/discard of property, plant and equipment and intangible asssets	0.35	0.04
Employee stock option scheme	1.60	0.49
Profit on transfer of Company's paint division relating to 4 wheeler passenger cars and SUVs, 3 wheelers and related ancillaries (refer note 26)	(44.20)	-
Foreign Currency translation	(9.06)	(0.92)
Unrealised foriegn exchange (gain)/loss - (net)	0.07	(1.28)
Finance costs	16.22	27.28
Interest income	(4.60)	(6.92)
Net gain on sale of mutual fund investments	(26.99)	(16.81)
Fair value gain on mutual fund investments	(2.97)	(0.75)
Operating profit before working capital changes	**741.55**	**658.96**
Adjustments for :		
(Increase)/decrease in loans, deposits and other financial assets	2.12	(8.88)
Decrease in trade receivables	(33.76)	(43.74)
Decrease in other current and non current assets	(20.14)	(0.61)
Decrease in inventories	(203.16)	(39.44)
Increase in trade payables	91.51	131.71
Increase in other financial liabilities	12.23	31.70
Increase in provisions	4.21	3.82
Increase in other current and non current liabilities	12.34	8.42
(Increase)/Decrease in other Bank balances	7.13	30.86
Cash generated from operations	**614.03**	**772.80**
Direct taxes paid (net of refund)	(219.53)	(178.23)
Net cash flow from operating activities	**394.50**	**594.57**
B. Cash Flow from investing activities:		
Purchase of property plant and equipment and intangible assets including capital work in progress	(268.60)	(121.78)
Proceeds from sale of property, plant and equipment and intangible assests	4.23	4.23
Interest Received	4.70	11.73
Investment in joint venture and subsidiaries	(57.23)	(5.70)
Proceeds from transfer of Parent Company's paint division relating to 4 wheeler passenger cars and SUVs, 3 wheelers and related ancilliaries (refer note 26)	45.90	-
Purchase of current investments (net)	(37.39)	(147.69)
Net cash used in investing activities	**(308.39)**	**(259.21)**
C. Cash flow from financing activities:		
Proceeds from issuance of equity share capital	0.01	0.02
Movement in short term borrowings (net)	50.71	(231.93)
Interest paid	(16.33)	(27.24)
Dividend paid (including net dividend distribution tax)	(116.85)	(108.48)
Net cash used in financing activities	**(82.46)**	**(367.63)**
Net increase in cash and cash equivalents [A+B+C]	**3.65**	**(32.27)**
Cash & cash equivalents at the beginning of the year	**41.56**	**73.83**
Cash & cash equivalents at the end of the year	**45.21**	**41.56**

Refer Note 8c for Components of Cash and cash Equivalents
Summary of significant policies 3

The accompanying notes are an integral part of the financial statements.
As per our report on even date.

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

per **Bhaswar Sarkar**
Partner
Membership Number : 055596
Place: Kolkata
Dated: May 30, 2017

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

a. Equity Share Capital:

Equity shares of ₹ 1 each issued, subscribed and fully paid	No. of shares	₹ in Crores
As at 1 April 2015	69,32,84,120	69.33
Issue of Shares on exercise of Stock Options (Note 31)	1,93,792	0.02
As at 31 March 2016	69,34,77,912	69.35
Issue of share capital on Bonus Issue (Note 9)	27,73,91,165	27.74
Issue of Shares on exercise of Stock Options (Note 31)	1,17,570	0.01
As at 31 March 2017	97,09,86,647	97.10

b. Other equity

For the year ended 31 March 2017

Particulars	Reserves & Surplus						Items of OCI	Total Equity
	Securities Premium Account	Employee Stock Options Outstanding Account	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	Foreign Currency Translation Reserve	
As at 1st April 2016	137.50	0.83	1,065.28	0.19	302.87	0.04	(13.97)	1,492.74
Profit for the year	-	-	473.66	-	-	-	-	473.66
Other comprehensive income for the year	-	-	(1.69)	-	-	-	(17.25)	(18.94)
Total Comprehensive Income for the year	**-**	**-**	**471.97**	**-**	**-**	**-**	**(17.25)**	**454.72**
Issue of share capital on Bonus Issue (Note 9)	(27.74)	-	-	-	-	-	-	(27.74)
Exercise of share options (Note 31)	1.55	(0.82)	-	-	-	-	-	0.73
Share based payments (Note 31)	-	0.93	-	-	-	-	-	0.93
Share Options forfeited/ lapsed (Note 31)	-	(0.07)	-	-	-	-	-	(0.07)
Dividends (Note 17)	-	-	(97.09)	-	-	-	-	(97.09)
Dividend distribution tax on cash dividend (Note 17)	-	-	(19.76)	-	-	-	-	(19.76)
As at 31st March 2017	**111.31**	**0.87**	**1,420.40**	**0.19**	**302.87**	**0.04**	**(31.22)**	**1,804.46**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

For the year ended 31st March, 2016

Particulars	Reserves & Surplus						Items of OCI	Total Equity
	Securities Premium Account	Employee Stock Options Outstanding account	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	Foreign Currency Translation Reserve	
As at 1st April 2015	135.91	1.93	803.79	0.19	302.87	0.04	-	1,244.73
Profit for the year	-	-	370.56	-	-	-	-	370.56
Other comprehensive income for the year	-	-	(0.58)	-	-	-	(13.97)	(14.55)
Total Comprehensive Income for the year	-	-	**369.98**	-	-	-	**(13.97)**	**356.01**
Exercise of share options (Note 31)	1.59	(1.59)	-	-	-	-	-	-
Share based payments (Note 31)	-	0.60	-	-	-	-	-	0.60
Share Options forfeited/ lapsed (Note 31)	-	(0.11)	-	-	-	-	-	(0.11)
Dividends (Note 17)	-	-	(90.14)	-	-	-	-	(90.14)
Dividend distribution tax on Dividend (Note 17)	-	-	(18.35)	-	-	-	-	(18.35)
As at 31st March 2016	**137.50**	**0.83**	**1,065.28**	**0.19**	**302.87**	**0.04**	**(13.97)**	**1,492.74**

As per our report on even date.

For **S.R. BATLIBOI & CO. LLP**
Firm Registration Number 301003E/E300005
Chartered Accountants

per **Bhaswar Sarkar**
Partner

Membership Number : 055596
Place: Kolkata
Dated : May 30, 2017

For and on behalf of Board of Directors

Kuldip Singh Dhingra - Chairman
Gurbachan Singh Dhingra - Vice-Chairman

Abhijit Roy - Managing Director & CEO
Srijit Dasgupta - Director -Finance & CFO

Aniruddha Sen - Sr. VP & Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

1. Corporate Information

Berger Paints India Limited ('BPIL' or 'the Parent Company' or 'the Company') is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on three stock exchanges in India. The Parent Company is engaged in the manufacturing and selling of paints. The Company caters primarily to domestic market. The registered office of the Company is located at Berger House, 129 Park Street, Kolkata-700 017.

The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors on May 30, 2017.

2. Basis of Preparation

The consolidated financial statements of the Group (BPIL and its subsidiaries) for the year ended March 31, 2017 have been prepared in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended 31 March 2016, the Group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March 2017 are the first the Group has prepared in accordance with Ind AS. Refer to note 39 and 40 for information on how the Group adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3. Summary of Significant Accounting Policies

3.1. Current and Non Current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current- non current classification of assets and liabilities.

3.2. Foreign Currencies

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the respective companies included in the Group operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Group's presentation currency.

The functional currency of BPIL, Beepee Coatings Private Limited (BCPL), BJN Paints India Limited (BJNPIL), Berger Becker Coatings Private Limited (BBCPL) (Joint Venture) and Berger Nippon Paint Automotive Coatings Private Limited (BNPACPL) (Joint Venture) is Indian rupee. The functional currency of other subsidiaries included within the Group are the respective local currencies.

Transactions in foreign currencies are initially recorded in by the respective companies at spot rates at the functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.3. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.4. Use of Estimates

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

3.5. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.6. Property, Plant and Equipment

The Group has elected to adopt the carrying value of Property, Plant and Equipment under the Indian GAAP as on 1st April, 2015, as the deemed cost for the purpose of transition to IND AS.

Property, plant and equipment and capital work in progress are carried at cost of acquisition, on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 28 regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

- Plant and Machinery: 9.67 years to 21.05 years
- Motor Vehicles: 6.67 years
- Tinting Machines: Based on useful lives of 60 months
- No depreciation is provided on freehold land
- Leasehold Land and Building is amortized on a straight line basis over the tenure of respective leases

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7. Intangible Assets

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

3.8. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103, 'Business Combinations'.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the respective company's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the company.

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired; by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the respective company recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

3.9. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.10. Inventories

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

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

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

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

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

3.11. Revenue and Other Income

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Excise duty is a liability of the manufacturer irrespective of whether the goods are sold or not. Hence, the recovery of excise duty flows to the Group on its own account, and accordingly revenue includes excise duty.

However, sales tax/value added tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have passed to the buyer, on delivery of the goods or as per buyer's instruction. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Income from services

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

Interest Income recognised under Amortized cost

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

3.12. Government Grants, Subsidies and Export Benefits

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants/subsidy will be received.

When the grant or subsidy from the Government relates to revenue, it is deducted from the related expense on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs, which they are intended to compensate. When the grants relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e., by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.13. Employee Benefits

I. Defined Contribution Plan

a. Superannuation

Contribution made to Superannuation Fund for certain of employees of the Parent Company are recognised in the Statement of Profit and Loss as and when services are rendered by employees. The Parent Company has no liability for future Superannuation Fund benefits other than its contribution.

b. Provident Fund

Contributions in respect of Employees of Parent Company who are not covered by Parent Company's Employees Provident Fund Trust and in respect of other employees of the Group, are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to Statement of Profit and Loss as and when services are rendered by employees. The Group has no obligation other than the contribution payable to the Regional Provident Fund.

II. Defined Benefit Plan

a. Gratuity

Every employee who has completed five years or more of service is entitled to Gratuity as per the provisions of The Payment of Gratuity Act, 1972. Retirement Gratuity for employees of the Group, is funded through a scheme of Life Insurance Corporation of India. The costs of providing benefits under this plan are determined on the basis of actuarial valuation using the projected unit credit method at each year-end. Actuarial gains/losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. The excess / shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain / loss in the Statement of Profit and Loss. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

b. Provident Fund

In respect of the employees covered by the Parent Company's Employee Provident Fund Trust contributions to the Parent Company's Employees Provident Fund Trust (administered by the Parent Company as per the provisions of Employees' Provident Fund and Misc. Provisions Act, 1952) are made in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contribution to the Trust, the Parent Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and recognizes such obligation, if any, determined based on an actuarial valuation as at the balance sheet date, as an expense.

III. Long Term Compensated Absences

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

3.14. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs (See note 3.19). Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments (net of any incentives received from the lessor) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.15. Forward Currency Contracts

The Parent Company uses forward currency contracts to hedge its foreign currency risks. Such forward currency contracts are initially measured at fair value on the date on which a forward currency contract is entered into and are subsequently re-measured at fair value. Forward currency contracts are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in the fair value of forward contracts are recognized in the Statement of Profit and Loss as they arise.

3.16. Research and Development

Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Expenditure incurred on research of an internal project is recognised as an expense in Statement of Profit and Loss, when it is incurred.

Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use. An intangible asset arising from development is recognised if, and only if, the following criteria are met:

(a) it is technically feasible to complete the intangible asset so that it will be available for use or sale.

(b) the Company intends to complete the intangible asset and use or sell it.

(c) the Company has ability to use or sell the intangible asset.

(d) the Company can demonstrate how the intangible asset will generate probable future economic benefits.

(e) the Company has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

(f) the Company has ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on research activities is recognised in Statement of Profit and Loss as incurred.

3.17. Taxes on Income

Tax expense comprises current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

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

3.18. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Group records a provision for decommissioning costs for its certain manufacturing facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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

3.19. Borrowing Costs

Borrowing Costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs. Discount on Commercial papers is amortised over the tenor of the underlying instrument. Borrowing Costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date the asset is ready for its intended use is added to the cost of the assets. Capitalisation of Borrowing Costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

3.20. Earnings Per Share

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

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

3.21. Employees Stock Option

Stock options are granted to the employees under the stock option scheme. The cost of stock options granted to the employees (equity-settled awards) of the Parent Company is the difference between fair value of equity instruments granted and the price at which options may be exercised by concerned employees. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Parent Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

Aforesaid cost of stock options is recognised, together with a corresponding increase in Employee Stock Options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Parent Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

3.22. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

a. Debt instruments at amortised cost

b. Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost on first time adoption of Ind AS as set out in Note 40. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Group has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, investment in subsidiaries and joint ventures, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

3.23. Standards issued but not effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Group is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

3.24. Operating Segments

The Business process and Risk Management Committee of the Parent Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Group. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Group has identified that Chief Operating Decision Maker function is being performed by the Business Process and Risk Management Committee of the Parent Company. The financial information presented to the Business process and Risk Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Group. As the Group's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

3.25. Basis for Consolidation

a) Consolidated financial statements relate to Berger Paints India Limited, the Parent Company and its subsidiaries (the Group). The consolidated financial statements are in conformity with the Accounting Standard – 110 on Consolidated Financial Statements as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended and other relevant Provisions of the Companies Act , 2013 and are prepared as set out below:

i. The financial statements of the Parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after adjustments / elimination of inter-company balances, transactions including unrealized profits on inventories etc, if any.

ii. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent required and possible, in the same manner as the Parent Company's separate financial statements.

iii. The translation of the functional currencies into Indian Rupees (functional and presentation currency) of foreign subsidiaries is performed for assets and liabilities using closing exchange rates at the Balance Sheet date, for revenues, costs, and expenses using average rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of Other Comprehensive Income as Foreign Currency Translation Reserve by the Parent Company until the disposal of Investment.

iv. The excess of cost to the Parent Company of its investment in the subsidiaries over the Parent's portion of equity of the subsidiaries at the dates they became subsidiaries is recognized in the financial statements as Goodwill.

v. Joint Ventures are entities over which the Group has joint control along with third parties. Investments in Joint Ventures are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the acquisition date.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 4(a) - Property Plant and Equipment

₹ in Crores

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 31.03.2016	Additions	Deletions	Translation Difference	As at 31.03.2017	As at 31.03.2016	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land												
Freehold	12.30	0.36	-	(0.09)	**12.57**	-	-	-	-	-	**12.57**	**12.30**
Leasehold	7.55	0.99	-	-	**8.54**	**0.09**	0.10	-	-	**0.19**	**8.35**	**7.46**
Buildings												
Freehold #	300.57	78.46	(1.36)	0.51	**378.18**	**11.08**	13.16	-	(0.35)	**23.89**	**354.29**	**289.49**
Leasehold	23.97	3.25	-	-	**27.22**	**1.08**	1.03	-	-	**2.11**	**25.11**	**22.89**
Plant & Machinery ##	435.59	177.66	(5.61)	(0.47)	**607.17**	**58.57**	69.04	(3.35)	(1.58)	**122.68**	**484.49**	**377.02**
Furniture and Fixtures	22.04	5.60	(0.74)	(0.42)	**26.48**	**3.00**	5.22	(0.68)	(0.39)	**7.15**	**19.33**	**19.04**
Computer ##	25.22	16.48	(5.27)	-	**36.43**	**6.08**	9.15	(5.04)	-	**10.19**	**26.24**	**19.14**
Office Equipment	7.20	2.01	(0.32)	-	**8.89**	**1.09**	1.76	(0.32)	-	**2.53**	**6.36**	**6.11**
Vehicles	13.40	5.34	(4.35)	(0.40)	**13.99**	**0.37**	3.62	(3.16)	(0.30)	**0.53**	**13.46**	**13.03**
TOTAL	**847.84**	**290.15**	**(17.65)**	**(0.87)**	**1,119.47**	**81.36**	**103.08**	**(12.55)**	**(2.62)**	**169.27**	**950.20**	**766.48**

Note 4(b) - Goodwill

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 31.03.2016	Additions	Deletions	Translation Difference	As at 31.03.2017	As at 31.03.2016	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Goodwill^	186.46	-	-	(7.56)	**178.90**	-	-	-	-	-	**178.90**	**186.46**
TOTAL	**186.46**	**-**	**-**	**(7.56)**	**178.90**	**-**	**-**	**-**	**-**	**-**	**178.90**	**186.46**

^ Includes Goodwill on consolidation ₹ 1.06 crores (2015-16 ₹ 1.06 crores)

Note 4(c) - Other Intangible Assets

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 31.03.2016	Additions	Deletions	Translation Difference	As at 31.03.2017	As at 31.03.2016	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Computer Software	14.06	1.94	(3.28)	(0.76)	**11.96**	**4.08**	4.97	(3.19)	(0.76)	**5.10**	**6.86**	**9.98**
TOTAL	**14.06**	**1.94**	**(3.28)**	**(0.76)**	**11.96**	**4.08**	**4.97**	**(3.19)**	**(0.76)**	**5.10**	**6.86**	**9.98**

Partly on leasehold land

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(i) Included following assets (Color Bank) given under operating lease

₹ in Crores

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 31.03.2016	Additions	Deletions	Translation Difference	As at 31.03.2017	As at 31.03.2016	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Plant & Equipment	125.95	48.41	(1.51)	-	**172.85**	31.82	36.43	(0.97)	-	**67.28**	**105.56**	**94.13**
Computer	14.51	4.69	-	-	**19.20**	3.75	4.04	-	-	**7.79**	**11.41**	**10.76**
Total	**140.46**	**53.10**	**(1.51)**	**-**	**192.05**	**35.57**	**40.47**	**(0.97)**	**-**	**75.07**	**116.97**	**104.89**

(ii) Also refer Note 32

Note 4(d) - Property Plant and Equipment

₹ in Crores

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 01.04.2015	Additions	Deletions	Translation Difference	As at 31.03.2016	As at 01.04.2015	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Land												
Freehold	12.13	0.31	-	(0.14)	**12.30**	-	-	-	-	-	**12.30**	**12.13**
Leasehold	7.55	-	-	-	**7.55**	-	0.09	-	-	0.09	**7.46**	**7.55**
Buildings												
Freehold #	253.75	49.42	-	(2.60)	**300.57**	-	12.16	-	(1.08)	11.08	**289.49**	**253.75**
Leasehold	23.92	0.05	-	-	**23.97**	-	1.08	-	-	1.08	**22.89**	**23.92**
Plant & Machinery ##	357.27	84.80	(2.54)	(3.94)	**435.59**	-	62.45	(1.51)	(2.37)	58.57	**377.02**	**357.27**
Furniture and Fixtures	17.21	7.32	(1.92)	(0.57)	**22.04**	-	5.16	(1.77)	(0.39)	3.00	**19.04**	**17.21**
Computer ##	19.07	7.78	(1.63)	-	**25.22**	-	7.67	(1.59)	-	6.08	**19.14**	**19.07**
Office Equipment	4.26	3.46	(0.52)	-	**7.20**	-	1.57	(0.48)	-	1.09	**6.11**	**4.26**
Motor Cars and Other Vehicles	13.26	4.62	(3.84)	(0.64)	**13.40**	-	3.36	(2.65)	(0.34)	0.37	**13.03**	**13.26**
TOTAL	**708.42**	**157.76**	**(10.45)**	**(7.89)**	**847.84**	**-**	**93.54**	**(8.00)**	**(4.18)**	**81.36**	**766.48**	**708.42**

Note 4(e) - Goodwill

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 01.04.2015	Additions	Deletions	Translation Difference	As at 31.03.2016	As at 01.04.2015	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Goodwill^	197.13	-	-	(10.67)	**186.46**	-	-	-	-	-	**186.46**	**197.13**
TOTAL	**197.13**	**-**	**-**	**(10.67)**	**186.46**	**-**	**-**	**-**	**-**	**-**	**186.46**	**197.13**

^ Includes Goodwill on consolidation ₹ 1.06 crores (2014-15 ₹ 1.06 crores)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 4(f) - Other Intangible Assets

₹ in Crores

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 01.04.2015	Additions	Deletions	Translation Difference	As at 31.03.2016	As at 01.04.2015	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Computer Software	14.06	1.08	(0.02)	(1.06)	**14.06**	-	5.11	(0.01)	(1.02)	4.08	**9.98**	**14.06**
TOTAL	**14.06**	**1.08**	**(0.02)**	**(1.06)**	**14.06**	-	**5.11**	**(0.01)**	**(1.02)**	**4.08**	**9.98**	**14.06**

Partly on leasehold land

(i) Included following assets (Color Bank) given under operating lease

₹ in Crores

Particulars	Gross Block at Cost					Depreciation / Amortisation					Net Block	
	As at 01.04.2015	Additions	Deletions	Translation Difference	As at 31.03.2016	As at 01.04.2015	For the Year	On Deletions (Accumulated upto the date of sale)	Translation Difference	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Plant & Equipment	85.84	40.98	(0.88)	-	**125.95**	-	32.41	(0.59)	-	31.82	**94.13**	**85.84**
Computer	9.34	5.17	-	-	**14.51**	-	3.75	-	-	3.75	**10.76**	**9.34**
Total	**95.18**	**46.15**	**(0.88)**	-	**140.46**	-	**36.16**	**(0.59)**	-	**35.57**	**104.89**	**95.18**

(ii) Also refer Note 32

Note 5. Investment in Joint Ventures

The Group has a 48.98% and 49% interest in Berger Becker Coatings Private Limited and Berger Nippon Paint Automotive Coatings Private Limited respectively, which are involved in the manufacture and selling of paints. These joint ventures are private limited companies that are not listed on any public exchange. The Group's interest in joint ventures are accounted for using the equity method in the consolidated financial statements. Both the joint ventures are individually immaterial to the reporting entity. The following table illustrates the aggregate financial information relating to joint ventures as required by Ind AS 112 - Disclosure of Interest in Other entities:

₹ in crores

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Carrying amount of interest in joint ventures	104.86	47.62	41.82

₹ in crores

	31-Mar-17	31-Mar-16
Group's Share of Profit from joint ventures	10.05	5.69
Group's share of Other Comprehensive Income/(Loss) for the year from joint ventures	(0.02)	0.10
Group's share of total comprehensive income for the year from joint ventures	10.03	5.79

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 5a. Financial assets - Investments

	Number of shares					₹ in Crores		
	Nominal Value per unit	Cur-rency	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Investments (Fully Paid)								
At fair value through profit and loss (FVTPL):								
Equity Shares (Fully Paid) - Unquoted								
Shaktikunj Apartments Limited *	1	₹	1,498	1,498	1,498	0.00	0.00	0.00
Charotar Gas Company *	10	₹	10	10	10	0.00	0.00	0.00
Total Non-current Investments at cost						**0.00**	**0.00**	**0.00**
Aggregate amount of Unquoted Investments						**0.00**	**0.00**	**0.00**

* Refer Note 43

Note 5b. Financial assets - Loans and Deposits

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
(Unsecured considered good unless otherwise stated)						
Security Deposits	13.71	15.51	13.70	8.22	3.94	4.00
Other Loans	-	-	-	3.11	0.80	1.21
Total loans and deposits	**13.71**	**15.51**	**13.70**	**11.33**	**4.74**	**5.21**

Note 5c. Other Financial assets

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Bank Deposits with original maturity more than twelve months	0.11	0.17	0.14	0.05	-	-
Security Deposits	-	0.17	0.48	0.97	0.77	0.45
Loans to Related parties (refer Note 34) #	1.43	-	-	-	-	-
Advances to related parties - towards Share Application money (Refer Note 34) ##	2.45	11.21	1.83	-	-	-
Interest accrued on deposits	-	-	-	0.66	0.77	5.58
Other receivables	-	-	-	2.98	2.59	4.46
Total Other financial assets	**3.99**	**11.55**	**2.45**	**4.66**	**4.13**	**10.49**
# Berger Paints Overseas Limited	1.43	-	-			

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015			
## Bergr Paints (Cyprus) Limited	2.13	11.21	1.08			
Lusako Trading Limited	0.32	-	0.75			
	2.45	**11.21**	**1.83**			

Note 6. Other Assets

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Capital advances	10.13	14.10	12.46	-	-	-
Advances other than capital advances						
Security Deposits	0.54	0.54	0.41	-	-	-
Other Advances	-	-	-	1.81	1.32	1.43
Others						
Prepayments	3.45	3.56	2.93	10.07	8.07	12.76
Balances with statutory/ government authorities	22.16	22.60	11.47	46.52	28.32	34.80
Total Other Assets	**36.28**	**40.80**	**27.27**	**58.40**	**37.71**	**48.99**

Note 7. Inventories

(at the lower of cost and net realisable value)

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Raw Materials [including in transit - ₹ 58 crores (31st March 2016 - ₹ 42 crores, 1 April 2015 - ₹ 27 crores)]	247.01	191.30	178.71
Packing Material (Containers)	18.45	12.92	13.08
Work in process [including in transit - ₹ 2 crores (31st March 2016 - ₹ 2 crores, 1 April 2015 - ₹ 3 crores)]	58.42	49.58	47.31
Finished Goods [including in transit - ₹ 41 crores (31st March 2016 - ₹ 32 crores, 1 April 2015 - ₹ 35 crores)]	531.95	407.42	394.30
Traded goods [including in transit - ₹ 2 crores (31st March 2016 - ₹ Nil, 1 April 2015 - ₹ ₹ Nil)]	67.45	62.89	52.57
Stores and Spares	12.19	9.12	7.83
Total inventories	**935.47**	**733.23**	**693.80**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 8a. Financial assets - Investments

	Number of units				₹ in Crores		
	Nominal Value per unit	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Investments							
Investments at Fair Value Through Profit and Loss (FVTPL):							
Investments in Mutual Funds - Unquoted							
Reliance Regular Savings Fund - Debt Plan - Direct Growth Plan	10	2,82,72,744	28,27,25,278	-	66.42	60.01	-
Reliance Medium Term Fund Direct Growth	10	-	81,99,423	-	-	26.03	-
Reliance Banking & PSU Debt Fund Direct Growth	10	-	2,14,87,908	-	-	23.23	-
Birla Sunlife Cash Manager - Direct growth	10	-	8,47,098	1,143,086	-	31.58	39.10
Birla Sunlife Short Term Oppurtunities fund - Direct Growth	10	-	24,02,253	-	-	6.04	-
Kotak Low Duration Fund - Direct - Growth	10	78,901	2,87,730	-	16.02	53.28	-
ICICI Prudential Savings Fund - Direct Plan - Growth	10	3,47,336	18,60,371	-	8.75	42.65	-
Reliance Liquid Fund - Cash Plan - Direct - Dividend	10	-	98,912	-	-	10.82	-
Reliance Liquid Fund - Cash Plan - Direct - Growth	10	-	74,668	-	-	18.26	-
Birla Sunlife Cash Plus - Direct Growth	10	-	5,34,806	-	-	13.01	-
IDFC Liquid Fund - Direct - Growth	10	-	50,207	-	-	15.01	-
Birla Sunlife treasury optimizer - Direct Growth	10	-	-	1,723,029	-	-	30.06
Reliance Short term fund Direct growth	10	-	-	14,145,708	-	-	37.56
HDFC High Interest Fund - Direct growth	10	-	-	10,022,944	-	-	27.95
Birla Sunlife Floating Rate Fund Short term - Direct growth	10	11,32,335	-	-	24.56	-	-
Franklin India Low Duration Fund - Direct - Growth	10	1,48,47,574	-	-	27.76	-	-
Franklin India Short Term Income Plan - Weekly Dividend	10	10,320	-	-	3.62	-	-
Franklin India Ultra Short Term Bond Fund	10	45,74,710	-	-	10.22	-	-

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Number of units				₹ in Crores		
	Nominal Value per unit	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Franklin India Ultra Short Term Bond Fund - Direct - Growth	10	1,13,29,882	-	-	25.30	-	-
HDFC Cash Management Fund - Savings Plan - Direct	10	72,497	-	-	24.62	-	-
HDFC Liquid Fund - Direct - Growth	10	31,217	-	-	10.02	-	-
ICICI Prudential Corporate Bond Fund - Direct plan - Growth	10	1,46,04,133	-	-	38.43	-	-
Kotak Income Opportunity fund - Direct plan	10	1,71,32,765	-	-	31.98	-	-
Reliance Corporate Bond Fund - Direct - Growth	10	2,71,45,000	-	-	36.56	-	-
Reliance Money Manager Fund - Direct - Growth	10	77,918	-	-	17.74	-	-
UTI Money Market Fund - Institutional - Direct - Growth	10	1,38,508	-	-	25.27	-	-
Aggregate amount of Unquoted Investments					**367.27**	**299.92**	**134.67**
Aggregate amount of Repurchase price of Unquoted Investments					**367.27**	**299.92**	**134.67**

Investments at fair value through Profit and Loss reflect investment in unquoted mutual funds. Refer Note 36 for determination of their fair value.

Note 8b. Trade Receivables

(Unsecured)

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Considered good	578.14	545.40	500.38
Doubtful	12.24	3.38	6.99
	590.38	548.78	507.37
Provision for doubtful receivables	(12.24)	(3.38)	(6.99)
Total trade receivables	**578.14**	**545.40**	**500.38**

* Includes debts due from private limited companies in which Directors of the Company are Directors			
Berger Becker Coatings Private Limited	0.20	0.32	0.43
Berger Nippon Paint Automotive Coatings Private Limited (Formerly BNB Coatings India Pvt. Ltd./BNB Coatings India Ltd.)	1.89	1.02	1.89
Wazir Estates Pvt. Ltd.*	0.02	0.01	0.00
Kay Dee Firms Pvt. Ltd.*	-	0.00	0.00
Malibu Estate Pvt. Ltd.*	-	0.00	0.00

Trade receivables are non-interest bearing and generally has credit period from 30 to 90 days.

For terms and conditions relating to related party receivables, refer Note 34.

* Refer Note 43

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 8c. Cash and Cash Equivalents

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Balances with banks:			
– On current accounts	30.58	26.40	34.05
– Deposits with original maturity of less than three months	0.15	0.28	37.55
Cheques/drafts on hand	13.79	14.08	1.34
Cash on hand	0.69	0.80	0.89
Total Cash and Cash Equivalents	**45.21**	**41.56**	**73.83**

Note 8d. Bank balances other than 8(c) above.

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Other bank balances:			
– Margin Money deposit *	0.04	0.09	-
– Balance with banks in Unpaid Dividend Account	4.84	4.23	3.73
– Deposits with original maturity of not less than three months but less than twelve months	52.33	59.45	90.40
Earmarked balances	0.03	-	-
Total Bank balances other than 8(c) above	**57.24**	**63.77**	**94.13**

* Margin money deposits are subject to first charge against the Bank Guarantees issued by the Parent Company.

Note - 9. Equity Share Capital

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Authorised Capital			
1,100,000,000 Equity Shares of ₹1 each (March 31, 2016: 750,000,000 Equity Shares of ₹ 1 each; April 1, 2015: 750,000,000 Equity Shares of ₹ 1 each)	110.00	75.00	75.00
Issued Capital			
971,078,127 Equity Shares of ₹ 1 each fully paid up (March 31, 2016: 693,569,392 Equity Shares of ₹ 1 each fully paid up; April 1, 2015: 693,375,600 Equity Shares of ₹ 1 each fully paid up)	97.11	69.36	69.34
	97.11	**69.36**	**69.34**
Subscribed and Paid-up Capital			
970,986,647 Equity Shares of ₹ 1 each fully paid up (March 31, 2016: 693,477,912 Equity Shares of ₹ 1 each fully paid up; April 1, 2015: 693,284,120 Equity Shares of ₹ 1 each fully paid up)	97.10	69.35	69.33
	97.10	**69.35**	**69.33**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

a) The Reconciliation of shares capital is given below:

	As at 31-Mar-2017		As at 31-Mar-2016	
	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
At the beginning of the year	69,34,77,912	69.35	69,32,84,120	69.33
Add: Shares issued on exercise of Employee Stock Options (Refer Note 31)	1,17,570	0.01	1,93,792	0.02
Add: Bonus Shares issued and allotted during the year [Refer Note (f) below]	27,73,91,165	27.74	-	-
At the end of the year	**97,09,86,647**	**97.10**	**69,34,77,912**	**69.35**

b) Terms/Rights attached to class of shares

The Parent Company has only one class of Equity Shares having a par value of ₹ 1 each. Holder of each Equity Share is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Equity Shares held by the Holding Company and/or the subsidiaries/associates of Holding Company

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-April-2015
U K Paints (India) Limited (Holding Company)	48,65,45,399	33,72,55,608	33,67,97,404
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	10,04,69,130	10,04,69,130
Citland Commercial Credits Limited	3,09,15,659	2,20,82,614	2,23,22,614
Wang Investment Finance Pvt. Ltd.	2,98,10,580	2,12,93,272	2,14,18,272
Bigg Investment & Finance Pvt. Ltd.	79,52,420	56,80,300	56,80,300

d) Details of Shareholders holding more than 5 percent of Equity Shares in the Parent Company

	As at 31-Mar-2017		As at 31-Mar-2016		As at 01-April-2015	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
U K Paints (India) Limited (Holding Company)	48,65,45,399	50.11%	33,72,55,608	48.63%	33,67,97,404	48.58%
Jenson & Nicholson (Asia) Limited, UK	14,06,56,782	14.49%	10,04,69,130	14.49%	10,04,69,130	14.49%
Nalanda India Fund Limited	5,07,49,406	5.23%	3,62,49,576	5.23%	3,62,49,576	5.23%

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

e) Shares reserved for issue under Employee Stock Options:

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Parent Company, refer Note 31.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

f) Fully paid up equity shares alloted by way of bonus shares :

277,391,165 (March 31, 2016: Nil; April 1, 2015:Nil) Bonus shares were issued and alloted during the year by the Parent Company to the eligible members of the Parent Company holding ordinary shares of ₹ 1 each (ratio 2 : 5) by capitalizing ₹ 27.74 Crores out of the sum standing to the credit of Parent Company's Securities Premium Account. The above had been approved by the shareholders of the Parent Company on 19th July, 2016 and record date was fixed as 18th July, 2016.

Note - 10. Other Equity

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Reserves & Surplus			
Share premium	111.31	137.50	135.91
Retained earnings	1,420.40	1,065.28	803.79
General Reserve	302.87	302.87	302.87
Other Reserves			
Employee Stock Options outstanding	0.87	0.83	1.93
Capital reserve	0.19	0.19	0.19
Capital redemption reserve	0.04	0.04	0.04
Items of OCI			
Foreign Currency Translation Reserve	(31.22)	(13.97)	-
Total other equity	**1,804.46**	**1,492.74**	**1,244.73**

Capital redemption reserve - Represents the amount transferred, for a sum equal to the face value of equity shares, at the time of buy-back of shares.

Employee Stock Options outstanding - The Parent Company has two share option schemes under which options to subscribe for the Parent Company's shares have been granted to specific employees net of options exercised by concerned employees.

The Employee Stock Options outstanding reserve is used to recognise the value of equity-settled share-based payments provided to employees as part of their remuneration. Refer to Note 31 for further details of these plans.

Securities Premium Account - Premium received on equity shares issued are recognised in the securities premium account net of utilization for bonus share issue etc.

Foreign Currency Translation Reserve - Represents exchange difference on translation of financial statements of foreign subsidiaries.

General Reserve - Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid capital of the company for that year, the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Retained Earnings - Retained earnings includes surplus in the Statement of Profit and Loss, Ind-AS related adjustments as on the date of transition, re-measurement gains / losses on defined benefit plans and Revaluation Reserve amounting to ₹ 0.83 crores (March 31, 2016: ₹ 0.83 crores, April 1, 2015: ₹ 0.83 crores) created on revaluation of Leasehold Land, Freehold Land and Freehold Building of the Parent Company in 1989, 1985 and 1993 done by approved valuers. The aforementioned revaluation reserve is not a free reserve as per the Companies Act, 2013 and hence is not available for distribution as dividend.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 11. Other Financial Liabilities

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Current maturities of long term debt	-	-	-	-	44.87	0.76
Interest accrued but not due on borrowings	-	-	-	0.91	1.02	0.97
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	-	-	-	4.84	4.23	3.72
Others						
- Deposits	5.16	4.36	3.94	37.31	29.86	23.76
- Capital Creditors	-	-	-	50.06	16.61	14.80
- Accrued Employee Liabilities	-	-	-	35.07	35.24	16.11
Derivatives not designated as hedges						
- Foreign Exchange Forward Contracts	-	-	-	4.11	0.40	1.09
Other Payables	0.43	0.45	1.45	22.32	21.87	14.12
Total other financial liabilities	**5.59**	**4.81**	**5.39**	**154.62**	**154.10**	**75.33**

Foreign exchange forward contracts

The Parent Company has entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of borrowings and payables. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Note 12. Provisions

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Provision for Employee Benefits						
- Provision for Gratuity (Refer Note 30)	-	-	-	4.40	3.50	3.23
- Provision for Leave Encashment	1.46	1.33	1.06	13.75	11.35	10.84
- Provisions for Housing Fund & Warranty [Refer Note (a) & (b) below]	-	-	-	5.90	3.40	2.56
- Provision for Decommissioning Cost [Refer Note (c) below]	2.71	2.51	2.32	-	-	-
- Others	-	-	-	5.67	5.17	2.36
	4.17	**3.84**	**3.38**	**29.72**	**23.42**	**18.99**
(a) Housing Fund						
At the beginning of the year				3.10	2.30	
Arisen during the year				2.10	1.24	
Utilized during the year				-	(0.44)	
At the end of the year				**5.20**	**3.10**	
Provision for housing fund cost has been recognised in compliance with Sec 41 of Nepal Labour Act, 2048.						

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
(b) Warranty Provision						
At the beginning of the year				0.30	0.26	
Arisen during the year				0.40	0.04	
Utilized during the year				-	-	
At the end of the year				**0.70**	**0.30**	
A provision for guarantees is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.						
(c) Provision for Decommissioning Cost						
At the beginning of the year	2.51	2.32				
Arisen during the year	-	-				
Interest unwinding for the year	0.20	0.19				
At the end of the year	**2.71**	**2.51**				
Provision for decommissioning cost has been recognised towards decommissioning/dismantling costs associated with Parent Company's factories constructed by the Parent Company on leasehold lands.						

Note 13a. Deferred Tax Assets & Liabilities

₹ in Crores

Nature - (Liability) / Asset	Statement of Profit and Loss		Balance Sheet		
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	1-Apr-15
Deferred Tax Liabilities					
Arising out of temporary differences in depreciable assets	(11.54)	(8.57)	76.96	66.40	59.24
Difference in valuation method of Inventories	(0.00)	0.02	0.04	0.04	0.06
Expenses claimed for tax purposes on payment basis	(5.51)	(4.08)	9.59	4.08	-
Total (A)	**(17.05)**	**(12.63)**	**86.59**	**70.52**	**59.30**
Deferred Tax Assets					
On expenses allowable against taxable income in future years	(3.00)	(0.27)	4.48	1.48	1.22
Financial Assets at Fair Value through Profit and Loss	0.91	0.44	(1.03)	(0.12)	0.32
Decommissioning Liability	(0.11)	(0.10)	0.56	0.45	0.35
Others	(0.14)	(0.03)	0.26	0.12	0.09
Others through Other Comprehensive Income	(0.64)	(0.23)	0.87	0.23	-
Total (B)	**(2.98)**	**(0.19)**	**5.14**	**2.16**	**1.98**
Deferred Tax (expenses)/Income (A-B)	**(14.07)**	**(12.44)**			
Net Deferred Tax (Liabilities)/Assets (B-A)			**(81.45)**	**(68.36)**	**(57.32)**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

During the year ended 31 March 2017 and 31 March 2016, the Parent Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Parent Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence DDT paid is charged to equity.

Note 13b. Deferred Tax Assets & Liabilities

₹ in Crores

	Statement of Profit and Loss		Balance Sheet		
Nature - (Liability) / Asset	**31-Mar-17**	**31-Mar-16**	**31-Mar-17**	**31-Mar-16**	**1-Apr-15**
Deferred Tax Liabilities					
Arising out of temporary differences in depreciable assets	(0.01)	0.06	0.42	0.41	0.47
Total (A)	**(0.01)**	**0.06**	**0.42**	**0.41**	**0.47**
Deferred Tax Assets					
On expenses allowable against taxable income in future years	(0.13)	(0.16)	0.91	0.78	0.62
Others through Other Comprehensive Income	(0.11)	(0.15)	0.27	0.16	-
Total (B)	**(0.24)**	**(0.31)**	**1.18**	**0.94**	**0.62**
Deferred Tax (expenses)/Income (A-B)	**0.23**	**0.37**			
Net Deferred Tax (Liabilities)/Assets (B-A)			**0.76**	**0.53**	**0.15**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2016 and 31 March 2017:

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporate tax in India (34.608%) as follows:

₹ in Crores

	Year Ended 31-Mar-2017	Year Ended 31-Mar-2016
Accounting Profit before income tax (before share of profit from J/V)	693.03	553.49
Profit before income tax multiplied by standard rate of corporate tax in India of 34.608% (31 March 2016: 34.608%)	239.84	191.55
Effects of:		
Permanent differences affecting income tax expense:		
Additional deduction allowed in respect of R&D activities carried out by the company	(4.61)	(3.46)
Difference in tax on exceptional item (sale of business)	(10.00)	-
Allowance for capital expenditure u/s 32AC	(8.71)	(4.08)
Disallowance of exceptional item (impairment)	9.69	-
Effect of different tax rates in the components	1.20	1.30
Other miscellaneous disallowances	1.26	2.93
Net effective income tax	**228.67**	**188.24**
Income tax expense reported in the Statement of Profit and Loss	229.42	188.62
Income tax expense reported in Other Comprehensive Income	(0.75)	(0.38)
	228.67	**188.24**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

The Subsidiaries have unused tax losses which arose on incurrence of business losses and unabsorbed depriciation under the respective tax loss for which no deferred tax asset has been recognised in the Balance Sheet. Refer table below:

Financial Year	Particulars	31-Mar-17	Expiry Date	31-Mar-16	Expiry Date
2011-12	Business Loss	-	-	6.64	Dec 2016
2012-13	Business Loss	6.22	Dec 2017	6.29	Dec 2017
2013-14	Business Loss	5.86	Dec 2018	5.94	Dec 2018
2014-15	Business Loss	6.08	Dec 2019	6.15	Dec 2019
2014-15	Business Loss	3.01	Mar 2022	3.01	Mar 2022
2014-15	Unabsorbed Depreciation	0.89	NA	0.89	NA
2015-16	Business Loss	5.79	Dec 2020	5.86	Dec 2020
2016-17	Business Loss	0.89	Dec 2021	-	-

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of the subsidiaries for which deferred tax liabilities have not been recognised is ₹ 110.51 crores (2015-16: ₹ 80.08 crores). No liability has been recognised in respect of these differences because management controls the distributions of the earnings of the subsidiaries to the holding company and it has no intention to distribute the earnings of the subsidiaries.

Note 14a. Borrowings

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Secured						
Term Loan	259.59	208.49	241.17	-	-	-
Loans repayable on demand						
From Banks						
Bank Overdraft	-	-	-	5.19	7.88	20.33
Cash credit	-	-	-	30.51	61.69	213.81
Buyers' Credit (in foreign currency)	-	-	-	84.29	5.27	75.41
Long term maturity of finance lease obligations	2.49	2.26	2.69	-	-	-
Other Loans	-	-	-	24.14	23.87	30.10
Unsecured						
Loans & advances from related parties	-	-	-	-	0.08	0.00
	262.08	**210.75**	**243.86**	**144.13**	**98.79**	**339.65**

Term Loan from banks are secured by a charge by way of mortgage on some specific fixed assets

Term loan of ₹ 140.67 crores (2015-16: ₹ 109.83 crores) is repayable by 6th June 2021 and carries interest of 3 month LIBOR + 140 Basis points

Term loan of ₹ 118.92 crores (2015-16: ₹ 98.66 crores) is repayable by 14th April 2018 and carries interest of 6month LIBOR + 140 Basis points

Cash Credits from banks are secured by way of first charge on book debts and current assets ranking pari passu between the lenders (first *pari passu* charge over entire current assets). Cash Credit is repayable on demand and carries interest at 8%-10% per annum (31-March-2016: 8%-11% per annum; 01-April-2015: 8.5%-14.5%)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

The buyers' credit is repayable in six months and carries interest at LIBOR + 0.25% (31 March 2016: LIBOR + 0.25%) and is secured by hypothecation of stocks and book debts, both present and future.

Note 14b. Trade Payables

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Acceptances	111.93	148.21	120.33
Other than Acceptances			
- Total outstanding dues of Micro, Small & Medium Enterprises (See Note below)	11.25	3.93	2.05
- Total outstanding dues of creditors other than Micro, Small & Medium Enterprises	638.02	517.73	415.79
	761.20	**669.87**	**538.17**
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under to the extent the Company has received intimation from the suppliers regarding their status under the Act.			
Principal amount remaining unpaid at the end of the year	10.17	3.04	1.28
Interest due thereon remaining unpaid at the end of the year	1.08	0.89	0.77
	11.25	**3.93**	**2.05**
Delayed payment of Principal amount paid beyond appointed date during the entire financial year	16.48	15.39	6.60
Interest actually paid under Section 16 of the Act during the entire accounting year	-	-	-
Amount of Interest due and payable for the period of delay in making the payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	-	-	-
Amount of Interest due and payable for the period (where principal has been paid but interest under the MSMED Act not paid)	0.17	0.11	0.05
Interest accrued and remaining unpaid at the end of the year	0.18	0.12	0.06
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises for the purpose of disallowances as deductible expenditure under Section 23 of this Act	1.08	0.89	0.77

Terms and conditions of the above trade payables:

Trade payables are non interest bearing and are normally settled on 45-60 day terms

For terms and conditions with related parties, refer to Note 34

Note 15. Other liabilities

₹ in Crores

	Non-Current			Current		
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Others						
Advance from customers	-	-	-	12.59	10.76	10.51
Statutory liabilities	-	-	-	75.99	65.94	56.99
Other liabilities	1.24	1.14	1.00	1.24	0.88	1.81
	1.24	**1.14**	**1.00**	**89.82**	**77.58**	**69.31**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 16a. Financial Assets

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Financial Assets - Non Current			
At Fair Value through profit or loss			
Investments *	0.00	0.00	0.00
At Amortised Cost			
(a) Loans and Deposits	13.71	15.51	13.70
(b) Other Financial Assets	3.99	11.55	2.45
	17.70	**27.06**	**16.15**
At Deemed Cost / Subsequent Additions at cost			
Investments in Joint Ventures	104.86	47.62	41.82
Total Non Current Financial Assets (a)	**122.56**	**74.68**	**57.97**
Financial Assets - Current			
At fair value through profit or loss			
Investments	367.27	299.92	134.67
At Amortised Cost			
(a) Loans and Deposits	11.33	4.74	5.21
(b) Cash and Cash Equivalents	45.21	41.56	73.83
(c) Bank balances other than (b) above	57.24	63.77	94.13
(d) Trade receivables	578.14	545.40	500.38
(e) Other financial assets	4.66	4.13	10.49
Total Current Financial Assets (b)	**1,063.85**	**959.52**	**818.71**
Total Financial Assets (a + b)	**1,186.41**	**1034.20**	**876.68**

Note 16b. Financial Liabilities

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
Financial Liabilities - Non Current			
At Amortised Cost			
(a) Borrowings	262.08	210.75	243.86
(a) Other Financial Liabilities	5.59	4.81	5.39
Total Non Current Financial Liabilities (a)	**267.67**	**215.56**	**249.25**
Financial Liabilities - Current			

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
At fair value through profit and loss			
Other Financial Liabilities			
- Foreign exchange forward contracts	4.11	0.40	1.09
At Amortised Cost			
(a) Borrowings	144.13	98.79	339.65
(b) Trade Payables	761.20	669.87	538.17
(c) Other financial liabilities			
Current maturities of long term debt	-	44.87	0.76
Interest accrued but not due on borrowings	0.91	1.02	0.97
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	4.84	4.23	3.72
Others			
Deposits	37.31	29.86	23.76
Capital Creditors	50.06	16.61	14.80
Accrued Employee Liabilities	35.07	35.24	16.11
Other Payables	22.32	21.87	14.12
Total Current Financial Liabilities (b)	**1,059.95**	**922.76**	**953.15**
Total Financial Liabilities (a + b)	**1,327.62**	**1,138.32**	**1,202.40**

* Refer Note 43

Note 17. Distribution made and proposed

₹ in Crores

	As at 31-Mar-2017	As at 31-Mar-2016
Cash dividends on Equity shares declared and paid:		
Interim dividend for 31 March 2017 - ₹ Nil per share (31st March 2016 - ₹ 0.65 per share)	-	45.08
DDT on interim dividend	-	9.18
Final dividend for 31 March 2016 - ₹ 1 per share (1st April 2015 - ₹ 0.65 per share)	97.09	45.06
DDT on final dividend	19.76	9.17
	116.85	**108.49**
Proposed dividends on Equity shares:		
Final cash dividend for 31 March 2017- ₹ 1.75 per share (31st March 2016 - ₹ 1 per share)	169.93	97.09
DDT on proposed dividend	34.59	19.76
	204.52	**116.85**

As at March 31 2017, proposed dividend on equity shares are subject to approval in the ensuing Annual General meeting. Consequently, such proposed dividend and dividend distribution tax thereon have not been recognised in these financial statements.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 18. Revenue from Operations

₹ in Crore

	31-Mar-17	31-Mar-16
Sale of Products (including excise duty)	5,033.60	4,668.95
Other Operating revenue		
Scrap Sales	9.21	9.76
Others	7.64	5.14
Total	**5,050.45**	**4,683.85**

Sale of products includes excise duty collected from customers amounting to ₹ 498.20 Crs (31 March 2016 : ₹ 460.75 Crs).

Note 19. Other Income

₹ in Crores

	31-Mar-17	31-Mar-16
Interest Income from financial assets		
Deposits with banks	4.60	6.92
Other non operating income		
Net gain on sale of Mutual Fund Investments	26.99	16.81
Fair value gain on Mutual Fund Investments	2.97	0.75
Foreign Exchange Gain (net)	1.72	-
Others	18.26	10.20
	54.54	**34.68**

Note 20. Cost of materials consumed

₹ in Crores

	31-Mar-17	31-Mar-16
Raw Materials Consumed		
Opening Stocks	191.30	178.71
Add: Purchases	1,998.03	1,777.67
Less: Closing stock	(247.01)	(191.30)
	1,942.32	**1,765.08**
Packing Material Consumed		
Opening Stocks	12.92	13.08
Add: Purchases	346.81	310.21
Less: Closing stock	(18.45)	(12.92)
	341.28	**310.37**
Cost of Raw materials consumed	**2,283.60**	**2,075.45**

Also refer Note no. 41 for expenses on Research and Development.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 21. Increase/(Decrease) in inventories of finished goods, work-in-process and traded goods

₹ in Crores

	31-Mar-17	31-Mar-16
Opening Stock		
Work-in-Process	49.58	47.31
Finished Goods	407.42	394.30
Traded Goods	62.89	52.57
	519.89	**494.18**
Closing Stock		
Work-in-Process	58.42	49.58
Finished Goods	531.95	407.42
Traded Goods	67.45	62.89
	657.82	**519.89**
Consumed in painting contracts/Others	(3.00)	(5.63)
(Increase)/Decrease in Excise Duty on Stock of Finished Goods	**15.84**	**11.72**
Increase/(Decrease) in inventories of finished goods, work-in-process and traded goods	**(125.09)**	**(19.62)**

Excise duty charge for the year is net off excise duty benefit of ₹ 26.20 crores (31 March 2016 ₹ 27.65 crores)

Note 22. Employee Benefit Expense

₹ in Crores

	31-Mar-17	31-Mar-16
Salaries and Wages	263.85	233.86
Contribution to Provident and Other Funds (Refer Note 30)	19.86	19.44
Expense on Employee Stock Option Scheme (Refer Note 31)	1.60	0.49
Staff Welfare Expenses	21.41	19.71
	306.72	**273.50**

Note 23. Finance Costs

₹ in Crores

	31-Mar-17	31-Mar-16
Interest on debts and borrowings	16.02	27.09
Unwinding of discount on provisions (Refer Note 12)	0.20	0.19
	16.22	**27.28**

Note 24. Depreciation and amortization expense

₹ in Crores

	31-Mar-17	31-Mar-16
Depreciation of tangible assets (Note 4)	103.08	93.54
Amortization of intangible assets (Note 4)	4.97	5.11
	108.05	**98.65**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 25. Other Expense

₹ in Crores

	31-Mar-17	31-Mar-16
Freight, Octroi and Delivery	320.86	289.79
Power and Fuel	43.79	42.15
Consumption of stores and spare parts	7.99	6.23
Repairs to Building	15.49	16.23
Repairs to Machinery	5.26	3.33
Repairs to Others	5.19	5.61
Rent (Refer Note 32)	47.30	40.42
Rates and Taxes	12.05	11.32
Travelling	47.92	42.87
Advertisement and Sales Promotion Expenses	241.34	207.77
Insurance	3.70	3.86
Processing Charges	18.88	17.79
Directors' Fees	0.01	0.01
Foreign Exchange Loss (net)	0.00	9.74
Commission to Non-Executive Directors	0.43	0.41
Loss on sale/discard of Property, plant and equipment and intangible assets	0.35	0.04
Audit Fees (Refer Note 25.1)	0.51	0.48
CSR expenditure (Refer Note 25.2)	8.18	4.38
Other Expenses #	155.42	132.24
	934.67	**834.67**

(#) Includes Provision for doubtful debts ₹ 8.86 Crores {2015-16: ₹ (3.61) Crores}
Also refer note no 41 for expenses on research and development

Note 25.1 Auditor's Remuneration

₹ in Crores

	31-Mar-17	31-Mar-16
As Auditor:		
Audit fees	0.28	0.28
Tax audit fee	0.04	0.04
Miscellaneous Certificates and Other Matters	0.16	0.12
Reimbursement of expenses	0.03	0.04
	0.51	**0.48**

Note 25.2 Details of CSR expenditure:

₹ in Crores

	31-Mar-17	31-Mar-16
(a) Gross amount required to be spent by the group during the year	8.45	6.79

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Crores

	31-Mar-17	31-Mar-16
(b) Amount spent during the year:		
(i) Construction/Acquistion of an asset		
(ii) Purposes other than (i) above	8.18	4.38
Total	**8.18**	**4.38**

Corporate Social Responsibility expenses ₹ 8.18 Crores (2015-16: ₹ 4.38 Crores) includes Company's own programme for promoting employment enhancing vocational skill programme named 'iTrain'.

Note 26. Exceptional Items

₹ in Crores

	31-Mar-17	31-Mar-16
Profit on transfer of Company's paint division relating to 4 wheeler passenger cars and SUVs, 3 wheelers and related ancillaries	44.20	-
	44.20	**-**

In the consolidated statement, as per the IND AS, the realized gain on slump sale to BNB Coatings India Private Limited (now renamed, Berger Nippon Paint Automotive Coatings Private Limited or "BNPAC"), an existing Joint Venture between Berger Paints India Limited and Nippon Paints Automotive Coatings Co. Ltd., Japan to the extent of 51% being borne by a third party investor has been recognised under the equity method in the share of the consolidated profit for the year, with a corresponding reduction of 49% in the carrying amount of the investment in the consolidated balance sheet.

Note 27. Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	2016-17	2015-16
Net Profit for calculation of Basic and Diluted Earnings Per Share (₹ in crores) (I)	473.66	370.56
Weighted average number of shares (II)		
- Basic	97,09,18,392	97,07,81,269
- Diluted (#)	97,10,59,627	97,08,68,054
Earning per equity share [nominal value of ₹ 1 per share] [(I)/(II)]		
- Basic	4.88	3.82
- Diluted	4.88	3.82
(#) Effect of dilution:		
Weighted average number of equity shares in calculating Basic Earnings Per Share	97,09,18,392	97,07,81,269
Dilution - Stock options granted under ESOP	1,41,235	86,785

Weighted average number of equity shares in calculating diluted EPS	97,10,59,627	97,08,68,054

Note 28. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. In the process of applying the Group's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the Financial Statements.

Defined Employer Benefit plans

The cost and the present value of the defined benefit gratuity plan and other post-employment leave encashment benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of appropriate discount rate, estimating future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. For further details refer Note 30.

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 for further disclosures.

Depreciation on Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Decommissioning Liability

Decommissioning Liability has been recognised for items of property, plant and equipment built or installed on specified leasehold land the terms of which said leases include decommissioning of such assets on expiry of the lease prior to handing over to the lessor. The decommissioning costs as at the end of the lease period have been estimated based on current costs by the Parent Company's own technical experts and have been escalated to the end of the leasehold period using suitable inflation factors. The said esclated cost as at the end of the lease period is now discounted to the present value of such liability by applying Parent Company's weighted average cost of capital.

Impairment test for Goodwill

Goodwill majorly represents goodwill in the books of Bolix S.A, a wholly owned subsidiary of Lusako Trading Limited (Wholly owned subsidiary of the parent company). Bolix S.A. along with its subsidiaries manufactures two primary lines of products: wet products (acrylic plasters, sold as ready to be used) and dry products (mineral plasters, ready to be used after the addition of water). Each type of product is produced using separate machinery. However, groups of customers (wholesalers) are essentially the same for both types of products, the final users of the products are similar and the products are sold by the same sales teams and through the same distribution network. As a result, Bolix S.A. treats entire enterprise as the separate group of assets generating cash flows.

The recoverable amount of the cash generating unit is based on a calculation of value in use. This calculation uses cash flow projections based on the five-year financial projection. The average annual growth in cash flows during the forecast period is 1.3%. When estimating the

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

cash flows for the years not covered by the projection, it is assumed to maintain cash flows for 2020 in the year 2021 and a nil growth rate after 2020. A pre-tax discount rate of 9.8% has been used in discounting the future cash flows.

Underlying estimates of future cash flows are based on a number of assumptions, for which even a slight change can have a significant impact on the result of the financial projections and results of the impairment test. The most important of these is the trend of economic growth, the state policy in the field of thermo-modernization subsidies and a demand from key customers of Bolix S.A.

Value in use of the enterprise determined by Bolix S.A. using methodology described above, is higher by ₹ 40.83 crores than the net value of non-current assets in the amount of ₹ 0.20 crores.

The net level of the discount rate, at which value in use of the enterprise is equal to the net value of non-current assets, which constitute its part is 9.4%.

Based on the results of the performed test, the impairment for goodwill has not been recognized.

Note 29. Information related to subsidiaries and joint venture

The subsidiaries considered in the consolidated financial statements are as follows:

Name of Company	Country of Incorporation	% voting power as at March 31, 2017	% voting power as at March 31, 2016	% voting power as at April 1, 2015	Accounting period
Direct subsidiaries					
Berger Jenson & Nicholson (Nepal) Private Limited	Nepal	100%	100%	100%	14th March - 13th March
Beepee Coatings Private Limited	India	100%	100%	100%	1st April - 31st March
Berger Paints (Cyprus) Limited	Cyprus	100%	100%	100%	1st January - 31st December
Lusako Trading Limited	Cyprus	100%	100%	100%	1st January - 31st December
Indirect subsidiaries					
BJN Paints India Limited (100% Subsidiary of Beepee Coatings Private Limited)	India	100%	100%	100%	1st April - 31st March
Berger Paints Overseas Limited [100% Subsidiary of Berger Paints (Cyprus) Limited]	Russia	100%	100%	100%	1st January - 31st December
Bolix S.A. (100% Subsidiary of Lusako Trading Limited)	Poland	100%	100%	100%	1st January - 31st December
Build-Trade sp. z.o.o. (100% Subsidiary of Bolix S.A.)	Poland	100%	100%	100%	1st January - 31st December
Bolix UKRAINA sp. z.o.o. (99% Subsidiary of Bolix S.A.)	Ukraine	100%	100%	100%	1st January - 31st December
Build - Trade SKA (100% Subsidiary of Bolix S.A.)	Poland	NA	100%	100%	1st January - 31st December
Soltherm External Insulations Limited (100% Subsidiary of Bolix S.A.)	Great Britain	100%	NA	NA	1st January - 31st December
Soltherm Insolations Thermique Exterieure SAS (100% Subsidiary of Bolix S.A.)	France	100%	NA	NA	1st January - 31st December
Joint Ventures					
Berger Becker Coatings Private Limited	India	48.98%	48.98%	48.98%	1st April - 31st March
Berger Nippon Paint Automotive Coatings Private Limited (Formerly known as BNB Coatings Private Limited)	India	49.00%	49.00%	49.00%	1st April - 31st March

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

There are no material transactions/events that have occurred between December 31 / March 13 and March 31 which might have a material impact on the profitability or financial position on these consolidated financial statements.

Note 30. Employee Benefits Obligation

(I) Defined benefit plans

(a) Gratuity

(i) The following table summarizes the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet.

₹ in Crores

Particulars	31-Mar-17	31-Mar-16
Changes in the present value of defined benefit obligation		
Present value of defined benefit obligation as at year beginning	30.80	29.14
Current Service Cost	1.82	2.23
Interest Cost	2.18	2.72
Remeasurements (gains)/losses		
-Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
-Actuarial (gains)/losses arising from changes in financial assumptions	2.06	0.17
-Actuarial (gains)/losses arising from changes in experience adjustments	0.11	0.48
Benefits Paid	(2.89)	(3.94)
Present value of defined benefit obligation as at year end	**34.08**	**30.80**
Changes in fair value of plan assets		
Fair Value of Plan Assets as at year beginning	27.30	25.91
Interest Income	2.18	2.78
Remeasurements (gains)/losses		
- Return on plan assets, (excluding amount included in net Interest expense)	(0.25)	(0.40)
- Actuarial (gains)/losses arising from changes in financial assumptions	-	(0.01)
Employer's Contribution	3.33	2.96
Benefits Paid	(2.89)	(3.94)
Fair Value of Plan Assets as at year end	**29.67**	**27.30**
Amounts Recognised in the Balance Sheet		
Present value of defined benefit obligation at the year end	34.08	30.80
Fair Value of the Plan Assets at the year end	29.68	27.30
Liability/(Asset) Recognised in the Balance Sheet	**(4.40)**	**(3.50)**

₹ in Crores

Particulars	2016-17	2015-16
Expense recognised in the Statement of Profit and Loss:		
Current Service Cost	1.82	2.23
Net Interest Cost/(Income)	(0.00)	(0.07)
Net Cost Recognised in the Statement of Profit and Loss	**1.82**	**2.16**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	2016-17	2015-16
Expense recognised in the Other Comprehensive Income:		
Remeasurements (gains)/losses	2.42	1.06
Net Cost Recognised in the Statement of Profit and Loss	**2.42**	**1.06**

(ii) The principal assumptions used in determining gratuity obligations for the Group's plans are shown below

Significant Actuarial Assumptions	31-Mar-17	31-Mar-16	1-Apr-15
Discount Rate	7.3%	7.9%	8%
Employee turnover	Age wise 0.10%-0.50%	Age wise 0.10%-0.50%	Age wise 0.10%-0.50%
Mortality Rate	Indian Assured Lives (Mortality 2006-08 modified)	Indian Assured Lives (Mortality 2006-08 modified)	Indian Assured Lives (Mortality 2006-08 modified)

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

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India

The discount rate is based on the government securities yield

The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

(iii) Major category of Plan Assets of the fair value of the total plan assets are as follows:-

	31-Mar-17	31-Mar-16
Assets under scheme of insurance	100%	100%

(iv) A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below

	31-Mar-17		31-Mar-16	
Assumptions	**Discount rate**		**Discount rate**	
Sensitivity Level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
	(₹ crores)	**(₹ crores)**	**(₹ crores)**	**(₹ crores)**
Impact on defined benefit obligation	(3.05)	3.58	(2.63)	3.07
	31-Mar-17		**31-Mar-16**	
Assumptions	**Future Salary increase**		**Future Salary increase**	
Sensitivity Level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
	(₹ crores)	**(₹ crores)**	**(₹ crores)**	**(₹ crores)**
Impact on defined benefit obligation	3.08	(2.84)	2.55	(2.62)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk Exposure

Since the employees gratuity fund is a defined benefit plan the liability to be provided will be subject to interest rate risk since the future valuation of benefit depends upon the yield of government bonds for matching maturities.

(vi) Defined Benefit Liability and Employer Contributions

Since the employees gratuity fund is a defined benefit plan maintained by Life Insurance Corporation of India the return is generated from a pool of assets invested by them and any deficit in the liability and return on plan assets is funded by the Group on a yearly basis.

(vii) Maturity profile of the defined benefit obligation

₹ in Crores

	31-Mar-17	31-Mar-16
Weighted Average duration of the defined benefit obligation	9-12 Years	9-14 Years
Expected benefit payments for the year ending		
Not Later than 1 year	0.95	1.30
Later than 1 year and not later than 5 years	10.59	9.10
More than 5 years	15.44	15.13

(b) Provident Fund

Provident Fund for certain eligible employees is administered by the Parent Company through "Berger Paints Provident Fund (Covered)" as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Rules for such a trust provide that in a provident fund set up by the employer, any shortfall in the rate of interest on member contributions as compared to the relevant rate of interest declared by the Goverment of India for this purpose will have to be met by the employer. Such a provident fund would in effect be a defined benefit plan in accordance with the requirement of Ind AS 19 - Employee Benefits.

Based on valuation of related defined benefit obligation and plan assets at the year end carried out by an independent actuary no provision has been considered necessary in this regard in these financial statements. Key actuarial assumptions are as follows

	2016-17	2015-16
Discount rate	7.30%	7.90%
Expected rate of return on Plan Assets	8.65%	8.65%

(c) Other Defined Benefit Plans

The amounts for "Other Defined Benefit Plans" are below the rounding off norm adopted by the Group (refer Note 43) and hence the disclosures as required under Ind AS 19 - "Employee Benefits" have not been given.

(II) Defined contribution plans

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

₹ in Crores

	2016-17	2015-16
Provident and Family Pension Fund (applicable for eligible employees whose provident fund accounts are maintained with the Regional Provident Fund Commissioner)	2.58	2.72

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Superannuation Fund	1.95	2.01

Note 31. Employee Stock Option Plan

Berger Paints India Limited Employee Stock Option Scheme, 2010

The Berger Paints India Limited – Employee Stock Option Plan ['the Plan'] was approved at the Annual General Meeting of the Parent Company held on 29th July, 2010. The objective of the plan is to: 1) Attract, retain and motivate Employees, 2) Create and share wealth with the Employees, 3) Recognise and reward employee performance with shares and 4) Encourage employees to align individual performance with the objective of the Company. The terms and conditions of the Plan is reproduced below:

a) "Vesting Date" means the date on and from which the Option vests with the Participant and thereby becomes exercisable.

b) "Exercise Date" means the date on which the Participant exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant exercises part of his Vested Options.

c) "Vesting Period" means the period during which the Vesting of the Option granted to the Participant in pursuance of the Plan takes place.

d) "Exercise Period" means a period of 3 years from the Vesting Date as defined above of the Plan within which the Vested Options can be exercised in pursuance of the Plan.

e) The Exercise Price of an Option shall be the face value of ₹ 2/- per share. However, due to sub-division of Parent Company's share from F.V. of ₹ 2/- to ₹ 1/- w.e.f from 9th January, 2015, the Compensation & Nomination & Remuneration Committee of the Parent Company made fair and reasonable adjustments with respect to ESOP's earlier approved and granted by the Compensation & Nomination & Remuneration Committee of the Parent Company.

f) Cashless exercise of the Options are not permitted under the Plan. Participants to pay full Aggregate Exercise Price upon the Exercise of the Vested Options.

g) Subject to Participant's continued employment as defined in Clause 14 of the Plan the Unvested Options shall vest with the Participant automatically in accordance with the following schedule :

a) 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the first anniversary of the Grant Date;

b) further 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the second anniversary of the Grant Date and

c) balance 34% of the total Options granted, rounded up to the whole number such that the total number of Options vested shall add up to 100%, shall vest on the third anniversary of the Grant Date.

h) The Date of grant of options : 1st August, 2010.

Berger Paints India Limited Employee Stock Option Plan 2016

"The Berger Paints India Limited – Employee Stock Option Plan 2016 ['the Plan'] was approved at the Annual General Meeting of the Parent Company held on 3rd August, 2016. The objective of the plan is to:1) Attract, retain and motivate Employees, 2) Create and share wealth with the Employees, 3) Recognise and reward employee performance with shares and 4) Encourage employees to align individual performance with the objective of the Parent Company. The terms and conditions of the Plan is reproduced below:

a) "Vesting Date" means the date on and from which the Option vests with the Participant and thereby becomes exercisable.

b) "Exercise Date" means the date on which the Participant exercises his Vested Options and in case of partial Exercise shall mean each date on which the Participant exercises part of his Vested Options.

c) "Vesting Period" means the period during which the Vesting of the Option granted to the Participant in pursuance of the Plan takes place.

d) "Exercise Period" means a period of 3 years from the Vesting Date as defined above of the Plan within which the Vested Options can be exercised in pursuance of the Plan.

e) The Exercise Price of an Option shall be the face value of ₹ 1/- per share

f) Cashless exercise of the Options are not permitted under the Plan. Participants to pay full Aggregate Exercise Price upon the Exercise of the Vested Options.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

g) Subject to Participant's continued employment as defined in Clause 14 of the Plan the Unvested Options shall vest with the Participant automatically in accordance with the following schedule:

a) 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the first anniversary of the Grant Date;

b) further 33% of the total Options granted, rounded up to the nearest whole number, shall vest on the second anniversary of the Grant Date and

c) balance 34% of the total Options granted, rounded up to the whole number such that the total number of Options vested shall add up to 100%, shall vest on the third anniversary of the Grant Date.

h) The Date of grant of options: 9th November, 2016.

		As at 31-Mar-2017	As at 31-Mar-2016
a.	Number of Stock Options outstanding (ESOP Grant I)	Nil	Nil
	Number of Stock Options outstanding (ESOP Grant II)	Nil	Nil
	Number of Stock Options outstanding (ESOP Grant III)	1,390	2,224
	Number of Stock Options outstanding (ESOP Grant IV)	1,172	85,452
	Total Number of Options in force (Additional grant Options vested in lieu of bonus issues from ESOP 2010 balances on 21.11.2016)	1,025	-
	Number of Stock Options outstanding (ESOP Plan 2016)	138,270	-
		141,857	**87,676**
b.	Option granted during the year		
	ESOP 2016 : **140811**; **34653** Additional Grant on 21.11.2016 in lieu of bonus issue from ESOP 2010 balance shares	175,464	-
c	Number of Options vested (ESOP Grant I)	Nil	Nil
	Number of Options vested (ESOP Grant II)	Nil	Nil
	Number of Options vested (ESOP Grant III)	-	108,416
	Number of Options vested (ESOP Grant IV)	84,280	90,628
	Number of Options vested (ESOP Plan 2016)	-	-
	Number of Additional grant Options vested in lieu of bonus issues from ESOP 2010 balances on 21.11.2016	34,653	-
		118,933	**199,044**
d.	Number of Options exercised (ESOP Grant I)	Nil	Nil
	Number of Options exercised (ESOP Grant II)	Nil	Nil
	Number of Options exercised (ESOP Grant III) (834 options exercised during 2016-17 were vested during the year 2015-16)	834	106,192
	Number of Options exercised (ESOP Grant IV)	83,108	87,600
	Number of Options exercised (ESOP Plan 2016)	-	-
	Number of Additional grant Options exercised in lieu of bonus issues from ESOP 2010 balances on 21.11.2016	33,628	-
		117,570	**193,792**
e.	Number of Shares arising on exercise (ESOP Grant I)	Nil	Nil

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

		As at 31-Mar-2017	As at 31-Mar-2016
	Number of Shares arising on exercise (ESOP Grant II)	Nil	Nil
	Number of Shares arising on exercise (ESOP Grant III)	834	106,192
	Number of Shares arising on exercise (ESOP Grant IV)	83,108	87,600
	Number of Shares arising on exercise (ESOP Plan 2016)	-	-
	Number of Additional shares arising as result on exercise from ESOP 2010 balances on 21.11.2016	33,628	-
		117,570	**193,792**
f.	Number of Options lapsed (ESOP Grant I)	Nil	Nil
	Number of Options lapsed (ESOP Grant II)	Nil	Nil
	Number of Options lapsed (ESOP Grant III)	Nil	1,390
	Number of Options lapsed (ESOP Grant IV)	1,172	10,546
	Number of Options lapsed (ESOP Plan 2016)	2,541	-
		3,713	**11,936**
g.	Variation of terms of Option	None during the period	None during the period
h.	Total Number of Options in force (ESOP Grant I)	Nil	Nil
	Total Number of Options in force (ESOP Grant II)	Nil	Nil
	Total Number of Options in force (ESOP Grant III)	1,390	2,224
	Total Number of Options in force (ESOP Grant IV)	1,172	85,452
	Total Number of Options in force (Additional grant Options vested in lieu of bonus issues from ESOP 2010 balances on 21.11.2016)	1,025	-
	Total Number of Options in force (ESOP Plan 2016)	138,270	-
		141,857	**87,676**
i.	Weighted Average exercise price of the Share Options		
	Outstanding at the beginning of the year	1	1
	Granted during the year	1	1
	Forfeited during the year	-	-
	Exercised during the year	1	1
	Expired during the year	1	1
	Outstanding at the end of the year	1	1
	Exercisable at the end of the period	1	1
j.	Weighted Average share price of options exercised during the year on the date of exercise	₹ 1	₹ 1
k.	Weighted Average fair value of the Options granted during the year		
	i. ESOP 2016 (Fair value as on 31.03.2017)	₹ 236.35	NA
	ii. Additional grant in lieu of bonus issues from ESOP 2010 balances of Grant III and IV (Fair value as on 31.03.2017)	₹ 238.99	NA

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

l. A description of the method and significant assumptions used during the year to estimate the fair value of Options granted, including the following weighted average information:-

The Black Scholes Option Pricing Model for dividend paying stock has been used to compute the fair value of the Options. The significant assumptions are:

i.	Date of grant		
	a. ESOP 2016	09.11.2016	NA
	b. Additional grant in lieu of bonus issues from ESOP 2010 balances	21.11.2016	NA
ii.	Weighted average share price	242.10	244.80
iii.	Exercise Price	₹ 1	₹ 1
iv.	Risk Free Interest rate	6.69%	7.46%
v.	Expected Life:		
	a. For options vested on 01.08.2015	1.33 years	2.33 years
	b. For options vested on 01.08.2016	2.33 years	NA
	c. For options yet to be vested	3 years from the vesting day	NA
vi.	Expected Volatility	26%	24%
vii.	Expected dividend yield	0.69%	0.61%
viii.	Weighted Average fair value as on grant date		
	a. ESOP 2016 (Grant date 09.11.2016)	₹ 229.10	NA
	b. Additional grant in lieu of bonus issues from ESOP 2010 balances (Grant date 21.11.2016)	₹ 218.21	NA
ix.	The price of the underlying share in the market at the time of option grant:		
	a. Grant-III- 31.07.2012	₹ 138.70	₹ 138.70
	b. Grant IV- 31.07.2013	₹ 205.45	₹ 205.45
	c. ESOP 2016- 08.11.2016	₹ 234.85	NA
	d. Additional grant on 21.11.2016 in lieu of bonus issues from ESOP 2010 balances- 18.11.2016	₹ 187.10	NA
x.	Time to maturity		
	a. For options vested on 01.08.2015 (Grant III)	1.33 years	2.33 years
	b. For options vested on 01.08.2016 (Grant IV)	2.33 years	3.33 years
	c. Additional grants vested on 21.11.2016	1.33 years and 2.33 years	NA
	d. For options yet to be vested	3 years from the vesting day	NA

Expected volatility during the expected term of the ESOP is based on historical volatility of the observed market prices of the Parent Company's publicly traded equity shares during a period equivalent to the expected term of the ESOP.

The fair values of our ESOP are based on the market value of our stock on the date of grant.

m. The following table summarizes information about Share Options oustanding as at year end:-

Range of exercise prices per option (₹)	As at 31-Mar-2017		
	No. of options outstanding	**Weighted average remaining contractual life**	**Weighted average exercise price (₹)**
1	1,946	1.33 years	1
1	1,641	2.33 years	1
1	138,270	Yet to be vested	1

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Range of exercise prices per option (₹)	As at 31-Mar-2016		
	No. of options outstanding	Weighted average remaining contractual life	Weighted average exercise price (₹)
1	2,224	2.33 years	1
1	85,452	3.33 years	1

Note 32. Leases

Operating lease — Group as lessee

1. The Group's leasing arrangement are in the nature of cancellable operating leases. The Group has taken various depots, offices etc. on Operating Leases. These leases have a life of between 1 year to 20 years (31 March 2016 - 1 year to 20 year, 1 April 2015 - 1 year to 20 year) which is renewable by mutual consent of concerned parties. No contingent rent is payable by the Parent Company in respect of the above leases. Some of the lease agreements have price escalation clauses. Related lease rentals have been disclosed under the head "Rent" in Note 25 of Statement of Profit and Loss. There are no restrictions placed upon the Parent Company by such leases.

2. The Parent Company has given Color bank (tinting machines) on operating lease to its dealers. The Parent Company enters into 3-5 years cancellable lease agreements. However the corresponding lease rentals may be receivable for a shorter period or may be waived off. The minimum aggregate lease payments to be received in future is considered as ₹ Nil. Accordingly the disclosure of the minimum lease payments receivable at the Balance sheet date is not made. Also refer note 4.

Finance lease — Group as lessee

During the year ended March 31, 2017, Bolix S.A, an indirect subsidiary of the parent company, has started the leasing of 13 cars, which were classified as finance leases and the value of all 35 cars in net finance lease as at March 31, 2017 amounts to ₹ 2.63 crores . During the year ended March 31, 2016, the Bolix S.A. began the leasing of 5 cars, which were classified as finance lease agreements and their net value as at March 31, 2016 amounted to ₹ 2.30 crores. Contracts with the lessor stipulate the ability to purchase vehicles and Bolix S.A. plans to take advantage of this opportunity. The depreciation rates used reflect the economic usefulness of fixed assets and include the opportunity to purchase cars.

Minimum lease payments for all cars used under the finance lease agreements are as follows:

₹ in Crores

	March 31, 2017	March 31, 2016	April 1, 2015
Upto 1 year	1.48	1.12	0.81
From 1 year to 5 years	1.24	1.27	2.33
	2.72	**2.39**	**3.14**

The total amount of the minimum lease payments, net of finance charges (interest) is consistent with the level of commitments from the lease agreements

₹ in Crores

	31-Mar-17	31-Mar-16	1-Apr-15
Minimum Lease payments	2.60	2.39	2.93
Finance Charges (Interest)	(0.11)	(0.13)	(0.24)
Lease liabilities	**2.49**	**2.26**	**2.69**

33. Commitment and Contingencies

₹ in Crores

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
a.	**Commitments**			
	Estimated amount of contracts remaining to be executed on capital expenditure and not provided for (net of advances)	37.42	82.16	23.53

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
b.	**Contingent Liabilities**			
	Claims against the Company not acknowledged as debts:			
	Income Tax	19.20	35.26	27.04
	Sales Tax	29.49	56.58	34.70
	Excise Duty	28.78	24.95	18.95
		77.47	**116.79**	**80.69**
	The Group has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums. No reimbursements is expected to arise to the Group in respect of above cases.			
		As at 31.03.2017	**As at 31.03.2016**	**As at 01.04.2015**
c.	**Outstanding Bank guarantees**	34.24	24.05	7.62

Note 34. Disclosure in respect of Related Parties pursuant to Ind AS 24

List of Related Parties

I.	**Parent and Subsidiary Companies:**	
	Name of related parties	**Nature of relationship**
	U K Paints (India) Private Limited	Holding Company
	Berger Jenson & Nicholson (Nepal) Private Limited	Wholly Owned Subsidiary
	Beepee Coatings Private Limited	Wholly Owned Subsidiary
	Berger Paints (Cyprus) Limited	Wholly Owned Subsidiary
	Lusako Trading Limited	Wholly Owned Subsidiary
	Berger Paints Overseas Limited	Wholly Owned Subsidiary of Berger Paints (Cyprus) Limited
II.	**Other related parties with whom transactions have taken place during the year:**	
a)	**Key Management Personnel**	
	Name of related parties	**Nature of relationship**
	Mr. K S Dhingra	Director of the Parent Company
	Mr. G S Dhingra	Director of the Parent Company
	Mr. Kanwardip Singh Dhingra	Whole time director of Parent Company and relative of Mr. G. S. Dhingra
	Mrs. Rishma Kaur	Whole time director of Parent Company and relative of Mr K. S. Dhingra
	Mr. Abhijit Roy	Managing Director & CEO of Parent Company
	Mr. Srijit Dasgupta	Director Finance & Chief Financial Officer of Parent Company
	Mr. Aniruddha Sen	Senior Vice President & Company Secretary of Parent Company
	Mr. Kamal Ranjan Das	Independent Director of Parent Company
	Mr. Naresh Gujral	Independent Director of Parent Company
	Mr. Dhirendra Swarup	Independent Director of Parent Company
	Mr. Gopal Krishna Pillai	Independent Director of Parent Company

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b)	**Others**	
	Name of related parties	**Nature of relationship**
	Berger Becker Coatings Private Limited	Joint Centure of the Parent Company
	Berger Nippon Paint Automotive Coatings Private Limited (Formerly known as BNB Coatings India Private Limited / BNB Coatings India Limited)	Joint Centure of the Parent Company
	Jenson & Nicholson (Asia) Limited	Fellow Subsidiary of Parent Company
	Berger Paints (Bangladesh) Limited	Fellow Subsidiary of Parent Company
	Citland Commercial Credits Limited	Fellow Subsidiary of Parent Company
	Wang Investment Finance Private Limited	Fellow Subsidiary of Parent Company
	Berger Paints Provident Fund (Covered)	Post-employment benefit plan of the Parent Company
	Berger Paints Officers (Non-Management Category) Superannuation Fund	Post-employment benefit plan of the Parent Company
	Berger Paints Management Staff Superannuation Fund	Post-employment benefit plan of the Parent Company
	Seaward Packaging Private Limited	Entity controlled by Key Managerial Personnel
	Flex Properties Private Limited	Entity controlled by Key Managerial Personnel
	Wazir Estates Private Limited	Entity controlled by Key Managerial Personnel
	Kay Dee Farms Private Limited	Entity controlled by Key Managerial Personnel
	Malibu Estate Private Limited	Entity controlled by Key Managerial Personnel
	Bigg Investment & Finance Private Limited	Entity controlled by Key Managerial Personnel
	Mrs. Meeta Dhingra	Spouse of Mr.. K. S. Dhingra
	Mrs. Vinu Dhingra	Spouse of Mr. G. S. Dhingra
	Mrs. Jessima Kumar	Daughter of Mr. K. S. Dhingra
	Ms. Dipti Dhingra	Daughter of Mr. K. S. Dhingra
	Mrs. Sunaina Kohli	Daughter of Mr. G. S. Dhingra
	Mrs. Anshna Sawhney	Daughter of Mr. G. S. Dhingra

A. During the year the following transactions were carried out with the related parties in the ordinary course of business:

₹ in Crores

Transaction	Related Party	2016-17	2015-16
Sale of goods/services	Wazir Estates Private Limited	0.07	0.03
	Berger Paints (Bangladesh) Limited	0.48	-
	U K Paints (India) Private Limited	0.40	0.35
	Mr. K S Dhingra*	0.00	0.00
	Mr. G S Dhingra*	0.00	0.00
	Seaward Packaging Private Limited*	0.00	0.01
	Berger Becker Coatings Private Limited	1.29	1.35
	Berger Nippon Paint Automotive Coatings Private Limited (Formerly known as BNB Coatings India Private Limited / BNB Coatings India Limited)	17.32	3.45
	Malibu Estate Private Limited*	-	0.00
Royalty Income	Berger Paints (Bangladesh) Limited	0.10	0.20

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Transaction	Related Party	2016-17	2015-16
Purchase of Goods	U K Paints (India) Private Limited	62.24	61.30
	Berger Becker Coatings Private Limited	0.16	0.00
	Berger Nippon Paint Automotive Coatings Private Limited (Formerly known as BNB Coatings India Private Limited / BNB Coatings India Limited)	0.07	0.11
	Seaward Packaging Private Limited	31.20	23.30
Processing Charges	U K Paints (India) Private Limited	15.75	14.53
	Seaward Packaging Private Limited	0.04	-
Rent Expenses	U K Paints (India) Private Limited	3.84	3.50
	Flex Properties Private Limited	0.16	0.22
	Mr. K S Dhingra	0.19	0.19
	Mr. G S Dhingra	0.19	0.19
Security Deposit Given	U K Paints (India) Private Limited	0.05	-
Business Transfer in relation to the 4 wheelers passenger cars and SUV, 3 wheelers and related ancillaries (Refer Note No 26)	Berger Nippon Paint Automative Coatings Private Limited	47.53	-
Contribution to Provident Fund	Berger Paints Provident Fund (Covered)	12.70	12.76
Contribution to Superannuation Fund	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.64	0.71
	Berger Paints Management Staff Superannuation Fund	1.34	1.40
Directors Commission & Fees	Mr. K S Dhingra	0.10	0.10
	Mr. G S Dhingra	0.10	0.10
	Mr. Kamal Ranjan Das	0.03	0.03
	Mr. Naresh Gujral	0.07	0.06
	Mr. Dhirendra Swarup	0.07	0.06
	Mr. Gopal Krishna Pillai	0.07	0.06
Equity Contribution	Berger Nippon Paint Automative Coatings Private Limited	89.67	-
Key Management Personnel Compensation	Mr. Abhijit Roy	2.20	1.81
	Mr. Srijit Dasgupta	1.29	1.11
	Mr. Aniruddha Sen	0.88	0.82
	Mr. Kanwardip Singh Dhingra	0.26	0.23
	Mrs. Rishma Kaur	0.27	0.24
Dividend Payment	U K Paints (India) Private Limited	47.25	43.80
	Jenson & Nicholson (Asia) Limited	14.07	13.06
	Others	11.52	10.74
Loan given	Berger Paints Overseas Limited	1.43	-

B. Balances outstanding at the year end:

Outstanding	Related Party	2016-17	2015-16
Payable	U K Paints (India) Private Limited	21.31	15.86
	Seaward Packaging Private Limited	7.12	5.64
	Berger Paints Officers (Non-Management Category) Superannuation Fund	0.05	0.07

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Outstanding	Related Party	2016-17	2015-16
	Berger Paints Management Staff Superannuation Fund	0.11	1.03
	Mr. Abhijit Roy	0.37	0.31
	Mr. K S Dhingra*	0.00	0.01
	Mr. G S Dhingra*	0.00	0.01
Receivable	Wazir Estates Private Limited	0.02	0.01
	Berger Becker Coatings Private Limited	0.20	0.32
	Berger Nippon Paint Automotive Coatings Private Limited	1.89	1.02
	Berger Paints (Cyprus) Limited #	2.13	11.21
	Lusako Trading Limited #	0.32	-
	Berger Paints (Bangladesh) Limited	0.84	0.40
	Berger Paints Overseas Limited	1.43	-
	Kay Dee Farms Private Limited *	-	0.00
	Malibu Estate Private Limited*	-	0.00
	Berger Paints Provident Fund (Covered)*	-	0.00

C. Details of remuneration to Key Managerial Personnel is given below

Particulars	2016-17	2015-16
- Short-term employee benefits	4.32	3.53
- Post employment benefits	0.36	0.31
- Share based payment	0.21	0.36
	4.89	**4.20**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to Note 31 for further details of the scheme.

share application money pending allotment due to difference in reporting period of parent and subsidiary.

* Refer Note 43

<u>Notes:</u>

a) Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except as otherwise mentioned.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

35. Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Joint Ventures

₹ in Crores

Entity Name	2016-17		2016-17		2016-17		2016-17	
	Net assets		Share of Profit/Loss		OCI		TCI	
	% of consolidated assets	Amount	% of consolidated profit and loss	Amount	% of consolidated OCI	Amount	% of consolidated TCI	Amount
Parent								
Berger Paints India Limited	102.05	1,940.61	90.75	429.87	6.32	(1.20)	94.27	428.67
Indian Subsidiaries								
1) Beepee Coatings Private Limited	(0.10)	(1.90)	0.09	0.43	2.49	(0.47)	(0.01)	(0.04)
Foreign Subsidiaries								
1) Berger Jenson & Nicholson (Nepal) Private Limited	5.35	101.66	5.88	27.86	-	-	6.13	27.86
2) Berger Paints (Cyprus) Limited consolidated with Berger Paints Overseas Limited	(1.57)	(29.86)	0.64	3.04	-	-	0.67	3.04
3) Lusako Trading Limited consolidated with Bolix S.A. & Group *	(8.28)	(157.52)	0.51	2.41	-	-	0.53	2.41
Joint Ventures								
1) Berger Becker Coatings Private Limited	2.15	40.69	1.51	7.13	0.14	(0.03)	1.55	7.10
2) Berger Nippon Paint Automotive Coatings Private Limited (formerly known as BNB Coatings Private Limited / BNB Coatings India Limited)	0.40	7.88	0.62	2.92	(0.05)	0.01	0.65	2.93
Foreign Currency Translation Reserve					91.10	(17.25)	(3.79)	(17.25)
	100.00	**1,901.56**	**100.00**	**473.66**	**100.00**	**(18.94)**	**100.00**	**454.72**

* Group includes Build-Trade sp. z.o.o., Bolix UKRAINA sp. z.o.o. , Soltherm External Insulations Limited and Soltherm Insolations Thermique Exterieure SAS

Note: The above figures are after eliminating intra group transactions and intra group balances as on 31st March 2017.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

35a. Disclosure of additional information pertaining to the Parent Company , Subsidiaries and Joint Ventures (Contd.)

₹in Crores

Entity Name	2015-16 Net assets		2015-16 Share of Profit/Loss		2015-16 OCI		2015-16 TCI	
	% of consolidated assets	Amount	% of consolidated profit and loss	Amount	% of consolidated OCI	Amount	% of consolidated TCI	Amount
Parent								
Berger Paints India Limited	103.95	1,623.86	95.89	355.35	3.02	(0.44)	99.69	354.91
Indian Subsidiaries								
1) Beepee Coatings Private Limited	(0.12)	(1.86)	0.70	2.59	1.65	(0.24)	0.66	2.35
Foreign Subsidiaries								
1) Berger Jenson & Nicholson (Nepal) Private Limited	4.72	73.80	4.67	17.30	-	-	4.86	17.30
2) Berger Paints (Cyprus) Limited consolidated with Berger Paints Overseas Limited	(1.79)	(28.00)	(2.69)	(9.98)	-	-	(2.80)	(9.98)
3) Lusako Trading Limited consolidated with Bolix SA & Group *	(9.23)	(144.25)	(0.10)	(0.39)	-	-	(0.11)	(0.39)
Joint Ventures								
1) Berger Becker Coatings Private Limited	2.15	33.59	0.94	3.52	(0.69)	0.10	1.02	3.62
2) Berger Nippon Paint Automotive Coatings Private Limited (formerly known as BNB Coatings Private Limited / BNB Coatings India Limited)	0.32	4.95	0.59	2.17	(0.00)	0.00	0.61	2.17
Foreign Currency Translation Reserve					96.02	(13.97)	(3.93)	(13.97)
	100.00	**1,562.09**	**100.00**	**370.56**	**100.00**	**(14.55)**	**100.00**	**356.01**

* Group includes Build-Trade sp. z.o.o and Bolix UKRAINA sp. z.o.o.

Note: The above figures are after eliminating intra group transactions and intra group balances as on 31st March 2016.

Note 36. Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(a) Financial assets and liabilities measured at fair value through profit and loss at 31 March 2017

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	367.27	-	-	367.27
Investment in unquoted equity instruments	-	0.00	-	0.00
Financial Liabilities				
Derivatives not designated as hedges	-	4.11	-	4.11
Financial assets and liabilities measured at fair value through profit and loss at 31 March 2016				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Investment in Mutual Funds	299.92	-	-	299.92
Investment in unquoted equity instruments	-	0.00	-	0.00
Financial Liabilities				
Derivatives not designated as hedges	-	0.40	-	0.40
Financial assets and liabilities measured at fair value through profit and loss at 1 April 2015				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Investment in Mutual Funds	134.67	-	-	134.67
Investment in unquoted equity instruments	-	0.00	-	0.00
Financial Liabilities				
Derivatives not designated as hedges	-	1.09	-	1.09

(b) Financial instruments at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled

(c) During the year there has been no transfer from one level to another

(d) Also refer note 16a & 16b

Note 37. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Group's working capital requirements. The Group has various financial assets such as trade receivables, loans, investments, short-term deposits and cash & cash equivalents, which arise directly from its operations. The Group also holds 'Fair Value Through Other Comprehensive Income' (FVTOCI) investments and enters into derivative transactions by way of forward exchange contracts to hedge its payables.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's Board of Directors oversees the management of these risks. The Group's Board of Directors is supported by the Business Process and Risk Management Committee (BPRMC) that advises on financial risks and the appropriate financial risk governance framework for the Group. The BPRMC provides assurance to the Group's

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Board of Directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by personnels that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk, liquidity risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and financial derivative. The sensitivity analysis in the following sections relate to the position as at 31 March, 2017 and 31 March, 2016.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant at 31 March, 2017. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations.

The following assumptions have been made in calculating the sensitivity analysis:

► The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2017 and 31 March 2016

► The sensitivity of equity is calculated as at 31 March 2017 for the effects of the assumed changes of the underlying risk.

Interest rate risk

The Group has incurred short term debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Group to interest rate risk. Borrowing issued at fixed rates expose the Group to fair value interest rate risk. The Group's interest rate risk management policy includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt through evaluation of various bank loans and money market instruments.

The Group has incurred long term debt to finance acquisition, which exposes it to interest rate risk. Some of the Group's borrowings are index linked, that is their cost is linked to changes in the London inter-bank offer rate (LIBOR).

Although the Group has significant variable rate interest bearing liabilities at March 31, 2017, there would not be any material impact on pretax profit of the Company on account of any anticipated fluctuations in interest.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates of any currency. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities by way of direct imports or financing of imports through foreign currency instruments.

The Group proactively hedged its currency exposures in case of a significant movement in exchange rates for imports and in case the hedged cost of foreign currency instrument is lower than the domestic cost of borrowing in case of short term import financing. Although the Group has foreign currency exposure at March 31, 2017, there would not be any material impact on pretax profit of the Group on account of any anticipated fluctuations in foreign currency.

Commodity price risk

The Group doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

Equity price risk

The Group does not have any investments in listed securities or in Equity Mutual Funds and thereby is not exposed to any Equity price risk

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored by BPRMC and corrective actions taken

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2017 and 31 March 2016 is the carrying amounts as illustrated in Note 11.

Liquidity risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

₹ in Crores

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31-Mar-17						
Borrowings	34.89	85.10	24.14	-	-	144.13
Other financial liabilities	4.84	87.28	62.50	5.59	-	160.21
Trade payables	1.06	760.14	-	-	-	761.20
	40.79	**932.52**	**86.64**	**5.59**	**-**	**1,065.54**
Year ended 31-Mar-16						
Borrowings	69.65	5.27	23.87	-	-	98.79
Other financial liabilities	4.23	52.50	97.37	4.81	-	158.91
Trade payables	0.89	668.98	-	-	-	669.87
	74.77	**726.75**	**121.24**	**4.81**	**-**	**927.57**
As at 1 April 2015						
Borrowings	234.14	23.56	81.95	-	-	339.65
Other financial liabilities	3.72	32.33	39.28	5.39	-	80.72
Trade payables	0.77	537.40	-	-	-	538.17
	238.63	**593.29**	**121.23**	**5.39**	**-**	**958.54**

Note 38. Capital management

For the purpose of the Parent Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Parent Company's capital management is to maximise the shareholder value.

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The Parent Company only avails short term borrowings to breach its working capital gap and finances its capital expenditure through internal generation of funds. The Parent Company has a generally low debt equity ratio.

	31-Mar-17	31-Mar-16	1-Apr-15
Borrowings	406.20	309.55	583.52
Trade payables	761.20	669.87	538.17
Less: cash and cash equivalents	(45.21)	(41.56)	(73.83)
Net debt	**1,122.19**	**937.86**	**1,047.86**
Total capital	1,901.56	1,562.09	1,314.06
Capital and net debt	**3,023.75**	**2,499.95**	**2,361.92**
Gearing ratio	37%	38%	44%

In order to achieve this overall objective, the Parent Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

Note 39. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first the Group has prepared in accordance with Ind AS.

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1 April 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions and exceptions applied

Ind AS 101 allows first-time adopters certain exemptions and mandatory exceptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions and exceptions:

1. The Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value as on the date of transition. The written down value as per the Previous GAAP as on April 1, 2015 has been considered as the Gross Block under Ind AS for respective classes of assets in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards.

   In addition, decommissioning liability measured in accordance with Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets at the date of transition has been included in the above deemed cost as per Ind AS 101- First-time adoption of Indian Accounting Standards.

2. When changing from proportionate consolidation to the equity method, the group has recognised its investment in the joint venture at transition date to Ind ASs. The initial investment has been measured as the aggregate of the carrying amounts of the assets and liabilities that the group had previously proportionately consolidated under the Indian GAAP, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind ASs, determined in accordance with

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

above has regarded as the deemed cost of the investment at initial recognition in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards.

3. The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from FVTPL – Mutual Funds and Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

   The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at 1 April 2015 (i.e. the date of transition to Ind-AS) and as of 31 March 2016.

4. Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards.

5 The Group has elected to measure the balance lying under Foreign Currency translation reserve as zero on the date of transition to Ind AS.

6 The Group had elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending March 31, 2016 as per the previous GAAP.

Effect of the Transition to Ind AS

Reconciliations of the Group's balance sheets prepared under Indian GAAP and Ind AS as of April 1, 2015 and March 31, 2016 and reconciliation of the Group's Statement of Profit and Loss for the year ended March 31, 2016 prepared in accordance with Indian GAAP and Ind AS are presented below.

Note 40. Effect of the Transition to Ind AS

Reconciliations of the Group's balance sheets prepared under Indian GAAP and Ind AS as of April 1, 2015 and March 31, 2016 and reconciliation of the Group's Statement of Profit and Loss for the year ended March 31, 2016 prepared in accordance with Indian GAAP and Ind AS are presented below.

Particulars	Total Equity		Total Comprehensive Income (₹ in Crores)	Remarks
	31-Mar-16	31-Mar-15	2015-16	
Balance of Equity/Net profit under Indian GAAP	1,479.18	1,260.60	369.77	
Actuarial gains/(losses) on defined benefit plan	1.06	-	1.06	Both under Indian GAAP and Ind AS, the Group has recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, were charged to the Statement of Profit or Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognised in the balance sheet with a corresponding debit or credit to retained earnings through OCI (net of tax). Thus, the employee benefit expense is lower by ₹ 1.06 crores for the year ended March 31, 2016 and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI (net of tax).
Dividend including dividend distribution tax	83.47	54.23	-	Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established. Under Previous GAAP, dividend payable is recorded as a liability in the period to which it relates. This has resulted in an increase in equity by ₹ 54.23 crores and ₹ 83.47 crores as at April 1, 2015 and March 31, 2016 respectively.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Total Equity		Total Comprehensive Income (₹ in Crores)	Remarks
	31-Mar-16	31-Mar-15	2015-16	
Financial Assets at amortized cost	(0.35)	(0.25)	(0.10)	Under the Previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the Security Deposit has been recognised as prepaid rent. Total equity decreased by ₹ 0.25 crores as on April 1, 2015 and by ₹ 0.35 crores as on 31 March 2016. The profit for the year as at March 31, 2016 decreased by ₹ 0.10 crores due to amortisation of the prepaid rent of ₹ 0.53 crores which is partially off set by the notional interest income of ₹ 0.43 crores recognised on security deposits.
Change in Fair Valuation of Mutual Funds	0.69	0.12	0.57	Under previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS Financial assets other than amortised cost are subsequently measured at fair value. Investment in mutual funds have been classified as fair value through statement of profit and loss and changes in fair value are recognised in statement of profit and loss. This has resulted in increase in retained earnings of ₹ 0.69 crore and ₹ 0.12 crore as at March 31, 2016 and April 1, 2015 respectively and increase in net profit by ₹ 0.57 crores for the year ended March 31, 2016.
Derivative Instruments	0.14	0.20	(0.06)	The Parent Company had certain outstanding foreign currency forward contracts to hedge certain of its foreign currency financial liability. Under Indian GAAP, premium/discount on forward contracts are amortised over the period of forward contract and the outstanding forward contracts are restated as at the balance sheet date. However, under Ind AS 109, the foreign currency financial assets and liabilities are restated at closing rate and the derivative contracts are fair valued by recognising the mark-to-market gain/loss on the forward contract in the Statement of Profit and Loss. Further, premium/discounts on forward contracts are charged to the Statement of Profit and Loss as and when they are incurred. Accordingly, the Company has charged off the unamortised premium on the outstanding forward contracts and fair valued the derivative contracts by recognising the mark-to-market gain/loss on the forward contract in the Statement of Profit and Loss. Consequent to this the profit for the year as at March 31, 2016 have decreased by ₹ 0.06 crores. Resultant increase in equity as on 1 April 2015 was ₹ 0.20 crores and ₹ 0.14 crores as on 31 March 2016.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Total Equity		Total Comprehensive Income (₹ in Crores)	Remarks
	31-Mar-16	31-Mar-15	2015-16	
Decommissioning Liability	(1.31)	(1.02)	(0.29)	Provision for site restoration/decommissioning liabilities has been considered for land taken on lease by the Parent Company as per Ind-AS 37 - Provisions, Contingent liabilities and Contingent Assets. On transition to IND AS Property Plant & Equipment has been increased by the present value of such provision. Consequent to this decrease in equity is ₹ 1.31 crores as on 31 March 2016 and ₹ 1.02 crores as on 1 April 2015 and resultant decrease on profit for year 31 March 2016 is ₹ 0.10 crores on account of depreciation and ₹ 0.19 crores on account of unwinding of interest on decommissioning liability
Deferred tax asset/(liability)	0.10	0.41	(0.31)	Indian GAAP requires deferred tax accounting using the income statement approach, which measures deferred tax based on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which measures deferred tax based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On transition to IND AS , the net impact on deferred tax is of ₹ 0.10 crores (1 April 2015 ₹ 0.41 crores). Consequent to this profit for 31 March 2016 have decreased by ₹ 0.31 crores.
Re-measurement gains and (losses) on defined benefit obligations reclassified as other comprehensive income net of tax	(0.68)	-	(0.68)	Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, were charged to the Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognised in the balance sheet with a corresponding debit or credit to retained earnings through OCI (net of tax). Thus, the employee benefit expense is lower by ₹ 1.06 crores for the year ended March 31, 2016 and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI amounting to ₹ 0.68 crores (net of taxes of ₹ 0.38 crores) .
Others	(0.21)	(0.23)	0.02	
Exchange differences on translation of foreign operations	-	-	(13.97)	Under Indian GAAP foreign currency translation reserve was classified directly under reserves and surplus . Under IND AS this needs to be routed through OCI.
Balance of Equity/Total comprehensive income as on March 31, 2016 under Ind AS	**1,562.09**	**1,314.06**	**356.01**	

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material inpact on the stantement of cash flows.

Note 41. Expenditure on Research & Development

a. Details of Research & Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss is given below

₹ in Crores

	31-Mar-17	31-Mar-16
Employee Benefit Expenses	9.08	6.72
Materials and Stores & Spares consumption	0.97	0.75
Power and Fuel	0.43	0.32
Depreciation	1.75	1.25
Others	0.77	0.78
	13.00	**9.82**

b. Details of Capital expenditure incurred for Research & Development are given below

₹ in Crores

	31-Mar-17	31-Mar-16
Capital Expenditure	3.51	1.11
	3.51	**1.11**
Total	**16.51**	**10.93**

Above includes allowable expenditure under section 35(2AB) of the Income Tax Act

Capital expenditure ₹ 1.10 crores (31 March 2016 ₹ 0.45 crores)

Revenue expenditure ₹ 8.72 crores (31 March 2016 ₹ 7.20 crores)

The Parent Company has a research & development unit situated in Howrah, Kolkata which focuses on reasearch on new and existing paint products, formulation for cost optimization, environment friendly products etc.

Note 42. Segment Information

The Group is engaged in the business of manufacturing and selling paints. Based on the nature pf products, production process , regulatory environment , customers and distribution methods there are no reportable segment(s) other than "Paints".

Note 43.

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

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 44.

Details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016

₹

Particulars	SBNs	Other denomination notes	Total
Closing Cash in hand as on November 8, 2016	2,916,000	8,081,229	10,997,229
Amount withdrawn from banks	-	180,000	180,000
(+) Permitted Receipts	-	26,942,649	26,942,649
(-) Permitted payments	14,500	26,927,537	26,942,037
(-) Amount deposited in Banks	2,780,500	121,000	2,901,500
Closing Cash in hand as on December 30, 2016	121,000	8,155,341	8,276,341

For S.R. BATLIBOI & CO. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

per Bhaswar Sarkar
Partner

Membership Number : 055596
Place: Kolkata
Dated : May 30, 2017

For and on behalf of Board of Directors

Kuldip Singh Dhingra - Chairman
Gurbachan Singh Dhingra - Vice-Chairman

Abhijit Roy - Managing Director & CEO
Srijit Dasgupta - Director -Finance & CFO

Aniruddha Sen - Sr. VP & Company Secretary

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

₹ Crores

	2016-17*	2015-16*	2014-15	2013-14	2012-13
Gross Revenue	4,608.53	4,305.51	4,212.94	3,735.35	3,330.61
Revenue from Operations (Net of Excise Duty)	4,121.53	3,857.81	3,806.51	3,384.82	3,024.21
% Growth	6.84	1.35	12.46	11.92	13.60
Other Income	48.67	36.20	34.19	30.59	30.76
Materials Consumed	2,381.97	2,287.64	2,226.14	2,051.94	1,871.75
Employee Benefits Expense	227.92	203.76	178.21	158.74	139.96
Other Expenses	848.80	758.80	926.76	784.50	676.18
Operating Profit - EBITDA	711.51	643.81	509.59	420.23	367.08
% to Net Revenue	17.26	16.69	13.39	12.42	12.14
Depreciation / Amortization	97.07	88.07	78.62	58.27	46.28
Finance Cost	7.41	17.05	34.72	34.26	27.67
Profit Before Tax & Exceptional Item	607.03	538.69	396.25	327.70	293.33
Exceptional Items	58.67	-	-	-	-
Profit Before Tax	665.70	538.69	396.25	327.70	293.13
Tax Expense	219.25	182.43	130.22	93.45	83.33
Profit After Tax	446.45	356.26	266.03	234.25	209.80
Return On Net Worth (%)	23.23	22.38	19.79	20.71	21.33
Dividend - including Tax on Dividend	116.85	108.49	104.35	89.18	72.93
Retained Earnings	446.45	356.26	161.68	145.07	136.87
Shareholders' Funds :					
Share Capital	97.10	69.35	69.33	69.30	69.26
Reserves and Surplus	1,825.04	1,522.79	1,274.97	1,062.59	915.17
Total	**1,922.14**	**1,592.14**	**1,344.30**	**1,131.89**	**984.43**
Deferred Tax Liability (Net)	60.09	46.39	32.81	26.01	16.64
Borrowings	114.49	66.51	288.49	302.80	303.02
Other current and non-current liabilities	955.67	807.02	644.31	700.22	534.74
EQUITY AND LIABILITIES	**3,052.39**	**2,512.06**	**2,309.91**	**2,160.92**	**1,838.83**
Fixed Assets	939.37	752.86	736.45	680.64	492.91
Investments	577.62	415.14	243.93	187.29	90.58
Other current and non-current assets	1,535.40	1,344.06	1,329.53	1,292.99	1,255.34
ASSETS	**3,052.39**	**2,512.06**	**2,309.91**	**2,160.92**	**1,838.83**
Debt - Equity Ratio	0.06 : 1	0.04 : 1	0.21 : 1	0.27 : 1	0.31 : 1
Cash Earnings Per Share (₹)	5.60	4.58	4.97	4.22	3.70
Earnings Per Share - Basic (₹)	4.60	3.67	3.84	3.38	3.03
Earnings Per Share - Diluted (₹)	4.60	3.67	3.84	3.38	2.56
Book Value Per Share (₹)	19.79	16.40	19.39	16.33	14.20
Dividend per share (₹)	1.75	1.65	1.25	1.10	0.90
Number of employees	2993	2,802	2,666	2,607	2,464

* Figures for these years are as per new accounting standards (Ind AS) and Schedule III of Companies Act, 2013. Hence these numbers are not comparable with previous years.

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

₹ Crores

	2016-17*	2015-16*	2014-15	2013-14	2012-13
Gross Revenue	5,050.45	4,683.85	4,758.67	4,250.71	3,663.12
Revenue from Operations (Net of Excise Duty)	4,552.25	4,223.10	4,322.06	3,869.72	3,346.41
% Growth**	7.79	(2.29)	11.69	15.64	13.52
Other Income	54.54	34.68	36.02	35.95	31.43
Materials Consumed	2,592.31	2,470.19	2,531.26	2,345.35	2,058.63
Employee Benefits Expense	306.72	273.50	253.13	225.24	187.12
Other Expenses	934.67	834.67	1,026.95	867.76	729.47
Operating Profit - EBITDA	773.09	679.42	546.74	467.32	402.62
% to Net Revenue	16.98	16.09	12.65	12.08	12.03
Depreciation / Amortization	108.05	98.65	92.50	70.71	56.72
Finance Cost	16.22	27.28	50.14	46.63	37.66
Profit Before Tax & Exceptional Item	648.83	553.49	404.10	349.98	308.24
Share in Profit of Joint Ventures	10.05	5.69	-	-	-
Profit Before exceptional Items and tax	658.88	559.18	404.10	349.98	308.24
Exceptional Item	44.20	-	-	-	-
Profit Before Tax	703.08	559.18	404.10	349.98	308.24
Tax Expense	229.42	188.62	139.40	100.59	89.84
Profit After Tax	473.66	370.56	264.70	249.39	218.40
Return On Net Worth (%)	24.91	23.72	20.14	22.28	22.93
Shareholders' Funds :					
Share Capital	97.10	69.35	69.33	69.30	69.26
Reserves and Surplus	1,804.46	1,492.74	1,244.73	1,051.03	883.90
Total	**1,901.56**	**1,562.09**	**1,314.06**	**1,120.33**	**953.16**
Other current and non-current liabilities	1,538.77	1,315.23	1,352.96	1,474.53	1,232.92
EQUITY AND LIABILITIES	**3,440.33**	**2,877.32**	**2,667.02**	**2,594.86**	**2,186.08**
Fixed Assets	1,198.17	1,013.97	1,009.40	997.09	771.40
Investments	472.13	347.54	176.49	90.68	10.82
Other current and non-current assets	1,770.03	1,515.81	1,481.13	1,507.09	1,403.86
ASSETS	**3,440.33**	**2,877.32**	**2,667.02**	**2,594.86**	**2,186.08**
Cash Earnings Per Share (₹)	5.99	4.83	5.15	4.62	3.97
Earnings Per Share - Basic (₹)	4.88	3.82	3.82	3.60	3.15
Earnings Per Share - Diluted (₹)	4.88	3.82	3.82	3.60	3.15
Book Value Per Share (₹)	19.58	16.09	18.96	16.16	13.75
Wt Avg No. of Shares	97,10,59,627	97,08,68,054	69,31,50,576	34,64,03,720	34,62,32,844
Cash Profit	581.71	469.20	357.20	292.52	256.08

* Figures for these years are as per new accounting standards (Ind AS) and Schedule III of Companies Act, 2013. Hence these numbers are not comparable with previous years.

** Financials for the FY 17 and FY 16 are prepared based on equity method of accounting as per requirements of Ind AS 111. Hence above growth rates are not comparable with previous financial years.

BERGER PAINTS INDIA LIMITED

SALES DEPOTS & OFFICES

EAST-1

- **DURGAPUR**
G. T. Road, Khairasole, Durgapur - 713 212
Phone : 0343 645 158/159/160/136

- **HOWRAH****
Jalan Complex, NH-6, Near Brick field,
Bipparnapara, Begri, Howrah - 711 411
Phone : 08282945921

- **KOLKATA-1**
6C, Rameshwar Shaw Road,
Kolkata - 700 014
Phone : 033 2284 8120/2289 7395/7762
Fax : 033 2289 7084 ; and also at
Godown No.1A,
C/o. Central Warehousing Corporation,
1B, Kishore Mohan Banerjee Road,
Panihati, Kolkata - 700 114
Phone : 033 6500 9700 to 9723

- **KOLKATA-2†**
Godown No.4A & 4B,
C/o. Central Warehousing Corporation,
1B, Kishore Mohan Banerjee Road,
Panihati, Kolkata - 700 114
Phone : 033 6500 9700 to 9723

- **KOLKATA-4†**
Apeejay Industries Limited Complex
47, Hide Road, P.S. Taratolla,
Kolkata - 700 088
Phone : 033 6500 1693/1352/1665/1433

- **KOLKATA-5†**
C/o Shriram Warehousing Pvt. Ltd.
NH6, Bombay Road, Chamrail, Liluah,
Howrah - 711 114
Phone : 033 649 93292/85/84

- **PANIHATI++**
Godown No. 2B & 2C,
C/o Central Warehousing Corporation
1B, Kishore Mohan Banerjee Road, Panihati,
Kolkata - 700 114
Phone : 033 6499 0773/706

- **PATNA-1**
TPS Compound, Exide Battery Campus,
Near Sonali Mahendra Showroom,
New By Pass Road, Near Anisabad,
Patna - 800 002
Phone : 0612 6455370 to 6455385

- **PATNA-2**
Shailesh Amber House,
Mahatma Gandhi Setu Road,
Opposite - Tata Motors, Pahari,
Patna - 800 007
Phone : 0612 322 7623 - 322 7625

- **RAIPUR**
G D Warehousing, Warehouse No. 10,
Behind Raika Rolling Mill,
Ring Road, No. 2, Gondwara, Raipur-493221,
Chattisgarh,
Phone : 0771 661 6601/3/5/614/619

- **SILIGURI**
Kusum Warehouse,
3rd Mile Sevoke Road, Plot No.120,
Mouza Dabgram, Block Rajganj,
P.S. Bhaktinagar, Dist. Jalpaiguri - 734 008
Beside Hotel Cindrella
Phone : 09233333455/09233470002

EAST-2

- **AGARTALA**
Road No.2&3, Crossing, Dhaleswar,
Natun Pally, Agartala,
Tripura (West) - 799 007
Phone : 0381 231 1433 / 230 8404

- **BHUBANESWAR**
Plot No.146, Sector - A, Zone-B,
Mancheswar Industrial Estate,
Bhubaneswar - 751 010
Phone : 0674 258 8719/8720

** Raw Material Godown
++ Regional Distribution Centre
† Berger Paints Home Decor Centre

- **CUTTACK**
Village - Bilateruan, Near Maguli Chhak,
N.H. 5, P.O. Harianta, P.S. Tangi,
Cuttack - 754 025
Phone : 0671 239 2616/239 2584

- **GUWAHATI-1**
Honuram Boro Path, Kachari Basti,
Dispur, Guwahati - 781 005
Phone : 0361 234 8381/3026/28

- **GUWAHATI-2**
C/o. East India Technosys Pvt. Ltd.
A. K. Dev Road,
Opposite Bethany High School,
Behind Gorchuk Police Station,
Guwahati - 781 035
Phone : 0361 2276289/6288/2133467/3524

- **GUWAHATI++**
Holding Number 901, Ward No.13,
N.H. 37, Lokhra, Guwahati - 781 034
Phone : 0361 2236606

- **JAMSHEDPUR**
Near Military Camp, Sundernagar,
Tatanagar, Jamshedpur, Jharkand - 832 107
Phone : 07635093823

- **RANCHI**
Martin Baken, Village Kharsidag,
P.O. - Tetri, Ring Road,
Ranchi, Jharkhand - 834 010
Phone : 07070097309

- **SAMBALPUR**
Global Warehouse, Remed,
Sambalpur-768 006, Odisha.
Phone : 07894469691

- **SHILLONG**
Near Chief Engineer Office (MES),
Lower Nongrim Hills, East Khasi Hills,
District, Shillong - 793 003, Meghalaya
Phone : 0364 253 4901/4903

SOUTH-1

- **CHENNAI-1†**
99/5, MGR Road, Nagalkeni, Chrompet,
Chennai - 600 044
Phone : 044 669 14000

- **CHENNAI-2**
Plot No.D-18, Ambattur Industrial Estate,
Ambattur, Chennai - 600 058
Phone : 044 2635 7835/6/7/8/9

- **COIMBATORE†**
1/1, Mettupalayam Road,
Cheran Nagar-P.O.,
Coimbatore - 641 029
Phone : 0422 243 4508/243 1132/4368288
Fax : 0422 243 1132

- **HYDERABAD-1†**
Plot No.5, Opp. IDPL Company,
Lane Beside Tibcon Capacitor, Balanagar,
Hyderabad - 500 037
Phone : 040 29804277/88/99

- **HYDERABAD-2**
Door No.10-10/21, New Gayatri Nagar,
Opp. SBH Bank, Jillelaguda,
Hyderabad - 500 079
Phone : 040 240 97334/240 94334

- **KURNOOL**
Door No.51/15/A/4/8, Sy. No.312/2,
321, Rajiv Nagar, Bellary Road,
Near Hanuman Weight Bridge,
Kurnool - 518 003
Phone : 08518 259 677/577

- **MADURAI**
“Sundara Bhavanam”, Door No.175,
Kamarajar Salai, Madurai - 625 009
Phone : 0452 262 8274/8312
Fax : 0452 262 9023

- **PUDUCHERRY**
8, Main Road, Gnanapragasam Nagar,
Puducherry - 605 008
Phone : 0413 224 9035/8098
Fax : 0413 224 8098

- **TIRUNELVELI**
200-E/2/1, Tiruchendur Road, Samathanapuram,
Palayamkottai, Tirunelveli - 627 002
Phone : 0462 257 3315/16

- **TIRUPATI**
No.14-39, Opp. G.D.R. Cylinders,
Renigunta Industrial Estate, Renigunta - 517 520
Phone : 0877 2239395/200

- **TRICHY**
249/2B, Opp. SIT Hostel, Tanjavur Main Road,
Ariyamangalam, Trichy - 620 010
Phone : 0431 244 1476/71
Fax : 0431 244 0104

- **VIJAYAWADA**
R.S. No.73/2, Kanuru Donka Road,
Prasadampadu, Vijayawada Rural - 521 108
Phone : 0866 284 3641/42/09246494620

- **VISAKHAPATNAM**
Plot No. 188, D-Block, IDA,
Autonagar, Visakhapatnam - 530 012
Andhra Pradesh
Phone : 0891 254 5936/257 8396

SOUTH-2

- **ALLEPPEY**
C/o. Jasspack Services Pvt. Ltd.,
Building No.8/52 C, Karinganamkuzhy,
P.O. Arookutty Ferry Road, Aroor,
Alleppey - 688 534
Phone : 0478 287 2366

- **BENGALURU (OFFICE ONLY)**
22, Fort “A”, K R Road,
Opp. Vani Vilas Hospital,Bengaluru - 560 002
Phone : 080 2670 1315/1815
Fax : 080 2670 9641

- **BENGALURU-1†**
103/1, Gottigere, Basavanapura,
Near Nice Road Junction, Bannerghata Road,
Bengaluru - 560 083
Phone : 080 2842 9721
Fax : 080 2842 9722

- **BENGALURU-3†**
Plot No.32, Peenya III Phase Industrial Area,
Bengaluru - 560 058
Phone : 080 283 77778/283 77668

- **BENGALURU++**
Survey No.250, Huchhegowdanapalya,
T. Begur Grama Panchayat & Post
Nelamangala Taluq, Bengaluru Rural District,
Karnataka - 562 123
Phone : 080 2773 3557

- **CALICUT**
Door No.III/102D, (New No XV/517 B),
Ground floor, Parammal Junction,
Near ALPB School, Parammal,
N H Bypass Road, Azhinhilam,
Malapuram - 673 632 Calicut, Kerala
Phone : 0483 283 2144/2244

- **HOSUR**
C-13, Sidco Industrial Estate,
Hosur - 635 126, Tamil Nadu.
Phone : 04344 274939/274 929

- **HUBLI**
Bembalgi Farms, Next to Jain Mandir,
P. B. Road, Gabbur, Hubli - 580 028
Phone : 0836 221 8027/28

- **KANNUR**
C/o. Western India Cottons Godown,
PPXIII/66, Pappinisseri (PO),
Kannur District, Kerala - 670 591
Phone : 0497 2786556

- **KOCHI (OFFICE ONLY)**
Door No. III/835C, Valiyara Chambers,
K.K. Road, Chembumukku,
Ernakulam - 682 021
Phone : 0484 2426312/18

- **KOLLAM**
K.P. 1/293, 294, 295, 296,
Najeem Cashew Industry Building,
T.K.M.C., P.O. Karikode,
Kollam District - 691 005
Phone : 0474 2707063/68/770

- **KOTTAYAM**
Vijayapuram Panchayath,
Door No. XI/12A, At 47/4,
Block-23, Vijayapuram Village,
Manganam Kara, Kottayam - 686 010
Phone : 0481 2576481/2576482

- **MANGALORE**
D. No.8-92/6, Dambel, Ashoknagar,
Mangalore - 575 006, Karnataka,
Phone : 0824 242 8221/2444296
Fax : 0824 2454292

- **MYSORE**
92 “A” Layout, Bannimantap Industrial Area,
Mysore - 570 015
Phone : 0821 249 6633/77

- **THRISSUR†**
Building No. XVI 564B, 564C, 564D,
Ponganamkad Centre, Kurichikkara P.O.,
Thrissur - 680 028
Phone : 0487 269 5003/269 5001
Fax : 0487 269 5003

- **THRISSUR++**
Building No. XVI 564E, 564F, 564G, 564H,
Ponganamkad Centre, Kurichikkara P.O.,
Trissur - 680 028
Phone : 0487 269 5001/5003/7800
Fax : 0487 2695003

- **TRIVANDRUM**
G. H. Auditorium, Vazhuthoorkonam,
Malayinkeezhu, Machel P.O.,
Thiruvananthapuram - 695 571
Phone : 0471 228 4027
Fax : 0471 228 0102

WEST-1

- **AURANGABAD**
C-18, MIDC Pandepur Waluj,
Aurangabad - 431 136
Phone : 0240 255 5177/5178
Fax : 0240 255 5177/5178

- **BHIWANDI++**
Gala No. 63/66, Indian Corporation,
Opp. Gajanand Petrol Pump, Mankoli Naka,
Dapode, Bhiwandi, Dist. Thane - 421 302
Phone : 09272235567, 09223310818

- **BHIWANDI**
Gala No. 64/65, Indian Corporation,
Opp. Gajanand Petrol Pump, Mankoli Naka,
Dapode, Bhiwandi, Dist. Thane - 421 302
Phone : 02522650211, 650212, 09223310818

- **GHATKOPAR**
Pattanwala Glass Works, Chirag Nagar,
LBS Marg, Ghatkopar (West),
Mumbai - 400 086
Phone : 022 2516 8355/7398/9414
Fax : 022 2516 6406

- **GOA**
Inteloc-S1, Rhea-Estate, NH-17,
Village Nuvem, Taluka Salcete,
Dist. South Goa, Goa - 403 604
Phone : 08322791758/2791959
Fax : 0832 2791 960

- **KALYAN**
  Survey No.202, Water Supply Road,
  Navi Koliwada, At Post - Kongaon,
  Kalyan - Bhiwandi Road,
  Bhiwandi, Thane - 421 301
  Phone : 02522 280607/281145
  Fax : 02522 280667
- **KOLHAPUR**
  345/16A, Hupari Road,
  Opp. Gudmudshing MSEB Power Station,
  Gudmudshing, Tal - Karveer,
  Dist. Kolhapur - 416 119
  Phone: 0231 261 5755/5855/5955
- **MUMBAI (OFFICE ONLY)**
  804, Windfall, Sahar Plaza, J. B. Nagar,
  Andheri Kurla Road, Andheri (East),
  Mumbai - 400 059
  Phone : 022 2834 2001/2/3/4/5
- **NAGPUR**
  House No. - 49, Ward No. - 83,
  Mahadeo Nagar, Behind Jabalpur Goods
  Garage, Waddhamana, Amravati Road,
  Nagpur - 440 023
  Phone : 07104 240740/41/42
  Fax : 07104 240743
- **NASHIK**
  Godown Nos.F-9, F-10 & F-11,
  Baphana Warehousing Pvt. Ltd., Gate No.103,
  Ambe Hill, Mumbai - Agra Road,
  Village Jaulke, Tal. Dindori,
  Dist. Nashik - 422 201
  Phone : 0927 223 3531-32
  Fax : 02557 279343
- **PUNE†**
  C/o. Khutwad Warehouse,
  Sr. No. 164, Fursungi Village Road,
  Fursungi Taluka Haveli, Dist. Pune - 412 308
  Phone : 020 6478 4010-25
  Fax : 020 2698 0338
- **THANE****
  C/o Total Logistics Pvt. Ltd.,
  F7, Shree Rajlaxmi Logistics Park,
  Bhiwandi - Nasik Highway,
  (Opp. Vadpa Police Chowki), Vadpe Village,
  Dist. Thane, Bhiwandi - 421 302

WEST-2

- **AHMEDABAD**
  Godown Nos.12, 13 & 14, V L Estate,
  Near Jamnagar Transport Company,
  Sarkhej Bawla Road, Ahmedabad - 382 210
  Phone : 079 2689 1481/83
  [To be shifted to
  Survey No.298 &300,
  Near Khodiyar Mata Temple,
  Sanathal Cross Road, Village Sanathal,
  Taluka-Sanand, Ahmedabad - 382 210]
- **RAJKOT**
  Plot No.9, 10, 11, Survey No.112/1,
  Ruda Transport Nagar, Anandpar,
  Navagam, Rajkot - 360 003
  Phone : 0281 270 2563/2564
- **SURAT**
  Survey No.94/5, Opp. Gas Bottling Plant,
  Behind Manav Daya Hospital,
  Kadodara Road, Saroli, Surat - 394 210
  Phone : 0261 264 6440/264 8614
- **VADODARA**
  12 & 13 V P Industrial Estate,
  Survey No.225, Behind F. G. Patel Estate,
  Opp. L & T Niro, N. H. No.8, Padamala,
  Dist. Vadodara - 390 002
  Phone : 0265 224 3070/1/2

NORTH-1

- **BHATINDA**
  MCB-Z-8/02464, Gill Complex,
  Mansa Road, Near ITI Chowk,
  Bhatinda - 151 001
  Phone : 0164 224 0239/1239

**Raw Material Godown
++Regional Distribution Centre
†Berger Paints Home Decor Centre

- **CHANDIGARH**
  Plot No.823, Industrial Area, Phase-II,
  Chandigarh - 160 002
  Phone : 0172 2637 181/4670 401
- **JALLANDHAR**
  Vakiya Abadi, Near Nakodar Road,
  Village - Khambra,
  Dist. Jalandhar - 144 026
  Phone : 0181 2791466/2791467
- **JAMMU**
  Krystal Ice Factory,
  Kunjwani Bye Pass Crossing,
  Jammu - 180 010
  Phone : 0191 248 3334/895
- **JAMMU****
  C/o. Savraj Enterprises,
  SIDCO Industrial Complex,
  IGC, Samba, Jammu.
- **LUDHIANA**
  Plot. No. 658, Industrial Area-A,
  Shiv Chowk, G. T. Road, Ludhiana - 141 008
  Phone : 0161 4587658/4381231
- **MOHALI**
  Plot No. 421, Industrial Area, Phase- IX,
  Mohali, Punjab - 160 059
  Phone : 0172 509 5105/06
- **PARWANOO**
  Plot No.9, Sector-1, Parwanoo,
  Himachal Pradesh - 173 220
  Phone : 01792 234 164/235164
- **PATHANKOT++**
  Village Kiri Khurd, Sunder Chak Road,
  Tehsil Pathankot, Jammu Road, Pathankot,
  Punjab - 145 025
- **SRINAGAR**
  Sutho Kathair Bagh, Tehsil-Chadoora,
  District - Budgam, Srinagar - 15
  Phone : 0194 2315050/2315051

NORTH-2

- **AMBALA**
  Kharsa No.18/18, 24, 28/4/1, Kuldeep Nagar,
  Opposite Asa Ram Public School,
  Village - Shahpur, Dist. & Tehsil - Ambala
  Haryana - 133 004
  Phone : 0171 2611060/80/6530142
- **BIKANER**
  C/o. Mamta Woollen Mills,
  G-1, Karni Industrial Area,
  Bikaner - 334 004, Rajasthan,
  Phone : 0151 2970034/37
  Fax : 0151 211 1913
- **FARIDABAD**
  Plot No.33, Sector - 6,
  Faridabad - 121 006, Haryana.
  Phone : 0129 4263400/2212491/2211839
  Fax : 0129 221 0827
  [To be shifted to
  Plot No.40, Sector - 6, Faridabad]
- **GURGAON†**
  Kataria Complex,
  Khasra No.10947/7283/2918/1 & 2,
  Daultabad Road, Industrial Area,
  Gurgaon - 122 001
  Phone : 0124 225 5471/72/73
- **JAIPUR†**
  Plot. No. 114A-115A,
  Jhotwara Industrial Area, Jhotwara,
  Jaipur - 302 012
  Phone : 0141 234 4054/4213/4162
  Fax : 0141 234 4054
- **JODHPUR**
  Plot No. G-121, (A, E & F),
  M. I. A. Basni II, Phase,
  Near Poorva Hospital, Jodhpur - 342003
  Phone : 0291 2744262/4792/0499
- **KOTA**
  A-263(C), Indraprastha Industrial Area,
  Kota, Rajasthan
  Phone : 0744 2490168

- **UDAIPUR**
  Plot No.-1, NH-8, Near Amberi Flyover,
  Amberi, Udaipur - 313 004
  Phone : 0294 2441 790, 0506

CENTRAL-1

- **ASAF ALI**
  12/3, Asaf Ali Road, New Delhi - 110 002
  Phone : 011 23253494/3515
- **DELHI (OFFICE ONLY)**
  Office No. 29, 1st floor, "C" Block,
  DDA Market, Yojana Vihar,
  Delhi - 110 092
  Phone : 011 22159010/11/25
- **JANAKPURI**
  Plot No.B-2 & B-3, A-1B Market,
  Block A-1, Pankha Road,
  Janakpuri, New Delhi - 110 058
  Phone : 011 2562 3741/3742
  Fax : 011 2554 8654
- **MANDOLI**
  Warehouse No.MJ-5, J R Complex-2,
  Hari Chand Mela, Ram Complex Farms,
  Village Mandoli, Delhi - 110 093
  Phone : 011 22342255/1422
- **MUNDKA INDUSTRIAL**
  Khasra No.87/22, Opp. Metro Pillar, No. 617,
  Vodafone, Gali No.12,
  Near Hiran Kudna Mode, Mundka,
  New Delhi-110041
  Phone : 09212407446/09212403585
- **MUNDKA++**
  Khasra No.36/22, 36/19/1,
  Behind Mirage Garden, Mundka Village,
  New Rohtak Road, Delhi - 110 041
  Phone : 011 2834 5623
- **OKHLA†**
  A-99/3, Okhla Industrial Area, Phase-II,
  New Delhi - 110 020
  Phone : 011 2638 4714/4796/7256
  Fax : 011 2638 5644
- **PUNJABI BAGH**
  102 & 103 DDA Transport Centre,
  New Rohtak Road, Punjabi Bagh,
  New Delhi - 110 035
  Phone : 011 28312460/2461/6922/6933
  Fax : 011 2831 3880
- **RITHALA**
  Khasra No.915-916, Guleria Complex,
  Rithala Village, New Delhi - 110 085
  Phone : 011 27056582/584/585

CENTRAL-2

- **AGRA**
  Near Canara Bank,
  Salasar Cold Store Compound, Gulab Nagar,
  Hathras Road, Agra - 282 006
  Phone : 0562 699 0640-47
- **BAREILLY**
  Clutter Buck Ganj, Opp. GTI 7th Km. Stone,
  Bareilly - 243 502, Uttar Pradesh
  Phone : 0581 256 0340/0940
- **DEVLA++**
  Village - Devla, P.O. Surajpur,
  Noida - Dadri Road, Greater Noida,
  Tehsil Dadri, District Gautam Budh Nagar,
  Uttar Pradesh - 201 306
  Phone : 0120 2569561/256 1380/256 1381
- **GHAZIABAD**
  Cloud-9 Resort,
  Opp. Uttam Toyota Meerut Road,
  Ghaziabad - 201 003
  Phone : 0120 640 2043/44
- **MORADABAD**
  Lakri Fazalpur Industrial Area,
  Delhi Mini Bye Pass, Gata # 2485/2,
  Lakri Fazalpur, Moradabad.
  Phone : 09568003094/95/96

- **NOIDA†**
  C - 43, Phase - 2, Sector - 81, Noida - 201 301
  Phone : 0120 6402311-25

CENTRAL-3

- **ALLAHABAD**
  Khasra No.54, Chakrana Tiwari,
  Arail, Tehsil - Karchana,
  Near Chaka Block Hospital, C O Road,
  Allahabad - 211 008
  Phone : 07523084888
- **DEHRADUN**
  Khasra No.891, Vill. Majra,
  Opp. Transport Nagar,
  Near Himalayan Drugs Factory,
  Dehradun - 248 001
  Phone : 0135 654 5014/15/17
- **GORAKHPUR**
  Behind Essar Petrol Pump, Ekdanga,
  Vill. Harraya, P.O. Balrampur,
  Dist. Gorakhpur, Uttar Pradesh - 273 016
  Phone : 0551 2320027/52/69/71
- **HALDWANI**
  Motinagar, Bareilly Road,
  Haldwani - 263 139
  Phone : 05946 232011-14
- **HARIDWAR**
  Kharsa No.11, Village Sultanpur Majri,
  Bahadrabad, Haridwar - 249 402
  Phone : 07060005163/07060007153
- **KANPUR**
  84/1-B, Fazalganj Industrial Area,
  Kanpur - 208 012
  Phone : 0512 224 2259/60/61
- **LUCKNOW†**
  C-518 & C-519 Transport Nagar,
  Opp. Parking No.9, Lucknow - 226 012
  Phone : 0522 232 0431/34/428/419/243
  1052/9790
- **LUCKNOW (OFFICE ONLY)**
  Ground, 1st & 2nd floor,
  B-22, Sector-B, Aliganj,
  Lucknow - 226 024
  Phone : 0522 2320 431/434/419
- **VARANASI**
  Pama Complex, DLW Road,
  Shivadaspur, Lehartara, Varanasi - 221 002
  Phone : 0542 237 1041/42

CENTRAL-4

- **BHOPAL**
  C/o. Shelly Products,
  45, Ancillary Industrial Estate,
  Habibganj, Bhopal - 462 024
  Phone : 0755 4261 495/2600 856
- **GWALIOR**
  39/2322-23, Shakiyavilas Jhansi Road,
  Lashkar, Gwalior - 474 001, M.P.
  Phone : 0751 232 7071, 0751 401 3001
- **INDORE**
  'Sunidhi Warehouse',
  Near New Sunidhi Petrol Pump,
  Nemawar Road, Palda,
  Indore, Madhya Pradesh - 452 020
  Phone : 073 1655 210/06/07
- **JABALPUR**
  C/o Shiv Smriti Marketing,
  Matani Warehouse, Patan Bypass,
  Chouraha, Patan Road,
  Gram Sukha, Jabalpur - 482 002
  Madhya Pradesh
  Phone : 07869001276/72

BRITISH PAINTS DIVISION

SALES DEPOTS

- **WEST DELHI**
  62/1, Rama Road, Industrial Area, New Delhi-110015.
  Phone: 011-25913379/25913380, 09015554160
- **CENTRAL DELHI**
  3976/80, 1st Floor, Ajmeri Gate Corner,
  Ajmeri Gate, Delhi-110006.
  Phone: 011-23216792, 09015554108 (Godown)
- **SOUTH DELHI**
  365-400 Yards, Mehrauli Gurgaon Road,
  Sultanpur-110030, Delhi.
  Phone: 011-26802293, 09015554164
- **FARIDABAD**
  SSI Plot No. 20, NH-5 Nit-Faridabad-121001.
  Phone: 0129-4037440/2426440
- **GHAZIABAD**
  C-213, Bulandsahar Road, Industrial Area,
  Site-I, Lal Quan Ghaziabad, Near Rupali Petrol Pump,
  Opp Silver City Cinema, Ghaziabad-201009.
  Phone: 0120-4295722/4164110, 09313307815
- **NOIDA**
  H-102 & 103 Sector-9, Noida-201301.
  Phone: 0120-2532251, 09015554437
- **GURGAON**
  2nd Milestone, Killa No. 6/25, Main Basai Road,
  Krishna Nagar, Gurgaon-122001.
  Phone: 0124-2300061, 09015554417
- **PANIPAT**
  New Risalu Road, Behind M.J.R. Public School,
  Adjoining Annapurna Banquet Hall,
  Plot No. 02, Panipat-132103.
  Phone: 09541209805, 08199000961
- **KANPUR**
  117/O/505, Geeta Nagar, Rawatpur, (Near Gumti No.09)
  G. T. Road, Kanpur-208025, Uttar Pradesh.
  Phone: 0512-2500974/2500610, 07668074913
- **ALLAHABAD**
  623-24, Transport Nagar, Allahabad-211001.
  Phone: 0532-2230014, 07668074987
- **AGRA**
  Kharsa No. 1294, Village Baipur,
  Behind Sabzi Mandi, Agra.
- **VARANASI**
  Pama Complex, Near Vishal Auto Agency,
  Lahartara DLW Road, Varanasi-221103, Uttar Pradesh.
  Phone: 0542-2372278
- **HALDWANI**
  Opp. Kattha Factory, Devalchaur Kham, Rampur Road,
  Dist. Nainital, Haldwani-263139, Uttrakhand.
  Phone: 05946-234126
- **DEHRADUN**
  238, Mohabbe Wala, Saharan Pur Road,
  Near Sai Baba Mandir, Dehradun, Uttarakhand.
- **PARWANOO**
  C/o Nirman Ghar, Near Fire Station, Sector-3,
  Parwanoo, Distt-Solan-173220, Himachal Pradesh.
  Phone: 01792-232002/232602
- **CHANDIGARH**
  S.C.O. 268, Sector-32-D, Chandigarh.
  Phone: 0172-5189400, 0956957594
- **MOHALI**
  C-50, Phase-III, Industrial Area,
  Opp. Ranbaxy Gate No.1, Mohali-160055, Punjab.
  Phone: 0172-4016394, 09569199497
- **LUDHIANA**
  270, Industrial Area A, Back Side R.K. Road,
  Near Cheema Chowk, Near Lucky Dharam Kanda,
  Ludhiana-141003, Punjab.
  Phone: 0161-2220270
- **JALANDHAR**
  Asiatic Compound, Usha Dharam Kanta,
  Basti Bawa Khel, Kapurthala Road, Jalandhar-144 003.
  Phone: 0181-2651096
- **JAMMU**
  55/1, M.B.S. College Road, Ajit Nagar,
  P.O. Gangyal, Jammu-180010.
  Phone: 0191-2263896/2263917
- **GUWAHATI**
  Near Lokhra Charali, Opp. BP Petrol Pump,
  N.H.-37, P.O. - Saukuchi, Guwahati-781034, Assam.
  Phone: 08811081316/09864099201
- **PATNA**
  Gandhi Setu Road, Choti Pahari, Near Sun Motor,
  Opp. Samrat Petrol Pump, Jakaripur, Patna-800007.
  Phone: 08102035112, 09386140722
- **RANCHI**
  A-1, Hawai Nagar, Near Birsa Chowk,
  Khunti Road, Ranchi-834003, Jharkhand.
  Phone: 07061384653, 07061384654
- **PUNE**
  GAT No. 1100, Near Vatika Ashram,
  Pune Saswad Road, Vadki-412308.
  Phone: 07620653711, 09325181849
- **SOLAPUR**
  Lonawat Arcade, GUT No. 301/2B at Post Kondi Tal North,
  Solapur, Solapur-Pune Highway, Solapur-413006.
  Phone: 0217-2357213
- **MUMBAI**
  Plot No. A-88 TTC Industrial Area MIDC,
  Khairane Village, Thane Belapur Road,
  Navi Mumbai-400705.
  Phone: 022-27781610, 09320933850
- **GOA**
  No. 56/C Vivenda Gaurish Nirboga, Camurlin-Village,
  Post Loutulim, Salcette, Goa-403718.
  Phone: 0832-2858815/2858550
- **AHMEDABAD**
  Godown 7, Jamnagar Estate, Behind Alfa Hotel,
  N.H.8, Aslali, Ahmedabad-382427.
  Phone: 08347816350, 09376857169, 09016804571
- **BARODA**
  Industrial Casting Block No. 4/26,
  BIDC Industrial Estate, Gorwa Road, Baroda-390016.
  Phone: 0265-2282050, 2282044
  WLL: 09016804605
- **SURAT**
  Plot No. 182/183, Road No. 6F, New Functional Estate,
  Udhna Udhyoganagar, Udhna, Surat-394210.
  Phone: 0261-2272734
- **INDORE**
  Near Agarwal Tolkata, Lasudiya Mori,
  Dewas Naka, Indore-452010.
  Phone: 0731-4088473, 07067317059
- **BHOPAL**
  C/o. Adhish Industries, 11-A, J.K. Road, Industrial Area,
  Govindpura, Bhopal-462021, Madhya Pradesh.
  Phone: 0755-4083274, 07067317060
- **HYDERABAD**
  Plot No. 17-18, BHEL Colony, Rasoolpura,
  Secunderabad, Telangana-500 003.
  Phone: 040-27904495, 09533080772
- **TIRUPATI**
  Door No.11-15, III Main Road Extn., Industrial Estate,
  Opp. to CRS Gate, Renigunta Road,Tirupati-517506.
  Phone/Fax: 0877-2237249, 09533080764
- **VIJAYAWADA**
  Plot No. 77, Near Sunlight Centre, 100 Feet Road,
  Jawahar Auto Nagar, Vijayawada-520007.
  Phone: 0866-2544355, 09533080762
- **COCHIN**
  3/569/B&C, VKA Towers, Kalamassery,
  P.O. South Kalamassery, Cochin-683104.
  Phone: 0484-23532464, 08590059083
- **CALICUT**
  1/90, D&E, Dawood Chambers, Butt Road,
  Chungam, West Hill, Calicut-673005.
  Phone: 0495-2380492, 08590059084
- **BENGALURU**
  No. 114/16, Patel Puttiah Industrial Estate, Mysore Road,
  Near Metro Railway Station, Bengaluru-560 026.
  Phone: 080-26752865
- **HUBLI**
  A. L. Handa Godowns, Anchatageri Village,
  7th KM, Karwar Road, Hubli-580 024.
  Phone: 0836-2200855/866, 08088926532
- **JAIPUR**
  145A Jagdamba Nagar, Near Dasharra Maidan,
  Behind Heerapura Power House, Ajmer Road,
  Jaipur-302021, Rajasthan.
  Phone: 07877509255
- **KOTA**
  H-39, Opp. Multimetal, Chambal Industrial Area,
  Kota-324003, Rajasthan.
  Phone: 0744-2480106, 09024431493
- **GORAKHPUR**
  Hariya (Nausad), Near Gaurav Petrol Pump,
  Khajini Road, Bahrampur, Gorakhpur-273001.
  Phone: 7499904089/7668074844/9307353401
- **AMRITSAR**
  Kharsa No. 1301, GT Road, Adj Sangam Motor Garage,
  Near Tara Wala Pul, Amritsar.
  Phone: 09569360416
- **SRINAGAR**
  Ground Floor, Kharsa No. 1578, Khevat No.44,
  Shiekh Complex., Opp. Shuhul Automobiles,
  Pharoo Road, Near NH-1A, Nowgam Bye pass,
  Srinagar-190015.
  Phone: 0194-2315258-60
- **THRISSUR**
  3/165/1, Wheels Real Estate, Moospet Road,
  Chelakkotukara, Thrissur-680005.
  Phone: 0487-2430172/3290390
- **NASHIK**
  Gate No. 103, Ambe Hills at P.O. Jaulk,
  Mumbai Agra Road, Nashik-422206.
  Phone: 07620653714
- **AGARTALA**
  Dhaleswar Road No.1, Near Dhaleswar ITI West Tripura,
  Agartala-799007, Tripura.
  Phone: 0381-2302244
- **NAGPUR**
  C/o Nidhi Nitin Agarwal, Plot No. 91 to 93, H. No.625,
  Nagrik Gruh Nirman Society, Jaitwan Colony,
  Sonba Nagar, Khadgaon Road, Lava,
  Nagpur-440023
  Phone: 09112313840/7447436603

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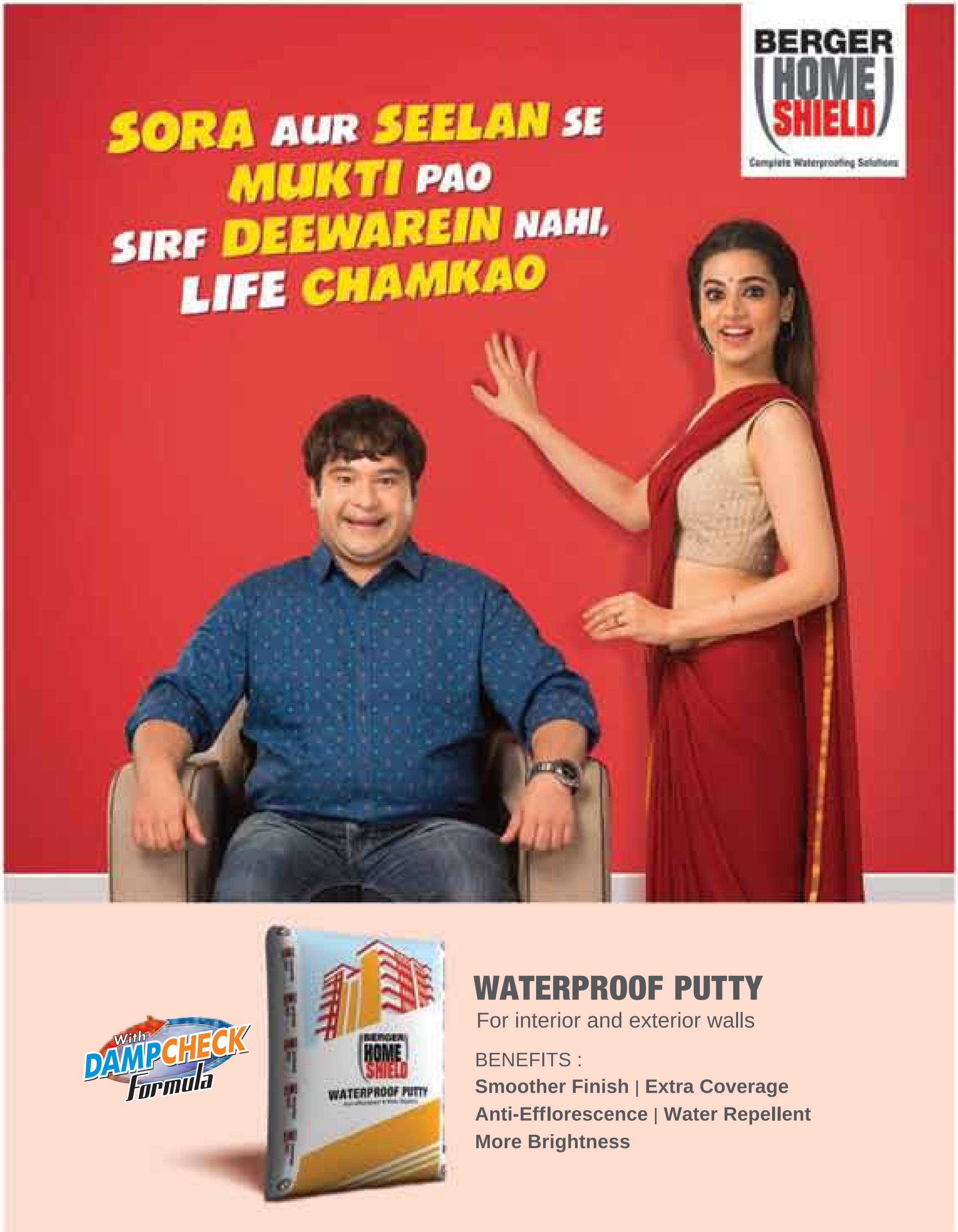
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