

Board of Directors

Kuldip Singh Dhingra
Chairman

Gurbachan Singh Dhingra
Vice Chairman

Subir Bose
Managing Director

Anil Bhalla

Kamal Ranjan Das

Gurcharan Das

Naresh Gujral

Rajive Sawhney

Company Secretary

Aniruddha Sen

Auditors

Lovelock & Lewes

Bankers

Standard Chartered Bank

Bank of Baroda

Central Bank of India

Citibank, N.A.

Corporation Bank

HDFC Bank Ltd.

The Hongkong & Shanghai Banking Corporation Ltd.

ICICI Bank Ltd.

State Bank of India

Union Bank of India

Registered Office

Berger House, 129 Park Street, Kolkata 700 017

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Directors' Report

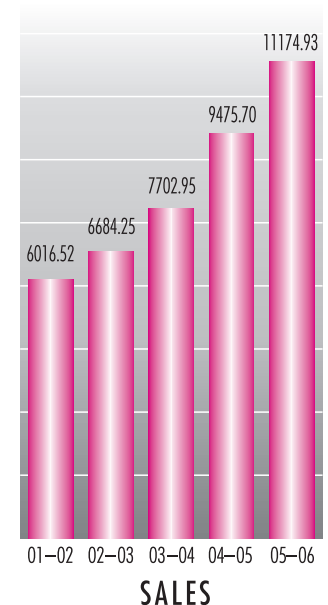
Your Directors are pleased to present the Annual Report of the Company, together with the audited accounts for the financial year ended 31st March, 2006.

1. Financial Results & Appropriations

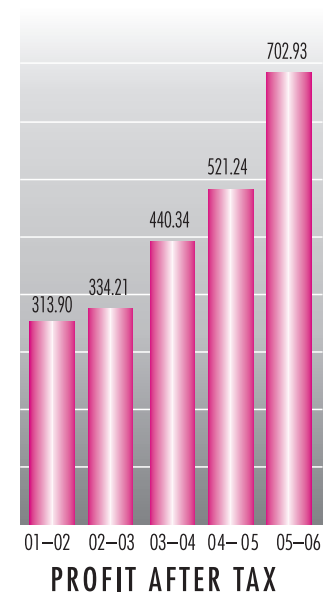
(Rs. in millions)

	BPIL		Consolidated	
	2005-06	2004-05	2005-06	2004-05
Profit before Depreciation, Interest and Exceptional Item	1,146	913	1,205	958
Less :				
Depreciation ¹⁷⁴	157	182	163	
Interest	53	36	56	39
Exceptional Item (Expenditure under Voluntary Retirement Scheme / Gratuity)	3	57	3	57
Profit Before Tax	916	663	964	699
Less :				
Provision for Taxation	213	142	220	148
Profit After Taxation	703	521	744	551
Add :				
Profit brought forward from the previous year	180	180	180	180
Available for appropriation	883	701	924	731
Appropriations :				
Transfer to General Reserve	179	205	220	232
Dividend(s) – Interim	199	139	199	142
– Final (Proposed)	199	139	199	139
Tax on dividend	56	38	56	38
Balance carried to Balance Sheet	250	180	250	180
	883	701	924	731

Rs. in millions



Rs. in millions



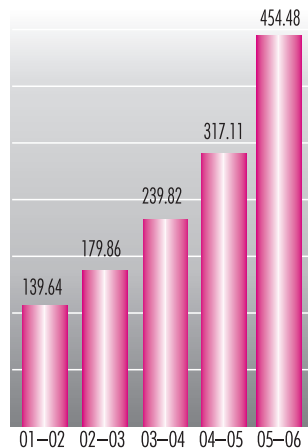
2. Operational & Financial Performance

For the first time in its history, the Company crossed the landmark consolidated net sales figure of Rs.10,000 millions (or Rs.1,000 crores). The consolidated sales, net of excise, were Rs.10,224 millions (or Rs.1,022 crores), registering a 19.5% growth over that for the previous year. It may be recalled that your Company already held the position of second largest paint company in volume terms. Now, with Rs.1,022 crores of consolidated net sales, your Company has become the second largest paint company in India in value terms as well. Consolidated net profit after tax grew by 35% to Rs.744 millions (or Rs.74.4 crores).

During the financial year ended 31st March, 2006, the Company, on a stand-alone basis, achieved sales of Rs.11,175 millions as against Rs.9,476 millions in the previous year registering a growth of 18%. The Profit before Depreciation, Interest and Exceptional Item was Rs.1,146 millions as against Rs.913 millions in the previous year, recording an improvement of 25.5%. The Profit before Tax at Rs.916 millions and the Profit after Tax at Rs.703 millions during the year under review showed improvements of 38% and 35% respectively.

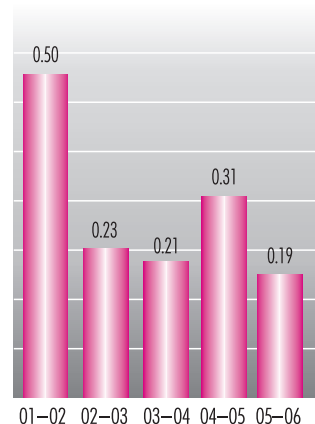
The year 2005-06 saw another period of steady growth for your Company in Retail, Automotive & Industrial and Powder businesses – buoyed by the vigorous growth in the overall

Rs. in millions



DIVIDEND

Including tax on distributable profit



DEBT EQUITY RATIO

Loan Funds / Shareholders' Funds

manufacturing and construction sectors. Prices of raw materials, particularly those related to crude oil, continued on an upward spiral. On the other hand, prices of the Company's products came under pressure from competition. In order to counter this, the Company concentrated on improved product mix and quality, better realization and management of costs. These efforts enabled your Company to ensure that the impact on profitability was kept to a minimum.

Helped by the steady growth in housing, construction and infrastructure sectors, the demand for both solvent and water based products in Decorative paints continued to be strong. The Company's efforts of developing new products, keeping in view specific needs of the discerning Indian market, were received well by the consumers. These include Bison Wall Putty, Weathercoat Long Life – exterior emulsion with elastic film that allows it to bridge hairline cracks, Weathercoat Tile Protector and Illusions Exterior. Illusions Exterior paints are exterior textured/designer finishes with special formulations, which permit various designs to be developed through special application techniques. The Company also launched Galaxy – a new do-it-yourself paint kit for children's rooms.

During the year, the Company launched the Lewis Berger range of premium products. In the 18th century, a colour chemist then living in London, by the name of Lewis Berger, developed a method for manufacturing prussian blue using a secret process that every designer and householder coveted. The Company's brand – Lewis Berger – reflects the Company's legacy and heritage as well as its growing commitment towards quality, aesthetics and innovation. It is targeted at quality conscious consumers looking for lifestyle products. The launch involved a complete overhaul of all products and services, which are touched by a consumer. A complete 360 degree marketing effort was undertaken to drive home the change from a value for money pedestal to a lifestyle oriented platform and thereby give the brand a premium look and feel. The changes include aesthetically and functionally improved containers, improved and strengthened cartons, overhauling of more than 4000 dealer signboards, merchandising of 1000 plus shops, installation of automatic printing machines at the factories, implementation of stricter quality control norms and communicating these changes to the consumers through a clutter breaking television and press advertisement where the consumer is asked to unleash the power of his imagination by visualizing the Taj Mahal, painted with an array of colours. All the products in the Lewis Berger range have been classified into three categories : Precious, Exclusive and Select, depending on the price point with Precious being at the highest range. All Precious range containers carry a warranty of 5 to 7 years. The new brand has been received well by the market.

Berger Home Décor has been refurbished as Lewis Berger Home Painting, with higher degree of facilitation for consumers. This is being extended to many more centers in India.

The automotive paint segment registered good growth, boosted by increase in automotive production and aggressive development of new customers.

The growth in the Protective Coatings segments was satisfactory and the Business was able to improve its product mix significantly.

3. Dividend and Bonus Issue

The Company paid an interim dividend of 50% for the year under review in December, 2005 amounting to Rs.199 millions.

Your Directors recommend a final dividend @ 50% for the year under review. This, if approved, will absorb an amount of Rs.199 millions and will be paid to those members whose names appear in the Register of Members as on the commencement of book closure date on 14th July, 2006. The final dividend, together with the interim dividend of 50%, makes a total dividend of 100%. The total dividend payment for the year will therefore be Rs.398 millions as compared to Rs.279 millions in the previous year.

Your Board has also recommended issue of 3 fully paid-up Ordinary (Equity) shares, as bonus shares, for every 5 fully paid-up Ordinary (Equity) shares of the Company held by the members whose names shall appear in the Register of Members on such date as may be fixed by the Directors. The notice for the forthcoming Annual General Meeting proposes a resolution to this effect for your approval.

In terms of the provisions of Section 205C of the Companies Act, 1956, your Company transferred an amount of Rs.1,546,446 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, 1998 in respect of interim and final dividends and for the year ended 31st March, 1999 in respect of interim dividend.

4. Subsidiary Companies & Joint Venture

The Statement of the holding Company's interest in the subsidiary companies namely Beepee Coatings Pvt. Limited ("Beepee Coatings"), Berger Jenson & Nicholson (Nepal) Pvt. Limited ("BJN - Nepal"), and Berger Paints (Cyprus) Limited ("Berger Cyprus") and subsidiary of its subsidiary company namely Berger Paints Overseas Limited as specified in Sub-section (3) of Section 212 of the Companies Act, 1956 ('the Act') is attached to the Report and Accounts of the Company.

BJN-Nepal, also a wholly owned subsidiary has shown significant improvement in performance. During the year under review, the company achieved a turnover of Indian Rs.83 millions and Profit Before Tax of Indian Rs.8.85 millions. The operations of BJN -Nepal were somewhat affected due to political disturbances and have now resumed.

The operations of Beepee Coatings, a wholly owned subsidiary with its entire manufacturing facilities dedicated to processing the Company's products, were satisfactory. The processing income amounted to Rs.58 millions.

Berger Paints (Cyprus) Limited, Cyprus, the Company's wholly owned subsidiary for investment related purposes contributed an amount of U. S. Dollars 500,000 in Berger Paints Overseas Limited in Russia towards charter capital and an amount of U. S. Dollars 300,000 towards loan, till date. This is an investment vehicle, which has recently commenced business.

Berger Paints Overseas Limited in Russia commenced operation in the Republic of Adygeya with trading activities, which include sale of paints exported from India. During the year under review, it registered an after tax profit of U. S. Dollars 22,099. It is in the process of setting up a 6,000 MTPA paint plant in Russia, which can be upgraded to 12,000 MTPA. Commercial production is likely to commence in the latter half of the year 2006.

The Company has applied for exemption under Section 212 of the Companies Act, 1956 from the Department of Company Affairs from annexing to this Report the Annual Reports of the above subsidiaries for the year ended 31st March, 2006 and the approval is expected shortly. The Consolidated Financial Statement includes the results of these subsidiary companies duly audited by their respective statutory auditors. Annual Accounts of the subsidiary companies and related detailed other information shall be made available to the members seeking such information and shall also be kept for inspection at the Head Office of the Company by any investor during working hours.

The Company's joint venture, Berger Becker Coatings Private Limited, has achieved good results during the year under review.

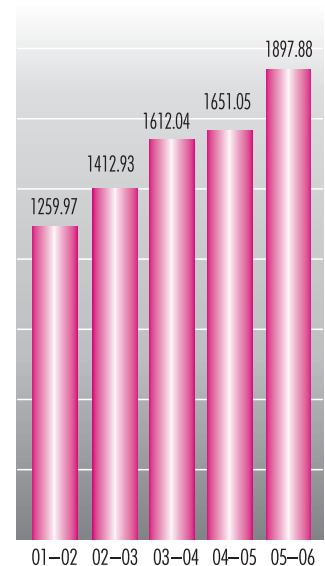
The Company's joint venture with Punjab National Bank, Vijaya Bank and Principal Financial Group (Mauritius) Limited in the form of Pnb Principal Advisory Company Private Limited continued its business of direct broking. During its first year of operation ending March 31, 2006, this company generated business income of over Rs.10 crores.

5. Projects

During the year under review, your Company started commercial production at the new 2,400 MTPA powder coating plant at Jammu. The resin manufacturing plant at Jammu is at an approval stage.

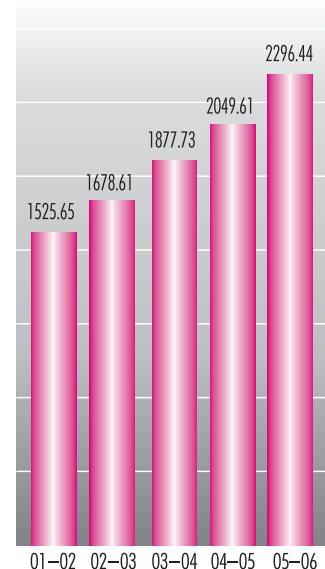
The Company has decided to set up an exclusive automotive paint plant at Rewari in Haryana. The land for the purpose has been acquired. Subject to obtaining necessary approvals, it is likely to be completed in early 2007.

Rs. in millions



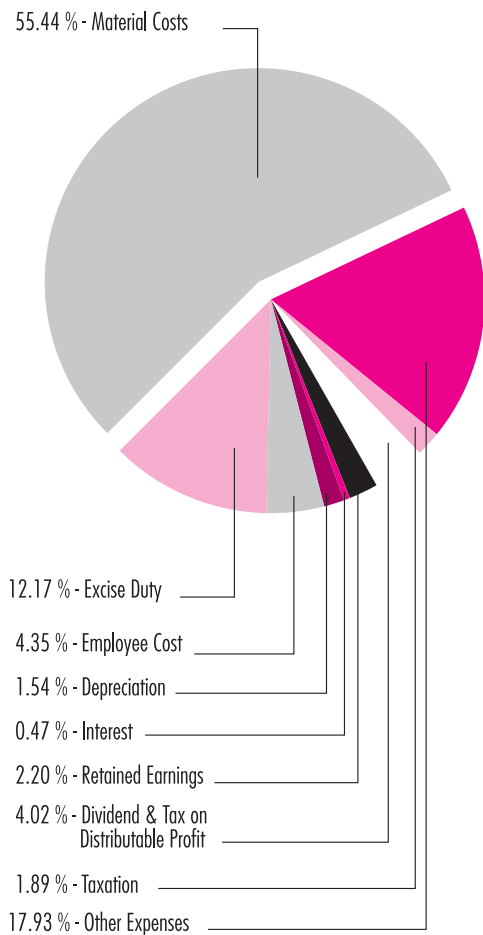
RESERVES & SURPLUS

Rs. in millions



SHAREHOLDERS' FUNDS

DISTRIBUTION OF TOTAL INCOME



6. Consolidated Financial Statements

Consolidated Financial Statement as required under the Accounting Standards AS – 21 and 27 and provisions of Clause 32 of the Listing Agreement has been prepared after considering the audited financial statements of your Company's subsidiaries and joint venture company and appear in the Annual Report of the Company for the year 2005-06.

7. Corporate Governance

Your Company has complied with all the requirements of Clause 49 of the Listing Agreement with stock exchanges, as amended. The Annual Report for the year carries the Section on Corporate Governance and benchmarks your Company with the provisions of Clause 49 of the Listing Agreement (Annexures I & II).

8. Technical Licence Agreements

Your Company has Technical License Agreements with (1) DuPont Performance Coatings in the area of Automotive Coatings, (2) Orica Australia Pty. Ltd. in the area of Protective Coatings, (3) TIGERWERK Lack-u.Farbenfabrik GmbH & Co. KG, Austria for specialized powder coatings and (4) Nippon Bee Chemical Co. Ltd. for coatings systems on automobile plastic bumpers and plastic auto parts. Products manufactured with the know-how of the collaborators have been well received by the concerned customers.

9. Foreign Exchange

Your Company earned foreign exchange of Rs.15 millions from export of paints and consultancy fees. Details of Foreign Exchange outgo and earnings appear in items (v) to (viii) of Schedule 21 of the Accounts for the year under review.

10. Future Prospects

The prospects for different sectors which influence the demands for the Company's products appear to be good. The country's GDP growth runs ahead of expectations and the market is now ruled by customers who look for quality products and a wide range of choices. There are concerns about prices of certain key inputs.

The above factors call for greater focus on costs, logistics, distribution and information flow, coupled with various control measures at different levels. These are being implemented.

The year to date performance has been encouraging and barring unforeseen circumstances, your Directors feel that the Company will continue to reap the benefits of a forward looking economy in 2006-07 and beyond.

11. Share Related Information

As stated in the previous year's report, the Company made a public announcement on 10th May, 2005 for buy back of its own shares by way of open market purchase through National Stock Exchange of India Limited at a price not exceeding Rs.60/- per equity share and a total amount of consideration not exceeding Rs.1,859 lakhs. With effect from 20th April, 2006, after buy-back of 4,200 equity shares at an average price of Rs.48.93 per share, the buy-back has been closed. The shares bought back have been duly extinguished and this year's accounts reflect such extinguishment.

Calls amounting to Rs.25,065 representing 5,013 partly paid equity shares of a face value of Rs.10 each (or 25,065 equity shares of a face value of Rs.2 each), continue to remain unpaid. These calls pertain to rights shares issued in the year 1996. After sending a number of notices, the Company is sending notice for forfeiture of these shares including forfeiture of unpaid dividends and all rights and interests that may have accrued thereon, to the 67 shareholders who have not paid these calls.

12. Fixed Deposits

There are no outstanding public deposits in the Company as on 31st March, 2006, except those lying unclaimed. The Company had earlier discontinued acceptance of fresh deposits and renewal of deposits. Deposits amounting to Rs.1.30 millions which had matured for repayment are lying unclaimed, for which your Company has sent out reminders. Out of the aforesaid amount of Rs.1.30 millions, Rs.10 thousand have been transferred to the Investor Education and Protection Fund.

13. Cost Auditors

The Board of Directors have re-appointed M/s N Radhakrishnan & Co, Kolkata, Mr V Gopalkrishnan, Pondicherry and N Dewan & Co, New Delhi, as the Cost Auditors of the Company under Section 233B of the Companies Act, 1956, for its various factories across the country, subject to the approval of the Central Government for the year 2006-07. The Cost Auditors' Reports will be forwarded to the Central Government as required under law.

14. Human Resources, Environment, Occupational Health And Safety

As on 31st March, 2006, your Company had 1,966 employees. Industrial Relations were satisfactory during the year under review.

Your Company pursues a policy of extensive training and development programme to enhance and up-date the skills and knowledge of its human resources. Your Company continuously reviews the training needs of its employees arising out of performance appraisals and otherwise and imparts the same. The new performance appraisal system is now firmly in place. Your Company places highest importance to identified needs and aspirations in so far as they match the Company's objectives.

Your Company places paramount importance to environment, occupational health and safety and several steps were initiated in this respect during the year.

15. Information Pursuant to Section 217 of The Act

A. Conservation of Energy & Technology Absorption

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the financial year ended 31st March, 2006 are given in Annexure III to the Report.

B. Particulars of Employees

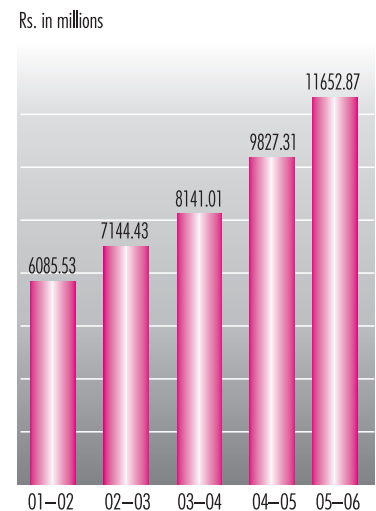
Statement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is given in Annexure IV to this Report.

C. Directors' Responsibility Statement

Your Directors wish to inform that the Audited Accounts containing Financial Statements for the financial year ended 31st March, 2006 are in full conformity with the requirements of the Companies Act, 1956. 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.

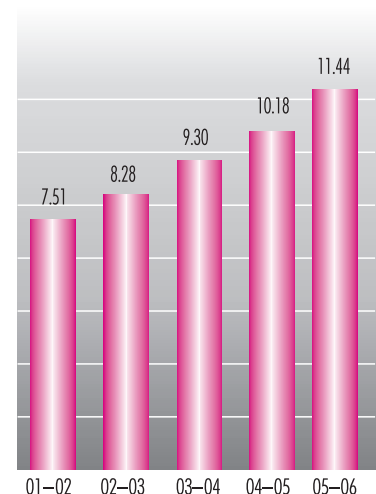
Your Directors further confirm that in preparation of the Annual Accounts :

- 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 judgements 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,



CONSOLIDATED SALES

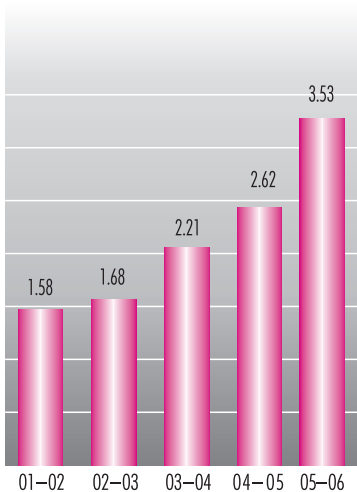
In Rupees



BOOK VALUE PER SHARE

Previous years' figures restated based on the face value of Rs.2/- per share

In Rupees



EARNINGS PER SHARE

Previous years' figures restated
 based on the face value of Rs.2/- per share

- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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.

16. Directors

Pursuant to Article 112 of the Articles of Association of the Company, Mr Gurbachan Singh Dhingra and Mr Rajive Sawhney retire by rotation and, being eligible, offer themselves for re-appointment.

Mr G. S. Dhingra is a graduate and an industrialist. He is a promoter and holds the position of Vice-chairman of the Board of Directors. Mr Dhingra has vast and rich experience of the paints business and particularly, its technical aspects. He has helped the Company to reach the present status. He is on the Board of a number of companies. Mr Dhingra holds 5,40,600 equity shares of the Company.

Mr Rajive Sawhney is an arts graduate and a lawyer by profession. He is a reputed senior advocate practising, among others, in the Supreme Court of India. The Company has benefited from the counsel and guidance of Mr Sawhney. Mr Sawhney does not hold any equity share of the Company.

The Audit Committee of the Board was reconstituted during the year. Mr Naresh Gujral, a Chartered Accountant, was appointed Chairman of the Committee. Mr Anil Bhalla and Mr Kamal Ranjan Das continue to be members of the Committee. Mr G. S. Dhingra stepped down as a member of the Committee.

17. Related Party Transactions

A Statement of related party transactions pursuant to Accounting Standard 18 forms a part of this Annual Report.

18. Listing With Stock Exchanges

Your Company is listed with The Calcutta Stock Exchange Association Limited, Bombay Stock Exchange Limited and National Stock Exchange of India Limited and the Company has paid the listing fee to each of the Exchanges. The addresses of these stock exchanges and other information for Shareholders are given in the Annual Report.

19. Auditors

The Auditors, Messrs. Lovelock & Lewes, retire at the conclusion of the ensuing Annual General Meeting and, being eligible under Section 224(1B) of the Act, offer themselves for re-appointment.

20. 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
 Dated : 6th June, 2006

Kuldip Singh Dhingra
 Chairman

Annexure-I

Corporate Governance

FOR THE YEAR ENDED 31ST MARCH, 2006

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 exchequer.

I. COMPANY'S PHILOSOPHY

Your Company believes in professionalism of management, transparency and sound business ethics. It encourages wide participation from all stakeholders.

II. BOARD OF DIRECTORS

The Board comprises 8 Directors, out of which 1 is an executive director, 2 are non-executive promoter directors, 1 is a non-executive non-independent director and 4 are non-executive independent directors.

The names of the Directors and their Directorships in other public limited companies are mentioned hereunder.

The Chairman of the Board is a Non-executive Director. The Chairman of the Company is entitled to maintain an office in accordance with Clause (1) of Annexure ID of Clause 49 of the Listing Agreement. The Company also reimburses expenses incurred by the Chairman in course of performance of his duties.

The Company thinks that fixing tenures for independent directors is not in any way beneficial in the interest of the Company and hence, it has not fixed any such tenure for its independent directors.

Name of Director	Position	Directorships in other companies incorporated in India	Membership/chairmanship across all other companies in which the person is a director
Mr Kuldip Singh Dhingra	Non-executive Chairman/Promoter	9	Nil
Mr Gurbachan Singh Dhingra	Non-executive Vice- Chairman / Promoter	8	Nil
Mr Subir Bose	Managing Director / Executive	1	Nil
Mr Anil Bhalla	Non-executive/ Non-independent Director	3	Nil
Mr Kamal Ranjan Das	Non-executive/ Independent Director	4	Nil
Mr Rajive Sawhney	Non-executive/ Independent Director	7	1 (member of audit committee)
Mr Gurcharan Das	Non-executive/ Independent Director	8	Nil
Mr Naresh Gujral	Non-executive/ Independent Director	11	Nil

The number of Board Meetings and the attendance of Directors as well as their attendance at the last AGM during the financial year 2005-2006 were as below :-

Name of Directors	Board Meeting Dates & Attendance						AGM Date & Attendance
	29.04.05	04.06.05	27.07.05	29.10.05	07.11.05	31.01.06	27.07.05
Mr Kuldip Singh Dhingra	Í	P	P	P	Í	P	P
Mr Gurbachan Singh Dhingra	P	Í	P	P	P	P	P
Mr Subir Bose	P	P	P	P	Í	P	P
Mr Anil Bhalla	P	P	P	P	P	P	P
Mr Kamal Ranjan Das	P	P	Í	P	Í	P	Í
Mr Rajive Sawhney	Í	Í	Í	P	Í	Í	Í
Mr Gurcharan Das	Í	P	Í	Í	Í	P	Í
Mr Naresh Gujral	Í	Í	Í	P	P	Í	Í

Other than the Managing Director (Executive), all Directors attending meetings of the Board are entitled to a sitting fee of Rs 2,000 for every meeting attended by them.

III. COMMITTEE OF DIRECTORS

A. AUDIT COMMITTEE

The terms of reference of the Audit Committee cover the matters specified under Clause 49 of the listing agreement, as amended, as well as in Section 292A of the Companies Act, 1956.

The responsibilities of the Audit Committee include, inter alia, overseeing the financial reporting process to ensure proper 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 systems, reviewing findings of internal investigations, discussing the scope of audit with external auditors, reviewing the Company's financial and risk management policies and looking into reasons for substantial defaults, if any, of non-payment to stakeholders.

The composition of the Audit Committee as at 31st March, 2006 is as follows:

Mr Naresh Gujral (Chairman)

Mr Anil Bhalla

Mr Kamal Ranjan Das

Mr Aniruddha Sen – Secretary

The Audit Committee, as stated above, was reconstituted with effect from 31st December 2005. Prior to that, the composition of the Audit Committee was as follows:

Mr Anil Bhalla (Chairman)

Mr Gurbachan Singh Dhingra

Mr Kamal Ranjan Das

Mr Aniruddha Sen – Secretary

The number of Audit Committee Meetings and the attendance of Directors during the financial year 2005-2006 were as follows :-

Name of Directors	Meeting Dates & Attendance						
	29.04.05	04.06.05	27.07.05	09.09.05	29.10.05	23.12.05	31.01.06
Mr Anil Bhalla	P	P	P	P	P	P	P
Mr Kamal Ranjan Das	Í	P	Í	P	P	P	P
Mr Gurbachan Singh Dhingra	P	Í	P	Í	P	P	-
Mr Naresh Gujral	-	-	-	-	-	-	P

Note : The quorum of two independent directors as required by the Listing Agreement was present in 5 Audit Committee meetings out of 7 Audit Committee meetings held during the year.

All Directors attending meetings of the Audit Committee are entitled to a sitting fee of Rs 2,000 for every meeting attended by them.

B. REMUNERATION COMMITTEE

The Company has not set up any remuneration committee in particular since the Company has only one Executive Director and all other Directors are Non-executive Directors, who receive only sitting fees in respect of their attendance of Board and Committee meetings and do not receive any other fees or remuneration.

C. SHAREHOLDERS' COMMITTEES

1. The Composition of the Shareholders' Committees are as follows:

(A) SHARE TRANSFER COMMITTEE

Mr Subir Bose (Chairman)

Mr Kamal Ranjan Das

Mr Aniruddha Sen- Secretary & Compliance Officer

(B) INVESTORS' GRIEVANCE COMMITTEE

Mr Kamal Ranjan Das (Chairman)

Mr Subir Bose

Mr Anil Bhalla

Mr Aniruddha Sen – Secretary & Compliance Officer

2. Number of Meetings of the above Committees and the attendance of Directors during the financial year 2005-2006 were as follows :-

a. FOR SHARE TRANSFER COMMITTEE MEETING

Name of Directors	Meeting Dates & Attendance							
	11.04.05	20.04.05	13.05.05	27.05.05	14.06.05	28.06.05	12.07.05	29.07.05
Mr Subir Bose	P	P	P	P	P	P	P	P
Mr Kamal Ranjan Das	P	P	P	Í	P	Í	Í	Í
	16.08.05	26.08.05	09.09.05	26.09.05	07.10.05	24.10.05	08.11.05	23.11.05
	P	P	P	P	P	P	P	P
	Í	P	P	P	P	P	P	P
	01.12.05	16.12.05	02.01.06	16.01.06	31.01.06	14.02.06	28.02.06	15.03.06
	P	P	P	P	P	P	P	P
	Í	P	P	P	P	P	P	Í
	30.03.06							
	P							
	P							

b. FOR INVESTORS' GRIEVANCE COMMITTEE MEETING

Name of Directors	30.03.06
Mr Kamal Ranjan Das	P
Mr Subir Bose	P
Mr Anil Bhalla	Í

All Directors, other than the Managing Director, attending meetings of the Share Transfer Committee and Investors Grievance Committee are entitled to a sitting fee of Rs 2,000 for every meeting attended by them.

3. Status of Shareholders' Complaints :

Number of complaints received during the current year – 14

Number not solved to the satisfaction of shareholders – Nil

Number of pending complaints as at 31.03.2006 - Nil

IV. GENERAL BODY MEETINGS

Date, Time & Venue of the last three Annual General Meetings

FY ended	Date	Time	Venue	If Special Resolution Passed
March 31, 2003	31.07.03	11.30 a.m.	G D Birla Sabhagar, 29 Ashutosh Choudhury Avenue, Kolkata 700 019	No
March 31, 2004	29.07.04	10.30 a.m.	G D Birla Sabhagar, 29 Ashutosh Choudhury Avenue, Kolkata 700 019	No
March 31, 2005	27.07.05	11.00 a.m.	Kalamandir Auditorium, 48 Shakespeare Sarani, Kolkata 700 017	No

No special resolution was passed last year through postal ballot. No special resolution is proposed to be conducted through postal ballot in the ensuing year.

V. DISCLOSURES

- The Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of the Company at large.
- The Company has complied with all requirements of the listing agreement entered into with the Stock Exchanges and SEBI Regulations and guidelines. No penalties were imposed or strictures were passed against the Company with regard to the capital market.

- c) The Company does not have a formal whistle blower policy. However, no person has been denied access to the Audit Committee.
- d) The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement and complied with the following non-mandatory requirements:
- The non-executive Chairman is entitled to maintain a Chairman's office at the Company's cost and allowed reimbursement of expenses incurred in performance of his duties.
 - The Company attempts to move towards a regime of unqualified financial statements.

VI. MEANS OF COMMUNICATION

The quarterly and half-yearly financial results of the Company are published in leading English and vernacular dailies such as the Business Standard, Economic Times, Bartaman and Sambad Pratidin. Such results are also uploaded by the Company in its website <http://www.bergerpaints.com>.

Other important announcements are also published by the Company in leading English and Bengali dailies.

As per requirement of the listing agreement, the Company also uploaded the financial results, shareholding patterns, annual report and corporate governance report on <http://sebidifar.nic.in>.

No individual information to the shareholders is given since all the information are published in leading newspapers and are also put up on the Company's website.

VII. CODE OF CONDUCT

The Company has an approved Code of Conduct applicable to Directors and employees. A certificate of affirmation in this regard is appended.

VIII. NUMBER OF SHARES/CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

Number of shares held by non-executive Directors are given below. The Company does not have any other convertible instrument.

Name of the Non-executive Director	Number of shares held
Mr Kuldip Singh Dhingra	5,40,000
Mr Gurbachan Singh Dhingra	5,40,600
Mr Anil Bhalla	26,100
Mr Kamal Ranjan Das	20,820
Mr Rajive Sawhney	-
Mr Gurcharan Das	-
Mr Naresh Gujral	-

IX. REMUNERATION POLICY AND REMUNERATION TO DIRECTORS

Executive Director

The remuneration paid to the Managing Director, the only Executive Director, has been approved by the Shareholders of the Company and is subject to the limits laid down under Sections 198 and 309 and Schedule XIII to the Companies Act, 1956.

The remuneration consists of salary, commission, housing, medical reimbursement, leave travel concession, club fees, personal accident insurance, provision of car and telephone and encashment of leave at the end of tenure and the Company's contribution towards provident fund, superannuation fund and gratuity fund. The Company has entered into an agreement with the Managing Director to this effect. The agreement has taken effect from 1st July 2004 and is valid up to 30th June 2009. The agreement may terminate on occurrence of certain events specified therein. The Managing Director is not paid sitting fees for attending the meetings of the Board of Directors or committees thereof. The Company does not have a scheme for grant of stock options to the Managing Director or employees.

The details of remuneration (including perquisites and allowances) paid during the year ended 31st March, 2006 are as follows:

Fixed Component	Rs.
Salary	31,12,500
Company's contribution to Provident Fund and Superannuation Fund	8,40,375
LTC and other perquisites	9,58,305
Variable Component	
Commission	15,56,250
Total	<u>64,67,430</u>

X. MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

During the year 2005-06, manufacturing industry is estimated to have grown by 9.5% against an overall GDP growth of about 8%. The paint industry's growth, particularly in the organized sector – which holds about 70% of the market – continues to be in the double-digit range and has surpassed the overall industry growth. This can be ascribed to upsurge in demand in the construction, infrastructure and automotive sectors. Consumers in the Decorative sector are moving towards branded and technologically superior products with value added features.

The industrial paints sector continues to be largely dominated by demands from the automobile manufacturers. This is an area which require sophisticated technological inputs and manufacturing in controlled conditions.

The Company has taken several steps to cater the market needs through :

- (a) enhanced marketing and service network
- (b) development of new products aimed at the discerning consumers
- (c) continuous technological upgrading of existing products
- (d) improvements in packages and cartons
- (e) commencement of a dedicated industrial paints plant project at Rewari in Haryana – which is at an approval stage.

The Company also launched a major corporate re-branding exercise through the “Lewis Berger” campaign, which has made positive impact on its overall image.

The Company enhanced its powder production capacity by starting commercial production at its state-of-the-art factory at Jammu.

The Company has technology license agreements with major international producers and continues to explore options of strategic alliances with reputed partners for the purpose of strengthening its position in the Indian paint industry.

2. OPPORTUNITIES AND THREATS

Per capita consumption of paints in India continues to be far lower than the average global consumption. Thus, there is a large potential to grow – particularly in the rural and semi-urban areas, on the dual platforms of aesthetics and protective qualities of paint. The automobile industry, particularly the two-wheeler sector, continues to show healthy improvement and new capacities in the industry are coming up all over India. Infrastructure and large projects by major companies in the chemical industry, refineries, power plants and metals are boosting the demand of protective coatings. Overall, the Indian paint industry appears to be poised for a multifold growth in future years.

There are, however, pressure on prices due to severe competition and possibility of entry of new players in the market. These will have to be addressed by greater focus on costs and performance and continuous technological and marketing inputs with greater concentration on valued human resources.

3. OUTLOOK

The overall performance of the economy and greater emphasis on large infrastructure and core sector projects, coupled with consumer preference for white goods, branded and lifestyle related products, augur well for the industry. However, as stated in this Report, the industry has to effectively cope up with price pressures and increased raw material prices arising out of increases in world prices of crude oil. The outlook for the future, therefore, appears to be challenging.

4. RISK AND CONCERN

The Company's performance continues to be subject to fluctuations in the prices of raw materials, which are largely based on petroleum products. These will have to be countered by improved management of costs, better logistics and distribution and quicker and effective handling of information. For the sake of long term benefit of the industry, it is also imperative that some of the cost increases are passed on to the consumers.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems, which enable it to run its factories and depots at a fair degree of comfort. The system incorporates continuous monitoring, checks and balances, negotiation and purchase policies, authorization and delegation procedures, audits including compliance audits, which are periodically reviewed by the Audit Committee. A strong Internal Audit Department keeps a regular surveillance over the whole operations. The internal needs are continuously monitored and the Department resources are overhauled.

6. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's gross sales revenue for the year 2005-06 has been Rs. 11,175 millions, registering a growth of 18.5% over that for the year 2004-05. All the factories performed well during the year under review. The Company's profit after tax, at Rs. 703 millions, registered a growth of 35% over that of the previous year.

7. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

There has been no significant development in this area. Industrial Relations situation was peaceful. The number of people employed as on 31st March 2006 was 1,966 (31st March 2005 : 1,937).

On behalf of the Board of Directors

Kolkata
Dated : 6th June, 2006

Kuldip Singh Dhingra
Chairman

Appendix

DECLARATION UNDER CLAUSE 49 (I) (D) (ii)

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board members and the senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2006. The said Code of Conduct has also been uploaded by the Company in its website www.bergerpaints.com.

Kolkata
Dated : 6th June, 2006

Subir Bose
Managing Director

Annexure-II

TO CORPORATE GOVERNANCE

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	: Date	Time	Venue
	28th July, 2006	11.00 a.m.	Kalamandir, 48 Shakespeare Sarani Kolkata-700 017
Book Closure Dates	: 14th July, 2006 to 28th July, 2006 (both days inclusive)		
Dividend Payment Date	: Interim - 2nd December, 2005 Final - On or before 12th August, 2006		
Ensuing Financial Reporting Calendar	: Financial Reporting for the quarter ended		
	30th June, 2006	— By 31st July, 2006	
	30th September, 2006	— By 31st October, 2006	
	31st December, 2006	— By 31st January, 2007	
	31st March, 2007 (audited)	— By 30th June, 2007	
Listing on Stock Exchanges	: The Calcutta Stock Exchange Association Limited 7 Lyons Range, Kolkata – 700 001	Bombay Stock Exchange Limited 25th Floor , Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001	
	National Stock Exchange of India Limited “Exchange Plaza”, 5th floor, Plot no C/1 G block, Bandra-Kurla Complex, Mumbai-400 051		
Stock Codes	: 12529 (CSE)	509480 (BSE)	BERGEPAIN (NSE)
Depositories	: The National Securities Depository Ltd. 4th floor, Trade World, Kamala Mill Compound Senapati Bapat Marg, Lower Parel, Mumbai-400 013	Central Depositories Services (India) Limited Phiroze Jeejeebhoy Towers, 28th floor Dalal Street, Mumbai-400 023	
ISIN No.	: INE463A01020		
Market Price (High & Low) at BSE during each month of the Financial Year 2005-2006			

Month	High (Rs.)	Low (Rs.)
April-05	49.00	40.00
May-05	52.60	44.50
June-05	64.70	48.00
July-05	64.05	56.70
August-05	72.00	56.50
September-05	68.00	55.65
October-05	62.50	47.00
November-05	66.00	61.00
December-05	77.70	62.50
January-06	76.50	70.00
February-06	76.80	70.50
March-06	94.70	69.60

Share Performance in Relation to BSE Sensex (Indexed)



Number of Shareholders : 25824
 (As at 31.3.2006)

Shareholding Pattern (As at 31.3.2006)	Status	Holding (%)
	Indian Promoters	73.53
	Non Resident Individuals/Companies	1.90
	Financial Institutions	6.34
	Resident Individuals	14.37
	Domestic Companies	2.33
	Nationalized Banks & Mutual Funds	1.53
	TOTAL	100.00

Distribution of Shareholding :
 (As at 31.03.2006)

No. of Shares	No. of Shareholders	% of Shareholders
1 - 500	14478	56.07
501 - 1000	3755	14.54
1001 - 2000	3752	14.53
2001 - 3000	1783	6.90
3001 - 4000	767	2.97
4001 - 5000	347	1.34
5001 - 10000	616	2.39
10001 and above	326	1.26
TOTAL	25824	100.00

- Share Transfer System : Shares sent for physical transfer are effected within 15 working days of lodgement. The Share Transfer Committee meets as often as required. The total number of shares transferred in physical form during the year 2005-2006 was 205066 as compared to 175362 (29072 shares of face value of Rs. 10/- each during 1st April 2004 to 1st September 2004 and 146290 shares of face value of Rs 2/-each during 2nd September 2004 to 31st March 2005) during 2004-05.
- Dematerialisation of Shares & Liquidity : 86.38 % of the Company's shares are held in electronic form.
- Plant Location : This information forms part of the annual report.
- Registrars and Share Transfer Agents and Address for Correspondence : C B Management Services (P) Ltd
P-22 Bondel Road, Kolkata 700 019
- Compliance Officer : Mr. Aniruddha Sen
- Non-Mandatory requirement : A Chairman's office with requisite facilities is provided and maintained at the Company's expense for use by its Non-Executive Chairman. All expenses incurred in furtherance of the Company's business interest are reimbursed by the Company.

Compliance Certificate from Auditors of the Company

As required by Clause 49 of the Listing Agreement, the Auditor's Certificate is given as an Appendix to the Report on Corporate Governance.

On behalf of the Board of Directors

Kolkata
Dated : 6th June, 2006

Kuldip Singh Dhingra
Chairman



AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of Berger Paints India Limited.

We have examined the compliance of conditions of Corporate Governance by Berger Paints India Limited, for the year ended 31st March, 2006, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, read with note under section A of Annexure I to the Directors' Report on Corporate Governance regarding quorum of certain Audit Committee Meetings, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2006, no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Company which are presented to Shareholders'/Investors' Grievance Committee.

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

Partha Mitra
Partner
Membership Number 50553

For and on behalf of
LOVELOCK & LEWES
Chartered Accountants

Place : Kolkata
Date : 6th June, 2006

Annexure III TO DIRECTORS' REPORT PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST MARCH 2006

FORM A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

(A) Power and Fuel Consumption	Current year	Previous year
1) Electricity :		
(a) Purchased		
Units	9,996,407	9,809,384
Total Amount	Rs. 41,961,838	Rs. 44,690,359
Rate/Unit	Rs. 4.20	Rs. 4.56
(b) Own Generation		
(i) Through Diesel Generator :		
Units	1,707,062	836,170
Units per litre of Diesel oil	3.00	3.64
Cost/Unit	Rs. 10.29	Rs. 6.77
(ii) Through Steam Turbine/Generator :	Not applicable	Not applicable
Units		
Units per litre of Fuel Oil/Gas		
Cost/Unit		
2) Coal :	Not applicable	Not applicable
Quantity		
Total Cost		
Average Rate		
3) Furnace Oil :	Not applicable	Not applicable
Quantity		
Total Cost		
Average Rate		
4) Others :		
Quantity (LDO,HSD & FO for Resin Production) in KL	1,556	1,545
Total Cost in Rs.	46,759,612	37,141,618
Rate/Unit (KL)	Rs. 30,051	Rs. 24,045
(B) Consumption per unit of production		
Products	Standard	
Paints, Varnishes & Enamels (KL)	86,279	68,261
Resin (KL) for captive consumption	25,088	24,702
	No specific Standard as the consumption per unit depends on the product mix	
Unit/KL		
Electricity	105	115
Furnace Oil	Not applicable	Not applicable
Coal (specific quantity)	Not applicable	Not applicable
Others (LDO for Resin Prodn.)	0.06	0.06
(LDO KL/ RESIN KL)		

The variation in consumption in power and fuel was due to different product mix between current and previous year. The previous year's figures have been regrouped where necessary.

On behalf of the Board of Directors

Kolkata
Dated : 6th June, 2006

Kuldip Singh Dhingra
Chairman

Annexure III TO DIRECTORS' REPORT (Contd.)

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company:
 - 1 Development of new products and upgrading of existing products.
 - 1 Cost reduction without affecting quality.
 - 1 Adaptation of Collaborator's Technology in the area of Resin & Paint products.
 - 1 Customized OEM products.
 - 1 Technology reproduction.
2. Benefits derived as a result of the above R&D:
 - 1 Launching of new decorative product — Weathercoat Long Life.
 - 1 Launching of new Protective Coating products — Heat & Corrosion Resistant Aluminium Paint for Refineries & Fertilizer Industries.
 - 1 Entry in new Automotive OEM Customers.
 - 1 Introduction of High Solid TSA Clear for Automotive OEM.
 - 1 Introduction of Wet Look Powder Coating.
3. Future Plan of action:
 - 1 New products for retail market.
 - 1 Cost Reduction & Product Upgradation.
 - 1 Process optimization.
 - 1 New products for Two Wheelers, Automotive Ancillary, General Industrial, Computer, Powder Coating for Automotive Components.
4. Expenditure on R&D (Rs. In Millions)

(a) Capital	11.53
(b) Recurring	18.43
(c) Total	29.96
(d) Total R&D expenditure as a percentage of Total Turnover	0.27%

Technology Absorption, Adaptation and Innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
 - 1 New products for specific OEM customers through collaborators' technology.
 - 1 Products of Protective Coatings offered to specific customers.
 - 1 Products of Powder Coatings after assimilation of collaborators' technology.
2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc.
 - 1 Introduction of several new products in the area of Automotive, Powder Coatings, Protective Coatings & Architectural Coatings.

3. Technology Imported during the last 5 years:

Technology Imported	Year of Import	Absorption of Technology
Protective Coatings	2001	Mostly absorbed
Powder Coatings	2003	In the process of absorption
Automotive Coatings	2004	In the process of absorption

On behalf of the Board of Directors

Kolkata
Dated : 6th June, 2006

Kuldip Singh Dhingra
Chairman

Annexure IV TO DIRECTORS' REPORT PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST MARCH, 2006

Name	Designation/ Nature of duties	Gross remuneration	Qualification	Experience (Years)	Date of Commencement of employment in the Company	Age	Previous Employment/ Position held
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

A. EMPLOYED THROUGHOUT THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING Rs. 2,400,000/- OR MORE

Mr Subir Bose	Managing Director	Rs.6,467,430	B.Tech., PGDBA	35	09.07.1984	56	Marketing Manager, Abucon Nigeria Ltd.
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B. EMPLOYED FOR A PART OF THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING Rs. 2,00,000/- OR MORE PER MONTH

NIL

- Notes :
1. Gross remuneration includes salary, commission, value of perquisites, medical benefits and Company's contribution to Provident, Superannuation & Gratuity Funds.
 2. The employee does not hold by himself or alongwith his spouse and dependent children, 2% or more of the Equity Shares in the Company.

On behalf of the Board of Directors

Kolkata
Dated : 6th June, 2006

Kuldip Singh Dhingra
Chairman

Notice

Notice is hereby given that the Eighty-second Annual General Meeting of Berger Paints India Limited will be held at Kalamandir, 48 Shakespeare Sarani, Kolkata 700 017 on 28th July, 2006 at 11.00 a.m. to transact the following as :

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2006, the audited Balance Sheet as at 31st March, 2006 together with the Directors' and Auditors' Reports thereon.
2. To confirm payment of Interim Dividend and declare a Final Dividend on equity shares of the Company for the year ended 31st March, 2006.
3. To appoint a Director in place of Mr. Gurbachan Singh Dhingra who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajive Sawhney who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT, subject to the approval of the Reserve Bank of India and other appropriate authorities, where applicable, a sum not exceeding Rs. 23,91,54,348, out of the credit of the Share Premium Account to the extent of Rs. 19,16,89,694 and General Reserve to the extent of the balance amount, for the financial year ended 31st March, 2006 be capitalized and accordingly the Board of Directors of the Company ("the Board") be and is hereby authorized to appropriate the said sum not exceeding Rs. 23,91,54,348 for distribution to and amongst the members of the Company whose names shall appear in the Register of Members on such date ("the Record Date") as may be fixed by the Board and to apply the said sum in paying up in full a maximum of 11,95,77,174 Ordinary (Equity) Shares ("the Bonus Shares") of the Company of Rs. 2 each at par, to be allotted, distributed and credited as fully paid up to and amongst the members in the proportion of three Bonus Shares for every five existing fully paid up Ordinary (Equity) Shares held by them respectively as on the Record Date and that the Bonus Shares so distributed, for all purposes, be treated as an increase in the nominal amount in the capital of the Company held by each member, and not as an income.

RESOLVED FURTHER THAT in making the allotment of the Bonus Shares, the Directors shall not issue fractional certificates but the total number of the Bonus Shares representing such fractions shall be allotted to person(s) appointed by the Board to act as trustee(s) for and on behalf of the members who would have been entitled to fractional share certificates had such certificates been issued, and that the said person(s) shall hold the said shares so allotted to them in trust and sell the same and, after payment of all expenses of the sale, distribute the net proceeds of such sale amongst the members in proportion of their respective fractional entitlements.

RESOLVED FURTHER THAT the Bonus Shares so allotted shall always be subject to the terms and conditions contained in the Memorandum of Association and Articles of the Company and shall rank *pari passu* in all respects with the existing fully paid Ordinary (Equity) Shares of the Company.

RESOLVED FURTHER THAT no Letter of Allotment shall be issued but the certificate(s) in respect of the Bonus Shares shall be issued and delivered within the statutory time limit.

RESOLVED FURTHER THAT the issue and allotment of the Bonus Shares in favour of non-resident members of the Company shall be subject to approval of the Reserve Bank of India, where applicable.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or, expedient and to settle any question, difficulty or doubt that may arise in relation hereto, decide the exact number of Bonus Shares to be issued based on the Subscribed Capital of the Company as obtaining on the Record Date and to delegate all such powers granted hereunder to committees of Directors and/or officers of the Company, as the Directors

in their sole discretion may deem fit.”

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

“RESOLVED THAT the authorized capital of the Company be increased from Rs. 400,000,000 divided into 200,000,000 Ordinary (Equity) Shares of Rs. 2/- (Rupees Two) each to Rs. 650,000,000 divided into 325,000,000 Ordinary (Equity) Shares of Rs 2/- (Rupees Two) each.”

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

“RESOLVED THAT the Memorandum of Association of the Company be and is hereby altered by substituting in clause V of the Memorandum of Association, for the words and figures, “Rs. 400,000,000 (Rupees Four Hundred Million) divided into 200,000,000 Ordinary (Equity) Shares of Rs. 2/- (Rupees Two) each”, with the words and figures “Rs. 650,000,000 (Rupees Six Hundred and Fifty Million) divided into 325,000,000 Ordinary (Equity) Shares of Rs. 2/- (Rupees Two) each”.

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

“RESOLVED THAT the Articles of Association of the Company be and are hereby altered in the following manner:

(i) In Article 3 of the Company’s Articles of Association, for the words and figures, “Rs. 400,000,000 (Rupees Four Hundred Million) divided into 200,000,000 Ordinary (Equity) Shares of Rs. 2/- (Rupees Two) each”, the words and figures “Rs. 650,000,000 (Rupees Six Hundred and Fifty Million) divided into 325,000,000 Ordinary (Equity) Shares of Rs. 2/- (Rupees Two) each” be substituted.

(ii) By inserting the following words after the words “not actually paid before the forfeiture” in Article 30, “and any right or interest accrued on such shares including bonus shares, if any.”

(iii) By inserting the following new Article 47A, after the existing Article 47, including the marginal note:

Indemnity against wrongful transfer

“Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties although the same may, by reason of any fraud or other cause, not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transferor may, as between the transferor and transferee, be liable to be set aside, and, notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred or otherwise in defective manner and in every such case, the person registered as transferee, his executors, administrators and assigns alone shall be entitled to be recognized as the holders of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.”

(iv) By inserting the following new Article 51A after the existing Article 51, including the marginal note :

Nomination

“Member(s) or holder(s) of debentures, at any time, may nominate, in the prescribed manner, a person to whom his shares in, or debentures of, the Company shall vest in the event of his/their death.

(v) By inserting the following new Article 106A, after the existing Article 106, including the marginal note :

Remuneration of Directors

“Each of the Directors, other than a Director in the employment of the Company, shall be paid out of the funds of the Company as remuneration for his services, such sum as the Company in General Meeting may, from time to time, decide. An Alternate Director shall receive his remuneration from the Director for whom he is appointed and not from the Company unless the Company be instructed in writing by the Director to pay any portion of his remuneration to such Alternate Director.”

(vi) By inserting the following new Article 106B, after the proposed new Article 106A, including the marginal note :

Remuneration for extra service

“If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a Committee of Directors, the Company may (subject to the provisions of Sections 198, 309 and 310 of the Companies Act, 1956) remunerate the Director so doing by a fixed sum as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the Directors. The Directors shall also be entitled to be paid their reasonable traveling and hotel and other expenses incurred in consequence of their attendance at Board meetings and otherwise in the execution of their duties as Director.”

(vii) In Article 156, by substituting for the words in the proviso “Provided that any sum standing to the credit of a Share Premium Account or Capital Redemption Reserve Fund, may for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares”, the words “Provided that the free reserves built out of genuine profits or share premium collected in cash may be applied in paying up unissued shares to be issued to members of the Company as fully paid bonus shares.”

The Register of Members and Share Transfer Books of the Company will remain closed from 14th July, 2006 to 28th July, 2006, both days inclusive.

The final dividend, if declared, will be paid on or before 12th August, 2006 to those members entitled thereto and whose names shall appear on the Register of Members of the Company as on the commencement of the book closure date or their mandatees.

By Order of the Board

Place : Kolkata
Dated : 6th June, 2006

Aniruddha Sen
Company Secretary

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself. 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 meeting.
2. Members are requested to notify any change in their address immediately to C B Management Services (P) Ltd., P-22 Bondel Road, Kolkata – 700 019, the Share Registrars of the Company for shares held in physical form.
3. Members are reminded to send their dividend warrants, which have not been cashed, to the Company for revalidation.
4. As per current SEBI Regulations, dividend is required to be credited to shareholders 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 C B Management Services Private Limited (in case of shares held in physical form) at the earliest.
5. Members interested in nomination in respect of shares held by them may write to C B Management Services for the prescribed form.

Members are requested to bring their copies of the Annual Report and Admission Slip to the meeting.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 6

During the past few years, there has been impressive growth in the performance of your Company and consequently significant addition to its free reserves. There is also an accumulation of Rs. 19,16,89,694 in the Share Premium Account. Your Directors have always believed in the philosophy of rewarding the shareholders and passing on the benefits of business to them. In keeping with this philosophy, your Directors put forward the proposal of issuing bonus shares in the proportion of three Ordinary (Equity) Shares for every five fully paid Ordinary (Equity) Shares held by the members of the Company on such date as may be fixed by the Board of Directors by capitalizing the balance fund in the Share Premium Account and part of the General Reserve, in the manner set out at item 6 of the Notice. Owing to the issue of the aforesaid bonus shares, the authorised capital of the Company shall stand increased to an amount not exceeding Rs. 65,00,00,000. Resolutions for increase in the authorized capital are therefore proposed in this notice. The Company's Share Premium Account and part of the General Reserve are proposed to be capitalized and applied in paying up in full Ordinary (Equity) Shares of Rs. 2/- each and distributed as fully paid Bonus Shares to and amongst the members of the Company, whose names shall appear in the Register of Members on such date as may be determined by the Board of Directors.

Issue and allotment of Bonus Shares to the non-resident members of the Company may be subject to the approval of the Reserve Bank of India.

Application will be made to the Stock Exchanges where the existing shares of the Company are already listed for permission to deal in such Bonus Shares.

Your Directors recommend the resolution for your approval.

Your Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of their respective shareholdings.

Items No. 7 and 8

In view of the proposed issue of bonus shares, it is necessary to enlarge the authorized capital of your Company. Article 58 of the Articles of Association of your Company permits the Company to increase its share capital by way of a special resolution.

Consequent upon increase in authorized capital of your Company, it becomes necessary to amend Clause V of the Memorandum of Association of the Company by incorporating the new authorized capital.

Your Directors recommend the resolution for your approval.

None of the Directors is concerned or interested in these resolutions.

A copy of the Company's Memorandum of Association, together with the proposed changes, will be available for inspection at the Registered Office of the Company, on any working day, except a Saturday, between 2 and 5 p.m. and will also be kept open for inspection at the Annual General Meeting.

Item No. 9

Changes, as incorporated in the notice, are proposed in the Articles of Association of the Company in accordance with the provisions of Section 31 of the Companies Act, 1956. These changes are a part of an exercise for overhauling the Company's Articles in keeping with the ruling legal provisions. The changes proposed are as under:

- (i) It is necessary to alter Article 3 of the Company's Articles of Association in view of the increase in authorized capital of the Company.
- (ii) Article 30 of the Company's Articles of Association enables the Board to forfeit shares of the Company, if a member fails to pay any call or instalment even after issue of notice of forfeiture. The proposed amendment seeks to authorize the Board to forfeit any right or interest that may have accrued on such shares including any bonus share that may have been issued thereon in the past.
- (iii) The proposed new Article 47A seeks to indemnify the Directors and the officers of the Company against any wrongful transfers as a result of any fraud or any other reason. In such cases, the transferee shall be recognized as the holder of the shares.
- (iv) The proposed new Article 51A introduces the concept of nomination by the holders of shares and debentures as is already present in Section 109A of the Companies Act, 1956, in the case of death or demise of such members or holders of debentures.

- (v) The proposed new Article 106A will enable the Company pay its Directors, other than a whole-time Director, remuneration as may be approved from time to time.
- (vi) In view of the various services provided by the Directors, it may become necessary for the Company to remunerate the Directors and pay the expenses for such purpose. The proposed new Article 106B will enable the Company to do so.
- (vii) The change in Article 156 of the Company's Articles of Association will enable your Company to issue bonus shares out of free reserves built out of genuine profits and share premium collected in cash.

Your Directors recommend the resolution for your approval.

Your Directors may be deemed to be interested or concerned in the proposed resolution since it deals with their remuneration.

A copy of the Company's Articles of Association, together with the proposed changes, will be available for inspection at the Registered Office of the Company, on any working day, except a Saturday, between 2 and 5 p.m. and will also be kept open for inspection at the Annual General Meeting.

INFORMATION RELATING TO DIRECTORS PROPOSED TO BE RE-APPOINTED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

Item No. 3

Mr. Gurbachan Singh Dhingra has been a Director of the Company since 14th May, 1993. Mr. Dhingra is a graduate, an industrialist, promoter of the Company and has a long standing experience of paints and related industries. He holds the position of Vice-chairman of the Board of Directors and has vast and rich experience of the paints business and particularly, its technical aspects. He has helped the Company to reach the present status.

Mr. Dhingra is a Director of several companies viz., Berger Becker Coatings Private Limited, Berger Jenson & Nicholson (Nepal) Private Limited, Bigg Investments & Finance Private Limited, Citland Commercial Credits Limited, Flex Properties Private Limited, Malibu Estates Private Limited, Berger Paints (Cyprus) Limited, Scorpio Research & Consultants Private Limited, U.K. Paints (India) Private Limited, Vignette Investments Private Limited.

Mr. Dhingra does not hold any committee positions in public limited companies in which he is a Director. He is, however, Chairman of the Audit Committee of Berger Becker Coatings Private Limited.

Your Directors recommend the resolution for your approval.

Item No. 4

Mr. Rajive Sawhney has been a Director of the Company since 17th July, 1991. Mr. Sawhney is an arts graduate and a lawyer by profession. He is a reputed senior advocate practising, among others, in the Supreme Court of India. The Company has benefited from the counsel and guidance of Mr. Sawhney.

Mr. Sawhney is a Director of several companies viz., Win-Medicare Limited, Thermoplastic India Private Limited, Talbros Automotive Companies Limited, Eureka Trust Services Private Limited, Global Health Private Limited, Dr Naresh Trehan Associates Health Services Private Limited, D. D. Fincap Private Limited.

Mr. Sawhney is a member of the Audit Committee of the Board of Directors of Talbros Automotive Companies Limited.

Your Directors recommend the resolution for your approval.

By Order of the Board

Place : Kolkata
Dated : 6th June, 2006

Aniruddha Sen
Company Secretary

Auditors' Report

TO THE MEMBERS OF
BERGER PAINTS INDIA LIMITED

1. We have audited the attached Balance Sheet of Berger Paints India Limited, as at 31st March, 2006 and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the 'Act';
 - (e) On the basis of written representations received from the directors, as on 31st March 2006 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2006 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the 'Act';
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the 'Act' and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2006;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Partha Mitra

Partner

Membership Number 50553

For and on behalf of

Lovelock & Lewes

Chartered Accountants

Place: Kolkata

Date : 6th June, 2006

Annexure to Auditors' Report

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Berger Paints India Limited on the financial statements for the year ended 31st March, 2006]

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company in its possession and also those in the custody of third parties have been physically verified by the management at intervals, which in our opinion are reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. (a) The inventories have been physically verified by the management during the year. Stocks in the custody of third parties and those in transit as at 31st March, 2006 have been either verified physically by the management or with reference to subsequent receipt of goods or other relevant documents. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
3. The Company has not taken or granted any loans, secured or unsecured, from or to companies, firms or other parties covered in the register maintained under Section 301 of the 'Act'. As such, clauses 4 (iii) (b), (c), (d), (f) and (g) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the 'Act' have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the 'Act' and the rules framed thereunder, where applicable. According to the information and explanations given to us, no Order under the aforesaid Sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the 'Act' and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to examine and have not carried out any detailed examination of such records.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2006 for a period of more than six months from the date they became payable.

Annexure to Auditors' Report (Contd.)

- (c) According to the information and explanations given to us and the records of the Company examined by us the particulars of income tax, sales tax, excise duty as at 31st March, 2006 which have not been deposited on account of a dispute, are as follows –

Name of the Statute	Nature of dues	Amount (Rs)	Period	Forum where the dispute is pending
Income Tax Act	Income Tax	6,16,38,712	2002-03	Commissioner (Appeals)
Central Excise Act	Excise Duty	47,07,846	1998-99, 1999-00, 2001-02	Customs Excise Service Tax Appellate Tribunal
Central Sales Tax Act	Sales Tax	25,95,683	1999-02	Appellate Board
		1,64,12,522	1995-97, 2000-01	Revision Board
		10,02,434	1998-99	Joint Commissioner (Appeals)
		11,15,66,081	1995-96, 1998-00, 1999-02, 2001-03	Deputy Commissioner (Appeals)
		4,55,97,928	1983-84, 1986-88, 1989-91, 1994-96, 2001-04, 2002-05	Assistant Commissioner (Appeals)
State Sales Tax Acts	Sales Tax	38,44,194	1994-95, 1997-98, 2001-02, 2003-04	Sales Tax Appellate Tribunal
		41,46,974	1999-02	Appellate Board
		2,82,16,149	1995-98, 2000-01	Revision Board
		6,13,763	1996-97, 1998-99, 2004-06	Joint Commissioner (Appeals)
		5,87,07,734	1990-91, 1993-94, 1995-96, 1998-00, 1999-03, 2004-05	Deputy Commissioner (Appeals)
		5,84,19,621	1984-85, 1986-87, 1988-90, 1991-98, 2002-05, 2001-03	Assistant Commissioner (Appeals)

Annexure to Auditors' Report (Contd.)

10. The Company has no accumulated losses as at 31st March, 2006 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
16. The Company has not obtained any term loans during the year.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the 'Act' during the year.
19. The Company has not issued any debentures during the year and no debentures are outstanding at the year-end.
20. The Company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Place : Kolkata
Date : 6th June, 2006

Partha Mitra
Partner
Membership Number 50553
For and on behalf of
Lovelock & Lewes
Chartered Accountants

Balance Sheet

AS AT 31st MARCH, 2006

	Schedule	31st March, 2006 Rs. '000	31st March, 2005 Rs. '000
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	398,554	398,561
Reserves and Surplus	2	1,897,883	1,651,045
		<u>2,296,437</u>	<u>2,049,606</u>
Loan Funds			
Secured Loans	3	76,201	66,779
Unsecured Loans	4	351,502	577,316
		<u>427,703</u>	<u>644,095</u>
Deferred Taxation	5	67,860	71,031
TOTAL		<u>2,792,000</u>	<u>2,764,732</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	6	2,262,559	1,888,961
Less : Depreciation		<u>1,089,631</u>	<u>924,716</u>
Net Block		1,172,928	964,245
Capital Work-in-Progress - at Cost		110,488	115,732
		<u>1,283,416</u>	<u>1,079,977</u>
Investments	7	128,168	109,109
Current Assets, Loans and Advances			
Inventories	8	1,995,793	1,668,360
Sundry Debtors	9	1,095,091	846,463
Cash & Bank Balances	10	253,353	219,657
Loans and Advances	11	296,429	254,631
		<u>3,640,666</u>	<u>2,989,111</u>
Less : Current Liabilities and Provisions			
Liabilities	12	2,011,388	1,257,729
Provisions	13	250,703	159,068
		<u>2,262,091</u>	<u>1,416,797</u>
Net Current Assets		1,378,575	1,572,314
Miscellaneous Expenditure (To the extent not written off or adjusted)	14	1,841	3,332
TOTAL		<u>2,792,000</u>	<u>2,764,732</u>
Notes on the Balance Sheet	14		

NOTES : Schedules 1 to 14 & 21 (i) form an integral part of the Balance Sheet.
 This is the Balance Sheet referred to in our report of even date.

Kolkata
 Dated : 6th June, 2006

Partha Mitra
 Partner
 Membership Number 50553
 For and on behalf of
 LOVELOCK & LEWES
 Chartered Accountants

On behalf of the Board of Directors
 Kuldeep Singh Dhingra — Chairman
 G S Dhingra — Vice Chairman
 Subir Bose — Managing Director
 Anil Bhalla — Director
 Gurcharan Das — Director
 Aniruddha Sen — Company Secretary

Profit and Loss Account

FOR THE YEAR ENDED 31st MARCH, 2006

	Schedule	For the year ended 31st March, 2006 Rs. '000	For the year ended 31st March, 2005 Rs. '000
INCOME			
Gross Turnover		11,174,932	9,475,702
Less: Excise Duty		1,376,625	1,229,924
Net Turnover		9,798,307	8,245,778
Other Income	15	133,827	124,828
		<u>9,932,134</u>	<u>8,370,606</u>
EXPENDITURE			
Materials Consumed	16	6,269,499	5,296,872
Expenses	17	2,516,349	2,160,745
Interest	18	52,771	36,382
Depreciation		173,923	156,869
		<u>9,012,542</u>	<u>7,650,868</u>
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM		919,592	719,738
Exceptional Item (Expenditure Under Voluntary Retirement Scheme)		3,159	56,957
PROFIT BEFORE TAXATION		<u>916,433</u>	<u>662,781</u>
Provision for Taxation			
Current Tax	19	198,729	155,914
Deferred Tax	20	-3,171	-14,370
Fringe Benefit Tax		17,948	—
PROFIT AFTER TAXATION		<u>702,927</u>	<u>521,237</u>
Profit brought forward		180,000	180,000
AVAILABLE FOR DISTRIBUTION		<u>882,927</u>	<u>701,237</u>
Transfer to :			
General Reserve		178,447	204,124
Dividend			
- Interim		199,290	139,507
- Final		199,290	139,503
Tax on distributable profit		55,900	38,103
Balance carried to Balance Sheet		250,000	180,000
		<u>882,927</u>	<u>701,237</u>
Earnings per share - Basic and diluted (in Rupees)		3.53	2.62

Notes on Profit and Loss Account 21

NOTES : Schedules 15 to 21 form an integral part of the Profit and Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

Kolkata
Dated : 6th June, 2006

Partha Mitra
Partner
Membership Number 50553
For and on behalf of
LOVELOCK & LEWES
Chartered Accountants

On behalf of the Board of Directors

Kuldip Singh Dhingra — Chairman
G S Dhingra — Vice Chairman
Subir Bose — Managing Director
Anil Bhalla — Director
Gurcharan Das — Director
Aniruddha Sen — Company Secretary

Schedules

	31st March, 2006 <u>Rs. '000</u>	31st March, 2005 <u>Rs. '000</u>
1. CAPITAL - Equity		
Share Capital		
Authorised :		
200,000,000 Ordinary Shares of Rs.2 each	400,000	400,000
Issued :		
199,341,030 (2004-05: 199,345,230) Ordinary Shares of Rs. 2 each	398,682	398,690
Subscribed :		
199,289,790 (2004-05:199,293,990) Ordinary Shares of Rs. 2 each fully paid - up	398,580	398,588
Less : Calls unpaid - by others	26	27
	<u>398,554</u>	<u>398,561</u>

Notes : Of the above Equity Shares -

- (a) 3,151,187 shares allotted fully paid-up pursuant to a contract without payment being received in cash before the buy-back of shares.
- (b) 257,660 shares allotted fully paid-up pursuant to a contract in full redemption of Mortgage Debentures before the buy-back of shares.
- (c) 26,972,214 shares allotted as fully paid Bonus Shares by capitalisation of General Reserve and Share Premium before the buy-back of shares.
- (d) The authorised and paid up face value of the Company's Ordinary (Equity) Shares of Rs 10 each were sub-divided into authorised and paid up face value of Rs. 2 per share with effect from 1st September, 2004.
- (e) The Company has bought back and extinguished 4,200 equity shares during the financial year.

2. RESERVES AND SURPLUS

	Balance at 31st March, 2005 <u>Rs. '000</u>	Additions <u>Rs.'000</u>	Deductions <u>Rs.'000</u>	Balance at 31st March, 2006 <u>Rs.'000</u>
Revaluation Reserve	16,604	—	1,416 *	15,188
General Reserve	1,261,950	178,447	—	1,440,397
Share Premium	191,891	4	205	191,690
Profit and Loss Account	180,000	250,000	180,000	250,000
Capital Reserve	200	—	—	200
Capital Redemption Reserve	400	8 **	—	408
	<u>1,651,045</u>	<u>428,459</u>	<u>181,621</u>	<u>1,897,883</u>

* Refer to note (ii)(a) in Schedule 21

** Rs 8 transferred from Share Premium against buy-back of shares

Schedules

	31st March, 2006 Rs.'000	31st March, 2005 Rs.'000
3. SECURED LOANS		
Loans from Banks - Cash Credit	76,201	66,779
	76,201	66,779
Note :		
Loans from Banks - Cash Credit are secured by hypothecation of stock-in-trade and book debts.		
4. UNSECURED LOANS		
Fixed Deposits *	1,501	46,486
Short Term Loans		
Banks	—	330,830
Others	350,001	200,000
	351,502	577,316
* Includes unclaimed matured fixed deposits	1,291	5,766
5. DEFERRED TAXATION		
Liability		
Depreciation	79,320	82,532
Amortisation of expenses in accounts	1,141	1,537
	80,461	84,069
Less : Asset		
Amortisation of expenses allowed as per Income Tax Act	6,151	7,693
Others	6,450	5,345
	12,601	13,038
	67,860	71,031

Schedules

6. FIXED ASSETS

	Depreciation															
	Original Cost/ Professional Valuation at 31st March, 2005		Original Cost/ Professional Valuation at 31st March, 2006		Upto 31st March, 2005		For the Year ***		On deletions (Accumulated upto the date of sale)		Upto 31st March, 2006		Net Book value at 31st March, 2006		Net Book value at 31st March, 2005	
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Land :																
Freehold	33,069	—	—	33,069	—	—	—	—	—	—	—	—	33,069	—	—	33,069
Leasehold **	13,268	—	—	13,268	—	—	1,242	159	—	—	1,401	—	11,867	—	—	12,026
Buildings :																
Freehold *	392,237	66,976	—	459,213	—	—	88,156	13,649	—	—	101,805	—	357,408	—	—	304,081
Leasehold **	32,139	975	—	33,114	—	—	6,815	449	—	—	7,264	—	25,850	—	—	25,324
Plant and Machinery	1,019,324	252,304	4,049	1,267,579	4,049	1,267,579	591,648	119,130	3,763	707,015	23,000	560,564	24,513	560,564	427,676	18,923
Furniture and Fittings	39,189	8,340	16	47,513	16	47,513	20,266	2,750	16	16	23,000	16	24,513	16	16	18,923
Equipment	300,801	47,409	2,898	345,312	2,898	345,312	185,334	32,021	2,765	214,590	—	130,722	130,722	130,722	115,467	115,467
Motor Cars and Other Vehicles	58,934	10,089	5,532	63,491	5,532	63,491	31,255	7,181	3,880	34,556	—	28,935	28,935	28,935	27,679	27,679
	1,888,961	386,093	12,495	2,262,559	12,495	2,262,559	924,716	175,339	10,424	1,089,631	—	1,172,928	1,172,928	1,172,928	964,245	964,245
Previous year	1,511,794	384,346 ****	7,179	1,888,961	7,179	1,888,961	772,498	158,287	6,069	924,716	—	964,245	964,245	964,245	964,245	964,245

* Partly on Leasehold Land.

** Represents payments made and costs incurred in connection with acquisition of leasehold rights in certain properties for 87, 90 and 99 years and are being amortised over the period of such leases.

*** Refer to note (ii) (a) in Schedule 21.

**** Includes Fixed Assets as at 1st April, 2004 of erstwhile Berger Auto and Industrial Coatings Limited taken over amounting to Rs 82,591.

Schedules

	31st March, 2006 Rs.'000	31st March, 2005 Rs.'000
7. INVESTMENTS		
Long Term		
Unquoted - In wholly owned subsidiary companies -		
Beepee Coatings Private Limited - at cost		
2,500,000 Equity Shares of Rs.10 each fully paid-up	25,000	25,000
Berger Jenson & Nicholson (Nepal) Private Limited -at cost		
105,421 Equity shares of NRs. 100 each fully paid-up	29,622	29,622
Berger Paints (Cyprus) Limited- at cost		
369,830 Equity Shares of CYP £1 each fully paid-up (368,830 Equity Shares purchased during the year)	33,959	77
Unquoted - Other Investments		
Government Security - 7 Years National Savings Certificate (Under Lien)	1	7
270,850 Equity Shares of M/s Berger Becker Coatings Private Limited of Rs 100/- each fully paid-up	27,085	27,085
Pnb Principal Insurance Advisory Company Private Ltd -at cost		
125,000 Equity Shares of Rs.100 each fully paid-up	12,500	12,500
1,498 Shares of Re.1 each fully paid-up in Shantikunj Apartments Limited	1	1
Short Term - Unquoted		
3 - 8.40 % Andhra Pradesh Power Generation Corporation Bonds of Rs 1,000,000 each (3 bonds sold during the year)	—	3,096
2 - 9.50 % Maharashtra Patbandhare Vitiya Co Ltd Bonds of Rs 1,000,000 each (2 bonds sold during the year)	—	2,078
4 - 8.60 % Sardar Sarovar Narmada Nigam Limited Bonds of Rs 1,000,000 each (4 bonds sold during the year)	—	4,168
29 - 14.15 % Maharashtra State Road Development Corporation Bonds of Rs 100,000 each (29 bonds sold during the year)	—	3,564
10 - 12.50 % Maharashtra Krishna Valley Development Corporation Bonds of Rs 100,000 each (10 bonds sold during the year)	—	1,052
8 - 11.50 % Maharashtra Krishna Valley Development Corporation Bonds of Rs 100,000 each (8 bonds sold during the year)	—	859
	128,168	109,109
Note :		
The following investments were purchased and sold during the year :		
<u>Description of Investment</u>	<u>No. of Units/Bonds</u>	<u>Purchase Cost</u> Rs. '000
11.33 % West Bengal Finance Corporation (SLR Bond)	17,000	1,998
UTI Liquid Cash Plan Institutional -Daily Income Option	1,014	20,000
RLFD Sahara Liquid Fund -Dividend	10	50,000
8. INVENTORIES (including in transit)		
Stores and Spare Parts	28,260	22,004
Raw Materials	669,593	497,540
Containers	56,820	46,258
Work-in-Process	120,645	119,519
Finished Goods	1,120,475	983,039
	1,995,793	1,668,360

Schedules

	31st March, 2006 <u>Rs.'000</u>	31st March, 2005 <u>Rs.'000</u>
9. SUNDRY DEBTORS - Unsecured - Considered Good		
Debts Outstanding - for a period exceeding six months	31,619	49,277
Other Debts	1,063,472	797,186
	<u>1,095,091</u>	<u>846,463</u>
10. CASH AND BANK BALANCES		
Cash and cheques in hand	8,971	13,496
With Standard Chartered Bank Chittagong (at pre-1966 devaluation rate of Indian Rupees), Rs.36, fully written off	—	—
With Scheduled Banks		
On Current Accounts	224,846	189,005
On Debenture Interest Account	43	43
On Unpaid Dividend Account	17,191	14,660
On Fixed Deposit Account	1,362	1,212
On Margin Money Account	549	848
On Debenture Redemption Account	391	393
	<u>253,353</u>	<u>219,657</u>
11. LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received		
Secured - Considered Good	18	18
Unsecured - Considered Good*	134,020	148,838
	<u>134,038</u>	<u>148,856</u>
Advance payment of Tax (net of provision 2004-05 : Rs 167,366)	—	16,716
Balance with Customs, Central Excise etc.		
Unsecured - Considered Good **	104,039	46,727
Deposits		
Unsecured - Considered Good		
Security and Tender *** (including Deposits in Government Securities - Unquoted at cost - pledged with Government Authorities Rs 6)	58,352	42,332
	<u>296,429</u>	<u>254,631</u>
* Includes interest accrued on deposits and others	77	1,307
Includes advance made to subsidiaries	19,025	13,163
** Includes excise duty deposited for subsidiary	1,850	790
*** Includes amount due from a private company in which directors of the Company are directors	832	832
12. LIABILITIES		
Acceptances	729,576	224,436
Sundry Creditors	914,437 *	671,396 *
Security Deposits	8,489	7,807
Other Liabilities	357,687 *	348,875 *
Interest accrued but not due on loans	1,199	5,215
	<u>2,011,388</u>	<u>1,257,729</u>

* Refer Note IV in Schedule 14

Schedules

	31st March, 2006 Rs.'000	31st March, 2005 Rs.'000
13. PROVISIONS		
Provision for Taxation (net of advance payment of tax : Rs. 214,633)	21,966	—
Provision for Fringe Benefit Tax	1,497	—
Tax on distributable profit	27,950	19,565
Proposed Dividend	199,290	139,503
	<u>250,703</u>	<u>159,068</u>

14. NOTES ON THE BALANCE SHEET

I. Estimated amount of Contracts remaining to be executed on Capital Account not provided for 36,150 99,553

II. The Company had been determining the assessable value for Excise purpose based on the adjudication order of the assessing authority as also appellate orders of the earlier years and various decisions of the Hon'ble Tribunal and of various Hon'ble High Courts as also of the Hon'ble Supreme Court. The Excise Authorities have disputed some of the abatements and the matter is sub-judice. However, in view of the decision of the Hon'ble Supreme Court in May, 1995 while determining the assessable value for excise purpose, there may arise an additional excise duty liability for the years 1988-89 to 1993-94 which is not quantifiable at present as both the price lists as also the assessments for the said period are pending final adjudication.

III. The Sales Tax, Excise, Income Tax and Provident Fund Authorities have made certain claims totalling Rs. 309,099 (2004-05: Rs. 146,837), Rs. 4,708 (2004-05: Rs. 10,803), Rs. 61,639(2004-05: Rs. 18,496), Rs. 865 (2004-05: Rs Nil) respectively in respect of earlier years. The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same.

The future cash flows on account of the above cannot be determined unless the judgement/decisions are received from the ultimate judicial forums.

IV. Liabilities in Schedule 12 include :

(i) Sundry Creditors include a sum of Rs. 27,429 (2004-05: Rs. 18,633) payable to small scale industrial undertakings (SSI). The following SSI undertakings have outstandings over 30 days -

Anupam Colours & Chemicals Industries	National Moulding Co. Ltd.	Gemini Paints
Anupam Colours Private Limited	Parachem Products	ICMC (Metals) Pvt. Ltd.
Calcutta Paper Industries	Piyanshu Chemicals Pvt. Ltd.	Indian Tin Box Mfg Co. Pvt. Ltd.
Channel Plastics (P) Limited	Sahajand Trading Co.	Lintas Packaging Pvt. Ltd.
Color India	Unicat Chemicals Pvt. Ltd.	A P Polyplast Pvt. Ltd.
Coastal Paints Limited	Marigold Paints Pvt. Ltd.	S R G Packaging
Evergreen Drums & Cans (P) Ltd.	Akross Synthetics Pvt. Ltd.	Metal Products & Engg Co.
Fozdar Products	Auro Chemicals	Techcon India Pvt. Ltd.
Deep Enterprises	Alka Minerals & Chemicals	
Mittal Polymer	Choksy Chemicals	

(ii) Payable to a subsidiary company - Rs. 1,612 (2004-05 : Rs.1,435)

Schedules

	31st March, 2006 <u>Rs.'000</u>	31st March, 2005 <u>Rs.'000</u>
V. Miscellaneous Expenditure (to the extent not written off or adjusted) represent:		
(i) Expenses on issue of shares and debentures	314	628
(ii) Technical Fees	1,527	2,704
	<u>1,841</u>	<u>3,332</u>
VI. (i) Secured Loans from Bank taken by wholly owned subsidiaries and outstanding as at 31st March, 2006, guaranteed by the Company.	2,892	1,610
(ii) Secured Loans taken by a joint venture company M/s Berger Becker Coatings Private Limited and outstanding as at 31st March, 2006 guaranteed by the Company	49,703	61,596
(iii) Bank guarantees availed by the joint venture company M/s Berger Becker Coatings Private Limited, guaranteed by the Company.	—	2,683
<p>M/s Becker Industrial Coatings (HK) Limited , the joint venture partner holding 51.02 % shares has in turn indemnified the Company against any loss on account of these guarantees to the extent of its shareholding in the joint venture.</p>		
VII. All figures are in Rupees thousands.		
VIII. Previous Year's figures have been regrouped wherever necessary.		

Schedules

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Rs.'000	Rs.'000
15. OTHER INCOME		
Dividend received	—	4,083
Discount	842	2,375
Bad Debts Recovered	535	1,765
Hire of Machinery	2,004	2,158
Consultancy fees	1,329	5,950
Profit on sale of Fixed Assets(net)	699	638
Income from investment in Mutual Fund	31	1,053
Miscellaneous *	128,387	106,806
	133,827	124,828
* Includes net profit on contracts executed - Rs 1835 (2004-05: Rs 793)		
16. MATERIALS CONSUMED		
Opening Stocks		
Raw Materials	497,540	301,510
Containers	46,258	38,423
Work - in - Process	119,519	62,571
Finished Goods	983,039	698,713
	1,646,356	1,101,217
Add : Stocks of Berger Auto and Industrial Coatings Limited taken over consequent to amalgamation	—	95,018*
Add : Purchases		
Raw Materials	5,130,156	4,507,137
Containers	889,450	743,781
Finished Goods	586,479	512,597
	6,606,085	5,763,515
Less : Cost of materials sold [including cost of containers and others Rs. 107 (2004-05: Rs. 686)]	15,409	16,522
	6,590,676	5,746,993
Deduct : Closing Stocks		
Raw Materials	669,593	497,540
Containers	56,820	46,258
Work - in - Process	120,645	119,519
Finished Goods	1,120,475	983,039
	1,967,533	1,646,356
	6,269,499 **	5,296,872 **
* Includes Raw Material Stock	—	31,040
** Includes Raw Material Consumed	4,942,801	4,326,311
Others Consumed	1,326,698	970,561
Materials Consumed	6,269,499	5,296,872

Schedules

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Rs.'000	Rs.'000
17. EXPENSES		
Salaries, Wages, Bonus and Commission	326,907	302,591
Contribution to Provident, Superannuation and Gratuity Funds	54,415	57,311
Staff Welfare	110,935	106,197
Freight, Octroi and Delivery	471,874	380,258
Power & Fuel	123,180	100,957
Consumption of Stores and Spare Parts	26,385	23,731
Repairs to Buildings (a)	1,945	1,157
Repairs to Machinery (a)	16,474	17,118
Repairs to Other Assets (a)	6,934	5,813
Rent	50,862	45,894
Rates & Taxes	24,112	26,802
Travelling	102,761	89,458
Advertisement and Sales Promotion Expenses	397,000	273,676
Insurance	9,442	9,575
Cash Discount	415,651	365,335
Commission to Stockists, Distributors etc.	4,576	6,101
Bad Debts written off	8,359	9,667
Directors' Fees	120	150
Auditors' Remuneration :	2005-06	2004-05
	Rs.'000	Rs.'000
Audit Fee	760	760
Other Services :		
Provident & Other Funds Audit	—	10
Tax Audit	175	175
Miscellaneous Certificates and Other Matters	711	690
Reimbursement of Expenses	77	119
Other expenses (b)	362,694	337,200
	<u>2,516,349</u>	<u>2,160,745</u>
(a) Includes :		
Consumption of Stores and Spare Parts	6,665	4,136
(b) Includes :		
Processing Charges	141,502	143,840
Amortisation of :		
(a) Expenses on Technical Fees	1,177	2,629
(b) Expenses on issue of ordinary shares and debentures	314	314

Schedules

	For the year ended 31st March, 2006		For the year ended 31st March, 2005
	Rs.'000		Rs.'000
18. INTEREST			
Interest expenditure :			
On Fixed Loan	1,609		9,840
On Others	64,074	65,683	30,307
Less : Interest income- [Tax deducted at source 2005-06: Rs. 2,805 (2004-05 : Rs 598)]		12,912	3,765
		<u>52,771</u>	<u>36,382</u>
19. PROVISION FOR TAXATION			
Income Tax			
Provision for the year		198,729	159,922
Less : Provision in respect of earlier years no longer required written back		—	4,008
		<u>198,729</u>	<u>155,914</u>
20. DEFERRED TAXATION			
Liability			
Depreciation		3,885	1,072
Amortisation of expenses in Accounts		1,145	6
		<u>5,030</u>	<u>1,078</u>
Less : Asset			
Depreciation		7,096	—
Amortisation of expenses allowed as per Income Tax Act		—	6,889
Others		1,105	1,234
		<u>8,201</u>	<u>8,123</u>
		<u>-3,171</u>	<u>-7,045</u>
Add : Change arising out of recomputation of previous years' Net Deferred Taxation Liability as per latest tax rates		—	-7,325
		<u>-3,171</u>	<u>-14,370</u>

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21. (i) SIGNIFICANT ACCOUNTING POLICIES

a) Accounting convention

The financial statements have been prepared in accordance with the historical cost convention as modified by revaluation of certain fixed assets.

b) Fixed Assets and Depreciation

i) Fixed Assets are carried at cost of acquisition, except in the case of certain Land and Freehold Buildings which are carried at revaluation on current cost basis less depreciation as applicable.

ii) Depreciation is provided on a straight line method as follows :

(a) In respect of assets other than motor vehicles and computers:

1. In respect of additions before 1.7.87 on the basis of specified period determined at the time of acquisition at the rates inter alia under the Income Tax Act, 1961 and Rules framed thereunder and,
2. In respect of additions on or after 1.7.87 in accordance with the provisions of Schedule XIV of the Companies Act, 1956.

(b) In respect of motor vehicles and computers at 15% and 25% respectively and,

(c) Tinting machines are depreciated at rates based on the estimated useful life varying from 60 months to 100 months, which are higher than rates specified in Schedule XIV.

In respect of revalued assets, depreciation on the amount added on revaluation is set off against Revaluation Reserve. Payments made/costs incurred in connection with acquisition of leasehold rights are amortised over the period of the lease.

iii) Cash generating units/assets are assessed for possible impairment at Balance Sheet dates based on external and internal sources of information. Impairment losses, if any, are recognised as an expense in the Profit and Loss Account.

c) Investments

Investments are stated at cost less amounts written off where appropriate.

d) Inventories

Finished goods inventories are stated at the lower of cost or estimated net realisable value. Costs comprise costs of purchase and production overheads. Other inventories are valued at cost. Provision is made for damaged, defective or obsolete stocks where necessary. All inventories are valued according to weighted average cost method of valuation.

e) Foreign Currencies

Transactions in foreign currency are recorded at the rates of exchange prevalent on the date of transaction. Exchange differences arising from foreign currency transactions are dealt with in the Company's Profit and Loss Account after converting monetary assets and liabilities in foreign currencies at year end rates. In the case of fixed assets acquired from outside India, exchange differences are adjusted in the carrying costs.

f) Sales

Sales comprise invoiced value of goods net of sales tax and are recognised on passing of property in goods.

g) Other Income

Other Income is recognised on accrual basis.

h) Research and Development

Revenue expenditure on research and development is charged to Profit and Loss Account of the year in which it is incurred. Capital expenditure on research and development is shown as addition to Fixed Assets.

i) Miscellaneous Expenditure

Debenture issue expenses are amortised over the period of such debenture. Share issue expenses are amortised over ten years. Technical fees are amortised over a period of 6 years and over the period of projects respectively.

j) Retirement Benefits

Liabilities in respect of retirement gratuities for employees of the Company are funded in terms of a scheme of Life Insurance Corporation of India.

Other retirement benefits are accounted for on an accrual basis with contributions to recognised funds.

Leave encashment benefits are calculated on actuarial basis and provided for.

Schedules

k) Borrowing Costs

Borrowing costs charged to the Profit and Loss Account include interest and discounts on bank borrowings and short and long term borrowings. Borrowing costs attributable to qualifying assets are capitalised as cost of the assets.

l) Taxation

Current Tax is the tax payable for the period determined as per the provisions of the Income Tax Act, 1961. Deferred Tax Assets and Liabilities represent adjustments for timing differences in the manner in which items of income or expenditure are recognised for tax calculations and annual accounts (as per the Companies Act, 1956).

21. NOTES ON PROFIT AND LOSS ACCOUNT

- (ii) (a) Gross depreciation for the year amounts to Rs. 175,339 (2004-05 : Rs. 158,287) from which has been deducted Rs. 1,416 (2004-05: Rs. 1,418) being extra depreciation for the year arising on revaluation of fixed assets withdrawn from Revaluation Reserve.
- (b) Net Loss on exchange fluctuation recognised in the Profit and Loss Account amounts to Rs. 1,297 (2004-05: Net Loss Rs. 3,360).
- (c) Aggregate research and development expenditure incurred during the year amounts to Rs. 29,958 (2004-05 : Rs. 22,500).
- (d) Calculation of Earnings per Share of Rs. 3.53 (2004-05: Rs. 2.62) (Face Value Rs. 2) :
The numerator (net profit for the year) and denominator (number of equity shares) are Rs. 702,927 (2004-05: Rs. 521,237) and 199,290,595 (2004-05: 199,293,990) shares respectively.

(iii) (a) Raw Materials Consumed	For the year ended 31st March, 2006		For the year ended 31st March, 2005	
	Quantity	Value	Quantity	Value
	MT	Rs. '000	MT	Rs. '000
Acids and Chemicals	15,645	696,439	11,105	576,877
Resins	13,375	848,120	13,867	794,104
Pigments	12,445	1,024,253	12,711	933,191
Solvents	37,819	1,335,807	35,407	1,063,666
Oils	10,230	402,219	9,789	433,905
Extenders	46,959	266,429	43,585	202,966
Others		369,534		321,602
		<u>4,942,801</u>		<u>4,326,311</u>

Note : Raw Materials consumed are after adjustment of shortage/excess.

- (b) Consumption of Imported and Indigenous Raw Materials and Stores and Spare Parts and the percentage of each to the total consumption

(1) Raw Materials		% of Total	Value	% of Total	Value
		Consumption	Rs. '000	Consumption	Rs. '000
(i) Imported		11.92	589,366	11.19	484,094
(ii) Indigenous		88.08	4,353,435	88.81	3,842,217
		<u>100.00</u>	<u>4,942,801</u>	<u>100.00</u>	<u>4,326,311</u>
(2) Stores and Spare Parts					
(i) Imported		5.20	1,718	7.48	2,085
(ii) Indigenous		94.80	31,332	92.52	25,782
		<u>100.00</u>	<u>33,050</u>	<u>100.00</u>	<u>27,867</u>

Schedules

(iv) Details of each Class of Goods Manufactured, Purchased, Sold and Stocks during the year ended 31st March, 2006

Class of Goods	Installed Capacity per annum	Opening Stocks	Production	Closing Stocks	Sales	
					Quantity	Value Rs. '000
(a) Synthetic Resin						
2005-06 (MT)	16,896	993	15,424	1,014	82	7,642
2004-05 (MT)	16,896	525	12,352	993	105	7,868
(b) Paints, Varnishes, Enamels, etc.						
2005-06						
Liquid (KL)		12,065	86,118	13,708	102,683	
Non-Liquid (MT)		3,921	21,353	4,872	51,731	
Total	154,133	17,150	114,986	19,914	164,457	11,165,935
(all expressed in MT)						
Value (Rs. '000)		983,039		1,120,475		
Others Value (Rs. '000)						1,355
Grand Total						11,174,932
2004-05						
Liquid (KL)		9,961	65,797	12,065	93,036	
Non-Liquid (MT)		3,562	11,065	3,921	45,585	
Total	127,592	14,473	83,220	17,150	147,683	9,467,413
(all expressed in MT)						
Value (Rs. '000)		753,950		983,039		
Others Value (Rs. '000)						421
Grand Total						9,475,702

- Notes : (1) Installed Capacity estimated on a two/three shift basis as applicable and is as certified by the Company's Technical Expert.
 (2) Conversion factor from KL to MT is as certified by the Company's Technical Expert.
 (3) Closing Stock of Synthetic Resin is after deducting quantity used in own production (as captive consumption) 2005-06:15,321 MT (2004-05: 11,779 MT)
 (4) Value of Stocks of Synthetic Resin is included in Work-in-Process appearing in Schedule 8.
 (5) Synthetic Resin quantities are in terms of solid resins.
 (6) Production does not include production from Raw Materials processed from outside 47,989 MT (2004-05: 52,491 MT).
 (7) Sales, Opening Stocks and Closing Stocks include goods processed and purchased from outside.
 (8) Closing Stocks are after adjustment of losses including shortage/excess.

	For the year ended 31st March, 2006		For the year ended 31st March, 2005	
	Quantity	Value Rs. '000	Quantity	Value Rs. '000
(c) Purchase for Resale				
Paints, Enamels, Varnishes etc.				
Liquid (KL)	2,029		2,263	
Non-Liquid (MT)	15,908		13,318	
All expressed in MT	18,116	584,345	15,786	511,606
Others		2,134		991
Total		586,479		512,597

Schedules

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Rs. '000	Rs. '000
(v) C.I.F. value of Direct Imports		
(a) Raw Materials	633,623	432,476
(b) Capital Goods	36,856	33,601
(c) Stores and Spare Parts	1,275	570
	<u>671,754</u>	<u>466,647</u>
(vi) Remittance in Foreign Currency on account of dividend to non-resident shareholders		
(a) Financial Year for which the dividend was remitted	2004-05	2003-04
(b) Number of non-resident shareholders to whom remittance was made	1	1
(c) Number of shares on which remittance was made	16,158,600	3,231,720
(d) Dividend remitted	11,311	9,695
Remittance in Foreign Currency on account of interim dividend to non-resident shareholders		
(a) Financial Year for which the dividend was remitted	2005-06	2004-05
(b) Number of non-resident shareholders to whom remittance was made	1	1
(c) Number of shares on which remittance was made	16,158,600	16,158,600
(d) Dividend remitted	16,159	11,311
(vii) Expenditure in Foreign Currency during the year		
Travelling	3,144	914
Royalty	1,533	1,823
Shade Card	—	3,313
Technical Knowhow	2,261	—
Interest	3,393	2,447
Others	1,278	—
	<u>11,609</u>	<u>8,497</u>
(viii) Earnings in Foreign Exchange during the year		
(a) F O B value of Export	13,934	5,741
(b) Consultancy Fees	1,329	5,950
	<u>15,263</u>	<u>11,691</u>

Schedules

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Rs. '000	Rs. '000
(ix) Computation of Net Profits in accordance with Section 198 of the Companies Act, 1956 and the commission payable to the directors		
Net Profit as shown in Accounts	702,927	521,237
Add : Provision for Taxation -current and deferred	195,558	141,544
Depreciation	173,923	156,869
Directors' Fees	120	150
Share and Debenture Issue Expenses	314	314
Gratuity	—	31,794
Voluntary Retirement Scheme (refer to note xiii)	3,159	25,163
Wealth Tax	201	180
Managing Director's Remuneration (Note)	6,467	4,966
	<u>1,082,669</u>	<u>882,217</u>
Less : Depreciation at rates specified under Sec 350 of the Companies Act, 1956	142,105	132,172
Profit on Sale of Fixed Assets (Net)	699	638
Net Profit for the purpose of Director's Commission	<u>939,865</u>	<u>749,407</u>
Director's Commission payable thereon at 1%	<u>9,399</u>	<u>7,494</u>
Director's Commission restricted to	<u>1,556</u>	<u>1,365</u>
Note : Managing Director's Remuneration includes		
(i) Salary	3,112	2,730
(ii) Commission	1,556	1,365
(iii) Allowances and estimated benefits in kind	959	134
(iv) Contribution to Provident, Superannuation and Gratuity Funds	840	737
	<u>6,467</u>	<u>4,966</u>
(x) Particulars of information in relation to the Company's interest in the joint venture company :-		
(a) Description of interest in the joint venture company		
(i) Name of the Company	Berger Becker Coatings Private Limited	
(ii) Proportion of interest	48.98%	
(iii) Country of incorporation	India	
(b) The aggregate amount of assets, liabilities, income and expenses related to the Company's interest in the joint venture company as at 31st March, 2006 are as follows :		
	<u>2005-06</u>	<u>2004-05</u>
Assets	223,999	182,740
Liabilities	125,748	118,591
Income	353,915	249,142
Expenses	316,215	222,228

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

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(xii) Disclosures on Related Parties

	Related Party	Relationship	Outstanding as on 31.3.2006 (Rs in '000)	Outstanding as on 31.3.2005 (Rs in '000)	Payable/Receivable	Nature of transaction	For the year ended 31st March, 2006	For the year ended 31st March, 2005
							Value of transaction (Rs in '000)	Value of transaction (Rs in '000)
(A)	U. K. Paints India Private Ltd.	Holding Company	29,040	22,749	Payable	1. Clearing & Forwarding Agency Commission 2. Charges for Processing of Goods 3. Purchase of Goods 4. Sale of Goods 5. Rent Expense 6. Purchase of Fixed Assets	5,815 89,474 38,441 5 249 33,953	4,468 107,747 19,023 71 120 —
(B)	Berger Becker Coatings Private Ltd.	Joint Venture Company	2,318	184	Payable	1. Services rendered 2. Purchase of Goods 3. Sale of Goods 4. Purchase of Fixed Assets 5. Rent Income 6. Dividend Received	697 29 87 1,829 1,477 —	2,036 — 1,600 — 4,462 4,063
(C)	Berger Jenson & Nicholson (Nepal) Private Ltd.	Wholly owned Subsidiary Company	11,129	13,163	Receivable	1. Sale of Goods	18,557	17,119
(D)	Beepee Coatings Private Limited	Wholly owned Subsidiary Company	1,612	1,430	Payable	1. Charges for Processing of Goods 2. Machinery Rental Income 3. Building Rent Paid	57,459 2,004 48	55,713 2,248 48
(E)	Berger Paints (Cyprus) Ltd.	Wholly owned Subsidiary Company	7,896	103	Receivable	1. Equity Contribution 2. Share Application	33,882 7,807	— —
(F)	Berger Paints Overseas Ltd.	Wholly owned Indirect Subsidiary Company	6,358	-	Receivable	1. Sale of Goods	16,121	—
(G)	U K Paints (Overseas) Ltd.	Fellow Subsidiary Company	79	77	Payable			
(H)	U K Paints International Ltd.	Erstwhile Fellow Subsidiary Company	-	13,243	Receivable	1. Sale of Goods	—	6,590
(I)	Mr Subir Bose	Key Management Personnel	36	36	Receivable	1. Rent Paid 2. Security Deposit Paid	72 —	48 36
(J)	Mrs Chandrika Bose	Relative of Key Management Personnel	204	204	Receivable	1. Rent Paid 2. Security Deposit Paid	210 —	185 36

There are no individuals who are related parties other than the members of the Board of Directors or their relatives. Except for the transaction mentioned above, none of them have had any transactions with the Company other than sitting fees (refer schedule 17 to Profit and Loss Account) received for attendance of board meetings or remuneration received as per contract (refer note 21(ix) to Profit and Loss Account) of employment with the Company.

- (xiii) Exceptional item consists of Rs. 3,159 (2004-05:Rs. 25,163) for Voluntary Retirement Scheme and Rs. Nil (2004-05:Rs. 31,794) for past service Gratuity.
- (xiv) The Company's leasing arrangement are in the nature of operating leases which are not non-cancellable. These are usually renewed periodically by mutual consent. The rentals payable against these arrangements appear under the head-'Rent', in schedule 17 to the Profit and Loss Account.
- (xv) All figures are in Rupees thousands.
- (xvi) Previous year's figures have been regrouped wherever necessary.

On behalf of the Board of Directors

Kuldip Singh Dhingra — Chairman
G S Dhingra — Vice Chairman
Subir Bose — Managing Director
Anil Bhalla — Director
Gurcharan Das — Director
Aniruddha Sen — Company Secretary

Kolkata
Dated : 6th June, 2006

Cash Flow Statement FOR THE YEAR ENDED 31st MARCH, 2006

(Pursuant to the requirement of clause 32 of listing agreement with Stock Exchanges)

	For the year ended 31st March, 2006 Rs. '000	For the year ended 31st March, 2005 Rs. '000
A. Cash flow from operating activities		
Net profit before income tax and exceptional items	919,592	719,738
Adjusted for :		
Depreciation	173,923	156,869
Interest Income	-12,912	-11,134
Dividend Income	—	-4,083
Interest Charged	65,683	47,516
Profit on sale of fixed assets	-699	-637
Misc. expenditure amortised	1,491	2,943
Expenditure under Voluntary Retirement Scheme/Gratuity	-3,159	-56,957
Operating profit before working capital changes	1,143,919	854,255
Changes in :		
Trade & other receivables	-308,268	-73,354
Inventories	-327,433	-452,566
Trade & other payables	763,196	343,923
Cash generated from operations	1,271,414	672,258
Direct taxes paid (net of income tax refund received)	-224,002	-175,739
Net cash from operating activities	1,047,412	496,519
B. Cash Flow from investing activities		
Purchase of fixed assets	-389,312	-333,026
Sale of fixed assets	2,770	1,747
Interest received	14,142	11,515
Dividend Received	—	4,083
Proceeds from liquidation of investments	14,823	—
Purchase of investments	-33,882	-22,317
Net cash used in investing activities	-391,459	-337,998
C. Cash flow from financing activities		
Proceeds from share issue & buy-back	-200	27
Proceeds from/Repayments of long term borrowings	-225,414	124,755
Proceeds from/ Repayments of other loans	9,422	-62,879
Interest paid	-69,803	-57,029
Dividend paid	-336,262	-257,682
Net cash used in financing activities	-622,257	-252,808
Net changes in cash & cash equivalents (A+B+C)	33,696	-94,287
Cash & cash equivalents - opening balance	219,657	313,944
Cash & cash equivalents - closing balance	253,353	219,657

- Notes :
1. Cash and cash equivalents represent cash and bank balances only.
 2. Bank overdraft and other short term loans have been treated as part of financing activities.
 3. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
 4. Previous year's figures have been regrouped, wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

Partha Mitra
Partner
Membership Number 50553

Kolkata
Dated : 6th June, 2006

For and on behalf of
LOVELOCK & LEWES
Chartered Accountants

On behalf of the Board of Directors
Kuldip Singh Dhingra — Chairman

Statement Regarding Subsidiary Companies

Pursuant to Section 212 of the Companies Act, 1956

1.	Name of the Subsidiary Company	Beepee Coatings Private Limited	Berger Jenson & Nicholson (Nepal) Private Limited	Berger Paints (Cyprus) Limited	Berger Paints Overseas Limited
2.	The Financial Year of the Subsidiary Company Ended	31st March, 2006	31st March, 2006	31st March, 2006	31st March, 2006
3.	Holding Company's Interest as at 31.03.06 :				
	a. No. of Equity Shares held	25,00,000 Shares of Rs. 10/- each	1,05,421 Shares of NRs. 100/- each	3,69,830 Shares of CYP £ 1 each	The Charter Capital of Roubles 1,07,85,291 is held by Berger Paints (Cyprus) Ltd., the wholly owned subsidiary of the Company
	b. Percentage of shareholding	100%	100%	100%	100%
4.	Net aggregate amount of Profits/Losses of the Subsidiary so far as it concerns the members of the Company	Rs. '000	Rs. '000	Rs. '000	Rs. '000
	a. Not dealt with in the Accounts of the Company for the financial year ended 31st March, 2006				
	i) for the financial year of the Subsidiary	(+) 268	(+) 6,362	(-) 929	(+) 977
	ii) for previous financial years of the Subsidiary since it became Subsidiary of the Company	(+) 8,714	(+) 4,424	(-) 131	(-) 1
	b. Dealt with in the accounts of the Company				
	i) for the financial year of the Subsidiary	Nil	Nil	Nil	Nil
	ii) for previous financial years of the Subsidiary since it became Subsidiary of the Company	(+) 20,114	Nil	Nil	Nil

On behalf of the Board of Directors

Kuldip Singh Dhingra — Chairman
G S Dhingra — Vice Chairman
Subir Bose — Managing Director
Anil Bhalla — Director
Gurcharan Das — Director
Aniruddha Sen — Company Secretary

Kolkata
Dated : 6th June, 2006

SUMMARY OF FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2006

Subsidiary Name	Original Currency	Share Capital	Reserves & Surplus	Total Liabilities	Total Assets	Net Sales	Profit Before Tax	Provision For Tax	Profit After Tax
Berger Jenson & Nicholson (Nepal) Private Limited	Nepali Rupees	6,583	22,948	45,616	75,147	82,500	8,854	2,492	6,362
Beepee Coatings Private Limited	Indian Rupees	25,000	3,208	15,124	43,332	57,459 *	228	-40	268
Berger Paints (Cyprus) Limited	US Dollars	34,429	-1,220	8,151	41,360	—	-929	—	-929
Berger Paints Overseas Limited	Roubles	17,364	1,006	21,508	39,878	19,091	1,537	560	977

All Figures in Rupees Thousand

* Consists of Processing Income

Notes :

1. Capital, Reserves, Total Assets and Total Liabilities have been translated at the exchange rates prevailing at the end of the financial year.
2. Net Sales, Profit before Tax, Provision for Tax and Profit after Tax have been translated at average exchange rates during the financial year.

Financial Summary

	Rs. '000				
	2005-06	2004-05	2003-04	2002-03	2001-02
Sales	11,174,932	9,475,702	7,702,955	6,684,248	6,016,525
Net Sales (Sales net of Excise)	9,798,307	8,245,778	6,706,043	5,822,801	5,249,521
% Growth	18.83	22.96	15.17	10.92	7.05
Other Income	133,827	124,828	104,000	67,171	72,539
Materials Consumed	6,269,499	5,296,872	4,197,108	3,655,938	3,291,292
Employee Cost	492,257	466,099	393,243	335,408	307,211
Other Expenses	2,024,092	1,694,646	1,437,702	1,276,125	1,180,648
Operating Profit (PBDIT & Exceptional Item)	1,146,286	912,989	781,990	622,501	542,909
% to Net Sales	11.70	11.07	11.66	10.69	10.34
Depreciation	173,923	156,869	139,292	131,227	113,875
Interest	52,771	36,382	27,932	38,514	73,569
Profit Before Tax & Exceptional Item	919,592	719,738	614,766	452,760	355,465
Exceptional Item *	3,159	56,957	550	500	9,221
Profit Before Tax	916,433	662,781	614,216	452,260	346,244
Tax	213,506	141,544	173,880	118,049 @	32,340
Profit After Tax	702,927	521,237	440,336	334,211	313,904
Return On Net Worth (%) **	30.84	25.68	23.76	20.26	20.97
Dividend -including Tax on Distributable Profit	454,480	317,113	239,817	179,859	139,638
Retained Earnings	248,447	204,124	200,519	154,352	174,266
Fixed Assets	2,373,047	2,004,693	1,573,400	1,346,578	1,253,308
Less : Depreciation	1,089,631	924,716	758,534	623,108	495,126
Net Fixed Assets	1,283,416	1,079,977	814,866	723,470	758,182
Investments	128,168	109,109	171,715	167,821	167,821
Current Assets	3,640,666	2,989,111	2,388,102	2,131,359	2,158,958
Less : Current Liabilities	2,262,091	1,416,797	1,037,403	883,359	715,570
Net Current Assets	1,378,575	1,572,314	1,350,699	1,248,000	1,443,388
Misc. Exp. not written off or adjusted	1,841	3,332	6,274	9,249	7,655
Net Assets Employed	2,792,000	2,764,732	2,343,554	2,148,540	2,377,046
Share Capital ***	398,554	398,561	265,691	265,688	265,680
Reserves	1,897,883	1,651,045	1,612,039	1,412,927	1,259,970
Shareholders' Equity	2,296,437	2,049,606	1,877,730	1,678,615	1,525,650
Borrowings	427,703	644,095	387,149	384,984	762,506
Deferred Tax Liability	67,860	71,031	78,675	84,941	88,890
Net Capital Employed	2,792,000	2,764,732	2,343,554	2,148,540	2,377,046
Debt - Equity Ratio	0.19:1	0.31:1	0.21:1	0.23:1	0.50:1
Cash Earnings Per Share (Rs.)	4.40	3.40	2.91	2.34	2.15
Earnings Per Share (Rs.)	3.53	2.62	2.21	1.68	1.58
Book Value Per Share (Rs.) **	11.44	10.18	9.30	8.28	7.51
Dividend per share (Rs.)	2.00 ****	1.40 \$	1.30 *****	1.20	1.00
Number of employees	1966	1937	1818	1732	1692

* Exceptional Item represents expenditure under Voluntary Retirement Scheme and past service Gratuity.

** Net Worth and Book Value are exclusive of Revaluation Reserve and Miscellaneous Expenditure not written off or adjusted.

*** The authorised and paid up face value of the Company's Ordinary (Equity) Shares of Rs 10 each were subdivided into authorised and paid up face value of Rs. 2 per share with effect from 1st September, 2004.

The equity share capital had been increased earlier by issue of 1:2 bonus shares on 12th of April, 2004.

**** Interim Dividend — Re 1.00 per share. Proposed Final Dividend @ Re 1.00 per share.

***** Includes final dividend @ 30% on the expanded Share Capital subsequent to the pari-passu issue of bonus shares in the ratio of 1:2 on 12th April, 2004.

\$ On increased capital

@ After adjusting refund of tax of earlier years.

REPORT OF THE AUDITORS TO THE BOARD OF DIRECTORS OF BERGER PAINTS INDIA LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BERGER PAINTS INDIA LIMITED AND ITS SUBSIDIARIES AND A JOINT VENTURE COMPANY

We have audited the attached consolidated Balance Sheet of Berger Paints India Limited and its subsidiaries and a joint venture company as at 31st March 2006, the consolidated Profit and Loss Account for the year ended on that date annexed thereto, and the consolidated Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

We did not audit the financial statements of certain subsidiaries and a joint venture company whose financial statements reflect total assets of Rs.336,154 (in '000) as at 31st March, 2006 and total revenues of Rs.501,700 (in '000) for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and joint venture company is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21 on 'Consolidated Financial Statements' and Accounting Standard 27 on 'Financial Reporting of Interests in Joint Ventures' issued by the Institute of Chartered Accountants of India, on the basis of the separate financial statements of Berger Paints India Limited and its subsidiaries and joint venture company included in the consolidated financial statements.

Based on our audit and on consideration of the reports of other auditors on separate financial statements, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of consolidated Balance Sheet, of the consolidated state of affairs of Berger Paints India Limited and its subsidiaries and joint venture company as at 31st March, 2006,
- (b) In the case of the consolidated Profit and Loss Account, of the consolidated results of operations of Berger Paints India Limited and its subsidiaries and joint venture company for the year ended on that date
and
- (c) In the case of the consolidated Cash Flow Statement, of the consolidated cash flow of Berger Paints India Limited and its subsidiaries and joint venture company for the year ended on that date.



**CONSOLIDATED BALANCE SHEET OF BERGER PAINTS INDIA LIMITED AND ITS
SUBSIDIARY AND JOINT VENTURE COMPANIES
AS AT 31ST MARCH, 2006**

	Schedule	31st March, 2006 Rs. '000	31st March, 2005 Rs. '000
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	398,554	398,561
Reserves and Surplus	2	1,985,374	1,696,912
		<u>2,383,928</u>	<u>2,095,473</u>
Loan Funds			
Secured Loans	3	142,250	140,819
Unsecured Loans	4	351,502	577,315
		<u>493,752</u>	<u>718,134</u>
Deferred Taxation	5	75,728	79,795
TOTAL		<u>2,953,408</u>	<u>2,893,402</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	6	2,431,737	2,036,406
Less : Depreciation / Amortisation		1,136,294	965,864
Net Block		<u>1,295,443</u>	<u>1,070,542</u>
Capital Work-in-Progress - at Cost [Includes share of Joint Venture Rs. 2,760 (2004-2005 : Rs. 106)]		114,287	117,287
		<u>1,409,730</u>	<u>1,187,829</u>
Investments	7	12,507	27,502
Current Assets, Loans and Advances			
Inventories	8	2,116,629	1,745,579
Sundry Debtors	9	1,155,836	914,715
Cash & Bank Balances	10	291,050	226,539
Loans and Advances	11	310,792	264,346
		<u>3,874,307</u>	<u>3,151,179</u>
Less : Current Liabilities and Provisions			
Liabilities	12	2,095,292	1,317,772
Provisions	13	250,837	159,068
		<u>2,346,129</u>	<u>1,476,840</u>
Net Current Assets		<u>1,528,178</u>	<u>1,674,339</u>
Miscellaneous Expenditure (To the extent not written off or adjusted) [Includes share of Joint Venture Rs. Nil (2004-05 : Rs. 9)]		2,993	3,732
TOTAL		<u>2,953,408</u>	<u>2,893,402</u>
Notes on the Balance Sheet	20		

NOTES : Schedules 1 to 13 & 20 form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

Kolkata
Dated : 6th June, 2006

Partha Mitra
Partner
Membership Number 50553
For and on behalf of
LOVELOCK & LEWES
Chartered Accountants

On behalf of the Board of Directors

Kuldip Singh Dhingra — Chairman
G S Dhingra — Vice Chairman
Subir Bose — Managing Director
Anil Bhalla — Director
Gurcharan Das — Director
Aniruddha Sen — Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF BERGER PAINTS INDIA LIMITED AND ITS SUBSIDIARY AND JOINT VENTURE COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2006

		For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Schedule	Rs. '000	Rs. '000
INCOME			
Gross Turnover		11,652,869	9,827,314
[Includes share of Joint Venture Rs. 400,071 (2004-05 : Rs. 286,478)]			
Less: Excise Duty		1,428,864	1,268,439
[Includes share of Joint Venture Rs. 52,239 (2004-05 : Rs. 38,515)]			
Net Turnover		<u>10,224,005</u>	<u>8,558,875</u>
Other Income	14	137,328	122,680
		<u>10,361,333</u>	<u>8,681,555</u>
EXPENDITURE			
Materials Consumed	15	6,567,178	5,520,563
Expenses	16	2,588,659	2,202,559
Interest	17	56,187	39,893
Depreciation/ Amortisation		182,283	162,742
[Includes share of Joint Venture Rs. 3,727 (2004-05 : Rs. 2,031)]			
		<u>9,394,307</u>	<u>7,925,757</u>
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM		967,026	755,798
Exceptional Item (Expenditure Under Voluntary Retirement Scheme/Gratuity)		3,159	56,957
PROFIT BEFORE TAXATION		963,867	698,841
Provision for Taxation			
Current Tax	18	205,927	160,825
Deferred Tax	19	-4,067	-12,736
Fringe Benefit Tax [Includes share of Joint Venture Rs. 278 (2004-05: Rs. Nil)]		18,257	—
PROFIT AFTER TAXATION		743,750	550,752
Profit brought forward		180,000	180,000
		<u>923,750</u>	<u>730,752</u>
Transfer to :			
General Reserve		219,270	230,577
Dividend			
— Interim		199,290	142,215
— Final		199,290	139,503
Tax on distributable profit		55,900	38,457
Balance carried to Balance Sheet		<u>250,000</u>	<u>180,000</u>
		<u>923,750</u>	<u>730,752</u>
Earnings per share - Basic and diluted (in Rupees)		3.73	2.76

Notes on Profit and Loss Account 20

NOTES : Schedules 14 to 20 form an integral part of the Profit and Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

Kolkata
Dated : 6th June, 2006

Partha Mitra
Partner
Membership Number 50553
For and on behalf of
LOVELOCK & LEWES
Chartered Accountants

On behalf of the Board of Directors
Kuldip Singh Dhingra — Chairman
G S Dhingra — Vice Chairman
Subir Bose — Managing Director
Anil Bhalla — Director
Gurcharan Das — Director
Aniruddha Sen — Company Secretary

SCHEDULES

	31st March, 2006	31st March, 2005
	Rs. '000	Rs. '000
1. CAPITAL - Equity		
Share Capital		
Authorised :		
200,000,000 Ordinary Shares of Rs.2 each	400,000	400,000
Issued :		
199,341,030 (2004-05:199,345,230) Ordinary Shares of Rs. 2 each	398,682	398,690
Subscribed :		
199,289,790 (2004-05:199,293,990) Ordinary Shares of Rs. 2 each fully paid - up	398,580	398,588
Less : Calls unpaid - others	26	27
	<u>398,554</u>	<u>398,561</u>

Notes : Of the above Equity Shares -

- 3,151,187 shares allotted fully paid-up pursuant to a contract without payment being received in cash before the buy-back of shares.
- 257,660 shares allotted fully paid-up pursuant to a contract in full redemption of Mortgage Debentures before the buy-back of shares.
- 26,972,214 shares allotted as fully paid Bonus Shares by capitalisation of General Reserve and Share Premium before the buy-back of shares.
- The authorised and paid up face value of the Company's Ordinary (Equity) Shares of Rs 10 each were subdivided into authorised and paid up face value of Rs. 2 per share with effect from 1st September, 2004.
- The Company has bought back and extinguished 4,200 Equity Shares during the financial year.

2. RESERVES AND SURPLUS

	Balance at 31st March, 2005	Additions	Deductions	Balance at 31st March, 2006
	Rs. '000	Rs.'000	Rs.'000	Rs.'000
Revaluation Reserve	16,604	—	1,416 *	15,188
General Reserve	1,306,140	219,270	—	1,525,410 **
Share Premium	191,891	4	205	191,690
Profit and Loss Account	180,000	250,000	180,000	250,000
Capital Reserve	1,877	—	—	1,877
Capital Redemption Reserve	400	8 ***	—	408
Foreign Currency Translation Reserve	—	801	—	801
	<u>1,696,912</u>	<u>470,083</u>	<u>181,621</u>	<u>1,985,374</u>

* Refer to note (6) in Schedule 20

** Includes Rs. 76,842 on account of 48.98% holding in the joint venture company M/s Berger Becker Coatings Private Limited as per proportionate consolidation principle.

*** Rs. 8 transferred from Share Premium against buy-back of shares.

	31st March, 2006	31st March, 2005
	Rs.'000	Rs.'000
3. SECURED LOANS		
Loans from Banks	142,250	140,819
	<u>142,250 *</u>	<u>140,819 *</u>
* Includes share of Joint Venture	49,703	61,596

Note : Loans from Banks are secured by hypothecation of stock-in-trade and book debts.

SCHEDULES

					31st March, 2006		31st March, 2005			
					Rs.'000		Rs.'000			
4. UNSECURED LOANS										
Fixed Deposits *					1,501		46,486			
Short Term Loans										
Banks					—		330,829			
Others					350,001		200,000			
					<u>351,502</u>		<u>577,315</u>			
* Includes unclaimed matured fixed deposits					1,291		5,766			
5. DEFERRED TAXATION										
Liability										
Depreciation					87,441		91,596			
Amortisation of expenses in accounts					1,141		1,537			
					<u>88,582</u>		<u>93,133</u>			
Less : Asset										
Amortisation of expenses allowed as per Income Tax Act					6,124		7,666			
Others					6,730		5,672			
					<u>12,854</u>		<u>13,338</u>			
					<u>75,728</u> *		<u>79,795</u> *			
* Includes share of Joint Venture					2,792		3,454			
6. FIXED ASSETS					Depreciation					
	Original Cost/ Professional Valuation at 31st March, 2005			Original Cost/ Professional Valuation at 31st March, 2006	Upto 31st March, 2005	For the Year ***	On deletions (Accumulated upto the date of sale)	Upto 31st March, 2006	Net Book value at 31st March, 2006	Net Book value at 31st March, 2005
	Rs. '000	Additions Rs. '000	Deletions Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Tangible Assets										
Goodwill ****	12,594	—	—	12,594	—	—	—	—	12,594	12,594
Land :										
Freehold	36,917	465	—	37,382	—	—	—	—	37,382	36,917
Leasehold	17,221	—	—	17,221	2,060	598	—	2,658	14,563	15,161
Buildings :										
Freehold *	439,596	72,933	—	512,529	101,021	15,306	—	116,327	396,202	338,575
Leasehold **	39,812	988	—	40,800	9,595	694	—	10,289	30,511	30,217
Plant and Machinery	1,072,370	260,563	9,433	1,323,500	606,802	123,373	6,056	724,119	599,381	465,568
Furniture and Fittings	42,161	8,806	136	50,831	22,474	3,147	—	25,621	25,210	19,687
Equipment	314,539	47,979	2,997	359,521	191,811	32,742	108	224,445	135,076	122,728
Motor Cars and Other Vehicles	61,196	11,669	6,070	66,795	32,101	7,525	7,105	32,521	34,274	29,095
Intangible Assets										
Trade Mark	—	8,868	—	8,868	—	—	—	—	8,868	—
Software	—	1,696	—	1,696	—	314	—	314	1,382	—
	<u>2,036,406</u>	<u>413,967</u>	<u>18,636</u>	<u>2,431,737</u>	<u>965,864</u>	<u>183,699</u>	<u>13,269</u>	<u>1,136,294</u>	<u>1,295,443</u> #	<u>1,070,542</u> #
Previous year	<u>1,729,291</u>	<u>314,719</u>	<u>7,604</u>	<u>2,036,406</u>	<u>807,895</u>	<u>164,160</u>	<u>6,191</u>	<u>965,864</u>	<u>1,070,542</u>	<u>45,069</u>
# Includes share of Joint Venture									44,688	45,069

* Partly on Leasehold Land.

** Represents payments made and costs incurred in connection with acquisition of leasehold rights in certain properties for 87, 90 and 99 years and are being amortised over the period of such leases.

*** Refer to note (6) in Schedule 20

**** Includes Rs. 38 on account of 48.98% holding in the joint venture company M/s Berger Becker Coatings Private Limited as per proportionate consolidation principle.

SCHEDULES

	31st March, 2006 Rs.'000	31st March, 2005 Rs.'000
7. INVESTMENTS		
Long Term		
Unquoted - Other Investments		
Pnb Principal Insurance Advisory Company Private Limited -at cost		
125,000 Equity Shares of Rs.100 each fully paid-up	12,500	12,500
Rakesh Container Private Limited - at cost		
5,887 Equity Shares of Rs. 10 each fully paid up	—	177
1,498 Shares of Re. 1 each fully paid up in Shantikunj Apartments Limited	1	1
Government Security - 7 Years National Savings Certificate (Under Lien)	1	7
10 Shares of Charotar Gas Co. @ Rs. 500 per share fully paid up	5	—
Short Term - Unquoted		
3 - 8.40 % Andhra Pradesh Power Generation Corporation Bonds of Rs. 1,000,000 each (3 bonds sold during the year)	—	3,096
2 - 9.50 % Maharashtra Patbandhare Vitiya Co Limited Bonds of Rs. 1,000,000 each (2 bonds sold during the year)	—	2,078
4 - 8.60 % Sardar Sarovar Narmada Nigam Limited Bonds of Rs. 1,000,000 each (4 bonds sold during the year)	—	4,168
29 - 14.15 % Maharashtra State Road Development Corporation Bonds of Rs. 100,000 each (29 bonds sold during the year)	—	3,564
10 - 12.50 % Maharashtra Krishna Valley Development Corporation Bonds of Rs. 100,000 each (10 bonds sold during the year)	—	1,052
8 - 11.50 % Maharashtra Krishna Valley Development Corporation Bonds of Rs. 100,000 each (8 bonds sold during the year)	—	859
	12,507 *	27,502 *
* Includes share of Joint Venture	—	177
Note :		
The following investments were purchased and sold during the year :		
<u>Description of Investment</u>	<u>No. of Units/Bonds</u>	<u>Purchase Cost</u> Rs. '000
11.33 % West Bengal Finance Corporation (SLR Bond)	17,000	1,998
UTI Liquid Cash Plan Institutional -Daily Income Option	1,014	20,000
RLFD Sahara Liquid Fund -Dividend	10	50,000
8. INVENTORIES (including in transit)		
Stores and Spare Parts	30,585	23,860
Raw Materials	719,882	540,994
Containers	60,105	48,907
Work-in-Process	137,869	136,262
Finished Goods	1,168,188	995,556
	2,116,629 *	1,745,579 *
* Includes share of Joint Venture	70,567	53,850
9. SUNDRY DEBTORS - Unsecured - Considered Good		
Debts Outstanding - for a period exceeding six months	28,398	50,636
Other Debts	1,127,438	864,079
	1,155,836 *	914,715 *
* Includes share of Joint Venture	51,832	53,861

SCHEDULES

	31st March, 2006 <hr/> Rs.'000	31st March, 2005 <hr/> Rs.'000
10. CASH AND BANK BALANCES		
Cash in hand (including cheques and remittances in transit)	9,408	13,866
With Standard Chartered Bank Chittagong (at pre-1966 devaluation rate of Indian Rupees), Rs.36, fully written off	—	—
With Scheduled Banks		
On Current Accounts	262,106	195,517
On Debenture Interest Account	43	43
On Unpaid Dividend Account	17,191	14,660
On Fixed Deposit Account	1,362	1,212
On Margin Money Account	549	848
On Debenture Redemption Account	391	393
	<hr/> 291,050*	<hr/> 226,539*
* Includes share of Joint Venture	31,148	6,569
11. LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received		
Secured - Considered Good	18	18
Unsecured - Considered Good*	136,890	151,729
	<hr/> 136,908	<hr/> 151,747
Advance payment of Tax (net of provision 2004-05 : Rs. 172,277)	—	16,678
Balance with Customs, Central Excise etc.		
Unsecured - Considered Good	111,834	51,088
Deposits		
Unsecured - Considered Good		
Security and Tender (including Deposits in Government Securities - Unquoted at cost - pledged with Government Authorities Rs. 6)	62,050	44,833
	<hr/> 310,792 #	<hr/> 264,346 #
# Includes share of Joint Venture	12,766	23,137
* Includes interest accrued on deposits and others	77	1,307
12. LIABILITIES		
Acceptances	729,576	224,436
Sundry Creditors	981,561	721,111
Security Deposits	8,378	7,807
Other Liabilities	374,578	359,203
Interest accrued but not due on loans	1,199	5,215
	<hr/> 2,095,292*	<hr/> 1,317,772*
* Includes share of Joint Venture	62,852	47,123
13. PROVISIONS		
Provision for Taxation (net of advance payment : Rs. 221,831)	22,100	—
Provision for Fringe Benefit Tax	1,497	—
Tax on distributable profit	27,950	19,565
Proposed Dividend - Final	199,290	139,503
	<hr/> 250,837*	<hr/> 159,068*
* Includes share of Joint Venture	125	6,418

SCHEDULES

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Rs.'000	Rs.'000
14. OTHER INCOME		
Dividend received	—	4,083
Discount	843	2,420
Bad Debts Recovered	535	1,765
Consultancy fees	1,329	5,950
Profit on sale of Fixed Assets(net)	743	638
Income from investment in Mutual Fund	1,534	1,053
Miscellaneous **	132,344	106,771
	<u>137,328*</u>	<u>122,680*</u>
* Includes share of Joint Venture	3,936	1,179
** Includes net profit on contracts executed - Rs. 1,835 (2004-05: Rs. 793)		
15. MATERIALS CONSUMED		
Opening Stocks		
Raw Materials	540,994	359,665
Containers	48,907	40,988
Work-in-Process	136,262	77,490
Finished Goods	995,556	763,163
	<u>1,721,719</u>	<u>1,241,306</u>
Add : Purchases		
Raw Materials	5,445,294	4,752,946
Containers	898,886	751,955
Finished Goods	602,129	512,597
	<u>6,946,309</u>	<u>6,017,498</u>
Less : Cost of materials sold [including cost of containers and others Rs. 107 (2004-05: Rs. 686)]	15,409	16,522
	<u>6,930,900</u>	<u>6,000,976</u>
Deduct : Closing Stocks		
Raw Materials	719,882	540,994
Containers	60,105	48,907
Work-in-Process	137,869	136,262
Finished Goods	1,167,585	995,556
	<u>2,085,441</u>	<u>1,721,719</u>
	<u>6,567,178*</u>	<u>5,520,563*</u>
* Includes Raw Material Consumed	5,251,104	4,555,781
Others	1,316,074	964,782
Materials Consumed	<u>6,567,178**</u>	<u>5,520,563**</u>
** Includes share of Joint Venture	263,473	188,785

SCHEDULES

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	<u>Rs.'000</u>	<u>Rs.'000</u>
16. EXPENSES		
Salaries, Wages, Bonus and Commission	362,952	331,675
Contribution to Provident, Superannuation and Gratuity Funds	57,056	59,611
Staff Welfare	115,212	109,084
Freight, Octroi and Delivery	479,019	384,358
Power & Fuel	145,588	122,993
Consumption of Stores and Spare Parts	31,590	27,587
Repairs to Buildings (a)	2,501	1,520
Repairs to Machinery (a)	19,023	18,783
Repairs to Other Assets (a)	9,996	8,196
Rent	52,175	46,607
Rates & Taxes	24,472	27,896
Travelling	108,659	93,705
Advertisement and Sales Promotion Expenses	406,551	278,808
Insurance	11,443	10,989
Cash Discount	426,964	368,197
Commission to Stockists, Distributors etc.	4,576	6,101
Bad Debts written off	8,542	10,385
Directors' Fees	133	166
Auditors' Remuneration :	<u>2005-06</u>	<u>2004-05</u>
	Rs.'000	Rs.'000
Audit Fee	1,034	956
Other Services :		
Provident & Other Funds Audit	—	10
Tax Audit	216	209
Miscellaneous Certificates and Other Matters	726	710
Reimbursement of Expenses	80	125
Other Expenses (b)	320,151	293,888
	<u>2,588,659*</u>	<u>2,202,559*</u>
* Includes share of Joint Venture	43,819	28,639
(a) Includes :		
Consumption of Stores and Spare Parts	6,665	4,136
(b) Includes :		
Processing Charges	84,043	88,127
Amortisation of :		
(a) Expenses on Technical Fees	1,177	2,629
(b) Expenses on issue of ordinary shares and debentures	314	314
(c) Preliminary Expenses	5	5
(d) Deferred Revenue Expenditure	345	345

SCHEDULES

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Rs.'000	Rs.'000
17. INTEREST		
Interest expenditure :		
On Fixed Loan	1,609	9,840
On Others	<u>68,002</u>	<u>32,770</u>
Less : Interest income- [Tax deducted at source Rs. 2,806 (2004-05 : Rs. 598)]	13,014	2,577
Interest on Income Tax Refund	410	140
	<u>56,187</u> *	<u>39,893</u> *
* Includes share of Joint Venture	3,049	2,773
18. PROVISION FOR TAXATION		
Income Tax		
Provision for the year	206,064	164,838
Less : Provision in respect of earlier years no longer required written back	137	4,013
	<u>205,927</u> *	<u>160,825</u> *
* Includes share of Joint Venture	3,982	2,346
19. DEFERRED TAXATION		
Liability		
Depreciation	3,885	3,061
Amortisation of expenses in Accounts	1,145	6
Others	140	7
	<u>5,170</u>	<u>3,074</u>
Less : Asset		
Depreciation	8,039	362
Amortisation of expenses allowed as per Income Tax Act	—	6,889
Others	1,198	1,234
	<u>9,237</u>	<u>8,485</u>
	<u>-4,067</u>	<u>-5,411</u>
Add : Change arising out of recomputation of previous years' Net Deferred Taxation Liability as per latest tax rates	—	-7,325
	<u>-4,067</u> *	<u>-12,736</u> *
* Includes share of Joint Venture	-662	1,989

SCHEDULES

20. NOTES TO THE CONSOLIDATED ACCOUNTS

1. Principles of consolidation

- a) The consolidated financial statements pertain to Berger Paints India Limited, its wholly owned subsidiary and joint venture companies as detailed below -

Name of the Company	Country of Incorporation	% voting power held at 31st March, 2006
Direct Subsidiaries		
Berger Jenson & Nicholson (Nepal) Private Limited	Nepal	100
Beepee Coatings Private Limited	India	100
Berger Paints (Cyprus) Limited	Cyprus	100
Indirect Subsidiary		
Berger Paints Overseas Limited	Russia	100
Joint Venture		
Berger Becker Coatings Private Limited	India	48.98

- b) i) The financial statements of Berger Paints India Limited and its subsidiaries have been compiled by adding together on a line by line basis the book value of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions. The Company's interest in its joint venture company, M/s Berger Becker Coatings Private Limited has been consolidated using the proportionate consolidation principle based on the audited financial statements drawn upto 31st March, 2006.

In translating the financial statements of non-integral foreign operations, assets & liabilities have been translated using the exchange rates prevailing at the end of the financial year and income & expenses have been translated at the average exchange rates for the period. The resulting exchange differences are transferred to the Foreign Currency Translation Reserve.

- ii) The excess / deficit of the cost to the Company of its investments over its share in the equity of the subsidiaries and joint venture company as on the date (or as near to the date as practicable) of takeover has been recognised in the consolidated financial statements as goodwill / capital reserve.

- c) The consolidated financial statements have been prepared using the same accounting policies as that of Berger Paints India Limited except for depreciation, gratuity and leave encashment for Berger Jenson & Nicholson (Nepal) Private Limited which are accounted for on cash basis and valuation of inventory for Berger Becker Coatings Private Limited and Berger Paints Overseas Limited which has been carried out on FIFO basis. The value of inventory carried at FIFO is Rs. 91,077 (2004-05:Rs. 53,850). The accounting policies of Berger Paints India Limited are given separately in the financial statements of the Company.

2. The Company had been determining the assessable value for excise purpose based on the adjudication order of the assessing authority as also appellate orders of the earlier years and various decisions of the Hon'ble Tribunal and of various Hon'ble High Courts as also of the Hon'ble Supreme Court. The Excise Authorities have disputed some of the abatements and the matter is sub-judice. However, in view of the decision of the Hon'ble Supreme Court in May, 1995 while determining the assessable value for excise purpose, there may arise an additional excise duty liability for the years 1988-89 to 1993-94 which is not quantifiable at present as both the price lists as also the assessments for the said period are pending final adjudication.

3. The Sales Tax, Excise, Income Tax, Customs, Provident Fund and Land Revenue Authorities have made certain claims totalling Rs. 309,099 (2004-05:Rs. 146,837), Rs. 4,708 (2004-05:Rs. 10,803), Rs. 64,226 (2004-05:Rs. 18,505), Rs. Nil (2004-05:Rs. 1,766), Rs. 865 (2004-05 : Rs. Nil) and Rs. 2,295 (2004-05 : Rs. Nil) respectively. The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums.

4. Miscellaneous Expenditure (to the extent not written off or adjusted) represent:

	31st March, 2006 Rs. '000	31st March, 2005 Rs. '000
(i) Expenses on issue of shares and debentures	314	628
(ii) Technical Fees	1,527	2,704
(iii) Preliminary Expenses	—	9
(iv) Deferred Revenue Expenditure – others	1,152	391
	<u>2,993</u>	<u>3,732</u>

SCHEDULES

- | | 31st March,
2006 | 31st March,
2005 |
|--|---------------------|---------------------|
| | Rs. '000 | Rs. '000 |
| 5. Estimated amount of Contracts remaining to be executed on Capital Account not provided for
[includes 2005-06:Rs. Nil (2004-05: Rs. 1,314) pertaining to the joint venture company] | 47,767 | 100,867 |
| 6. Gross depreciation for the year amounts to Rs.183,699 (2004-05:Rs.164,160) from which has been deducted Rs. 1,416 (2004-05:Rs. 1,418) being extra depreciation for the year arising on revaluation of fixed assets withdrawn from Revaluation Reserve. | | |
| 7. Calculation of Earnings per Share of Rs. 3.73 (2004-05:Rs. 2.76) (Face Value Rs. 2 per share) : The numerator (net profit for the year) and denominator (number of equity shares) are Rs. 743,750 (2004-05:Rs. 550,752) and 199,290,595 (2004-05: 199,293,990) shares respectively. | | |

8. Disclosures on Related Parties

							For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Related Party	Relationship	Outstanding as on 31.3.2006 (Rs. '000)	Outstanding as on 31.3.2005 (Rs. '000)	Payable/ Receivable	Nature of transaction	Value of transaction (Rs. '000)	Value of transaction (Rs. '000)
(A)	U. K. Paints India Private Ltd.	Holding Company	29,040	22,749	Payable	1. Clearing & Forwarding Agency Commission 2. Charges for Processing of Goods 3. Purchase of Goods 4. Sale of Goods 5. Rent Expense 6. Purchase of Fixed Assets	5,815 89,474 38,441 5 249 33,953	4,468 107,747 19,023 71 120 —
(B)	U K Paints (Overseas) Ltd.	Fellow Subsidiary Company	79	77	Payable			
(C)	U K Paints International Ltd.	Erstwhile Fellow Subsidiary Company	—	13,243	Receivable	1. Sale of Goods	—	6,590
(D)	Mr. Subir Bose	Key Management Personnel	36	36	Receivable	1. Rent Paid 2. Security Deposit Paid	72 —	48 36
(E)	Mrs. Chandrika Bose	Relative of Key Management Personnel	204	204	Receivable	1. Rent Paid 2. Security Deposit Paid	210 —	185 36

There are no individuals who are related parties other than the members of the Board of Directors or their relatives.

Except for the transaction mentioned above, none of the Directors had any transactions with the Company other than sitting fees received for attendance of board meetings or remuneration received as per contract of employment with the Company.

9. The Company's leasing arrangements are in the nature of operating leases which are not non-cancellable. These are usually renewed periodically by mutual consent. The rentals payable against these arrangements appear under the head-'Rent', in Schedule 16 to the Profit and Loss Account.
10. The Company has only one business segment, namely Paints with almost the entire sales being made in the domestic market.
11. Exceptional item consists of Rs. 3,159 (2004-05 : Rs. 25,163) for Voluntary Retirement Scheme and Rs. Nil (2004-05 : Rs. 31,794) for past service Gratuity.
12. Previous year's figures have been regrouped wherever necessary.

On behalf of the Board of Directors

Kuldip Singh Dhingra — Chairman
G S Dhingra — Vice Chairman
Subir Bose — Managing Director
Anil Bhalla — Director
Gurcharan Das — Director
Aniruddha Sen — Company Secretary

Kolkata
Dated : 6th June, 2006

CONSOLIDATED CASH FLOW STATEMENT OF BERGER PAINTS INDIA LIMITED AND ITS SUBSIDIARY AND JOINT VENTURE COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2006

	For the year ended 31st March, 2006	For the year ended 31st March, 2005
	Rs. '000	Rs.'000
A. Cash flow from operating activities		
Net profit before income tax & exceptional items	967,026	755,798
Adjusted for :		
Depreciation	182,283	162,742
Interest Income	-13,424	-11,274
Dividend Income	—	-4,083
Interest Charged	69,611	52,039
Profit on sale of fixed assets	-743	-637
Miscellaneous expenditure amortised	1,841	3,294
Foreign Currency Translation	801	—
Expenditure under Voluntary Retirement Scheme/Gratuity	-3,159	-56,957
Operating profit before working capital changes	<u>1,204,236</u>	<u>900,922</u>
Changes in :		
Trade & other receivables	-305,371	-104,801
Inventories	-371,050	-483,343
Trade & other payables	787,058	364,046
Cash generated from operations	<u>1,314,873</u>	<u>676,824</u>
Miscellaneous expenditure	-1,102	-347
Direct taxes paid (net of income tax refund received)	-231,413	-178,381
Net cash from operating activities	<u>1,082,358</u>	<u>498,096</u>
B. Cash flow from investing activities		
Purchase of fixed assets	-419,430	-347,165
Sale of fixed assets	6,110	1,747
Interest received	14,654	11,655
Dividend received	—	4,083
Proceeds from liquidation of investments	15,000	—
Purchase of investments	-5	-22,317
Net cash used in investing activities	<u>-383,671</u>	<u>-351,997</u>
C. Cash flow from financing activities		
Proceeds from share issue	-200	27
Proceeds from/Repayments of long term borrowings	-225,414	155,254
Proceeds from/ Repayments of other loans	1,431	-65,914
Interest paid	-73,731	-61,552
Dividend paid	-336,262	-262,271
Net cash used in financing activities	<u>-634,176</u>	<u>-234,456</u>
Net changes in cash & cash equivalents (A+B+C)	<u>64,511</u>	<u>-88,357</u>
Cash & cash equivalents - opening balance	226,539	314,896
Cash & cash equivalents - closing balance	291,050	226,539

- Notes :
- Cash and cash equivalents represent cash and bank balances only.
 - Bank overdraft and other short term loans have been treated as part of financing activities.
 - The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
 - Previous year's figures have been regrouped, wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

Partha Mitra
Partner
Membership Number 50553

For and on behalf of
LOVELOCK & LEWES
Chartered Accountants

Kolkata
Dated : 6th June, 2006

On behalf of the Board of Directors

Kuldip Singh Dhingra — Chairman

BERGER PAINTS INDIA LIMITED

REGISTERED & HEAD OFFICE - BERGER HOUSE, 129 Park Street, Kolkata - 700 017

Phone : 2229 9724-28, 2229 6005/16; Fax : 91-33-2249 9009/9729/2227 7288

Website : www.bergerpaints.com; E-mail : bpicorp@vsnl.net

BERGER FACTORIES

HOWRAH	PONDICHERY	GOA	SIKANDRABAD	JAMMU	RISHRA
14 & 15 Swarnamoyee Road P.O. Botanic Garden Howrah - 711 103 Phone : 033-2668 4706 (4 lines) Fax : 033-2668 2956	53-56 Pandasozhanallur Village Nettapakkam Commune Pondicherry - 605 106 Phone : 0413 2699 574/143 Fax : 0413-2699171	316-317 Kundaim Industrial Estate, Kundaim North Goa Phone : 0832-2395610/6407 Fax : 0832-2395663/2395610	38A, Industrial Area Bulandshar Road Sikandarabad (U.P.) Phone : 05735 222384, 222249	SIDCO Industrial Growth Centre Sambha, Distt. Jammu Jammu & Kashmir - 184 121 Phone : 09123 246451/58/59	103, G. T. Road Rishra Hooghly - 712 248 Phone : 033 2672 0641/42

BERGER DEPOTS

- ★ **KOLKATA**
6C, Rameshwar Shaw Road, Kolkata 700 014
Phone : 033-2245 4361/2290 0994/2289 7762
Fax : 033-2289 7084
243/1, B T Road, Kolkata 700 036
Phone : 033 2577 5081/9621, 2578 4976
Fax : 033 2577 9613
620, Diamond Harbour Road, Kolkata 700 034
Phone : 033-2468 3133/2458 3267,
Fax 033-2468 3115
- **SILIGURI**
Bansal Tea Warehouse
2nd Mile, Sevoke Road, Siliguri 734 001
Phone : 0353-254 8886/5391
- **GUWAHATI**
Municipal Ward No. 15B, Holding No. 868
Ganesguri, Birubari Road, Kacharibasti
Dispur, Guwahati 781 005,
Phone : 0361-234 8381/259 5169
- **PATNA**
TPS Godown
Anisabad Bye Pass Road, Patna 800 002
- **RANCHI**
Near Railway Over-Bridge, Lala Lajpat Rai School
Kadru Road, Ranchi 834 001
Phone : 0651-233 1033/233 0487
Fax : 0651-222 6601(PP)
- **BHUBANESWAR**
Plot No. 146, Sector-A, Zone-B,
Mancheswar Industrial Estate,
Near Mancheswar Police Station, Bhubaneswar 751 010
Phone : 0674-258 8719/8720, Fax : 0674-2588 721
- **CUTTACK**
Burdhwan Compound,
P.O. College Square, Cuttack 753 003
Phone : 0671-264 9616/7584, Fax : 0671-264 7584
- **RAIPUR**
Ground Floor & First Floor
Saraswati Kutir, Behind Aligarh Safe Steel
Jeevan Bima Marg, Pandri, Raipur 492 005
Phone : 0771-242 6361/2250, Fax : 0771-2422250
- **AGARTALA**
Road No. 2&3 Crossing
Dheleswar Natunpally, Agartala 799 007
Phone : 0381-220 8404/231 1433
- **SHILLONG**
Apphira Building, Fruit Garden
Jowai Road, Shillong 793 003
Phone : 0364-222 9587
Fax : 0364-222 6072
- ★ **MUMBAI**
"APEEJAY HOUSE"
Dinsha Vatcha Road, Mumbai 400 020
Phone : 022-2282 1067/1116, 2284 2964/3010
Fax : 022-5634 0278
D/207, TTC Industrial Area
H.P. Road, Turbhe, Navi Mumbai 400 705
Phone : 022-2763 5424/5425
Fax : 022-2761 2394
M.S. Lad Industrial Estate
87, Saki Vihar Road, Powai, Mumbai 400 072
Phone : 022-2857 4186/1057, Fax : 022-2857 9867
- **GOA**
"Cabeceira De Unhamolla"
Fatorda Margao, Taluka Salcete,
Margoa
- **NAGPUR**
Khasra 18, Plot No. 4-5, Pandey Layout
Khadgaon Road, Wadi, Nagpur 440 023
Phone : 07104-221529/21512, Fax : 07104-221512
- **PUNE**
C/o. Jai Bhavani Mata Ware Housing Company,
Phursungi Village Road,
Phursungi, Pune 410 308
Phone : 020-2698 0031/0949, Fax : 020-2698 0338
- **AURANGABAD**
C-18, MIDC Panderpur Waluj
Aurangabad 431 136
Phone : 0240 255 5177/5178
Fax : 0240 255 5177/5178
- **AHMEDABAD**
2A, B & C, Tirupati Estate
Opp. Bansidhar Engineering, Narol Cross Road
N. H. No. 8, Narol, Ahmedabad 382 405
Phone : 079-2571 0802/3486, Fax : 079-2571 5867
Warehouse No. 12, Part IN
V. L. Estate, Near Jamnagar Transport
Bavla Sarkhej Highway Road
Sarkhej, Ahmedabad 382 210
Phone : 079-2689 1300/1344, Fax : 079-2689 1333
- **RAJKOT**
Plot No. 9, 10, 11, Survey No. 112/1
Ruda Transport Nagar, Anandpar
Navagam, Rajkot 360 003
Phone : 0281-270 2563/7659 3252
Fax : 0281-270 2564
- **VADODARA**
C/2 & 3, F. G. Patel Estate
Opp. L&T NIRO
Survey No. 395, National Highway No. 8
Village Padamala, Distt. Vadodara 390 002
Phone : 0265-224 3070/1/2
Fax : 0265-224 3231
- **SURAT**
B/h, Manav Daya Trust Hospital
Opp. HPL-LPG Refilling Station, Surat
Kadodara Road, AT Saroli, Tal, Choryasi
Dist. Surat 394 210
Phone : 0261-264 6440/264 8614, Fax : 0261-264 8614
- **INDORE**
178/1, Piplia Rao, A. B. Road
Opp. Bhopal Motors, Indore 452 001
Phone : 0731-236 4207/4010/402 3635
Fax : 0731-246 6175
- **BHOPAL**
C/o. National Seeds Corporation
48-49, Industrial Area, Govindpura
Sector-E, Bhopal 462 023
Phone : 0755 260 0856/426 1374/400 4644
Tele Fax : 0755-426 1495
- **GWALIOR**
39/2322-23, Sakhia Vilas
Jhansi Road, Lashkar, Gwalior 474 001
Phone : 0751-401 3001/3, Fax : 232 7071
- **JABALPUR**
Plot No. 4/7, Block 12
Namak Kothi Compound, Kanchghar Road
North Civil Lines, Jabalpur 482 001
Phone : 0761-262 0532/9563
Fax : 0761-2629563
- ★ **NEW DELHI**
D-14/2, Okhla Industrial Area, Phase II
New Delhi 110 020
Phone : 011-2638 4714/4796/7256
Fax : 011-26385644
12/3, Asaf Ali Road, New Delhi 110 002
Phone : 011-2325 3494/3515
Fax : 011-2328 2366
Block-A-1, Plot B-2, Pankha Road, Janakpuri
New Delhi - 110 058
Phone : 011 2562 3741/3742
Fax : 011-2554 8654
Warehouse No. MJ-2, Hari Chand Mela
Ram Complex, Village Mandoli, Delhi 110 093
Phone : 011-2234-1985/1422
102 & 103 DDA Transport Centre
Punjabi Bagh Chowk, New Rohtak Road
New Delhi 110 035
Phone : 011-2511 7460/7461, 2591-6922/6923
Fax : 011-2543 8880
- ★ **LUCKNOW**
6, Hal Ancillary Complex, Ismailganj
Faizabad Road, Lucknow 226 016
Phone : 0522 272 1726/27
Fax : 0522-272 1730
E-126 Transport Nagar
Kanpur Road, Lucknow 226 010
Phone : 0522-243 6846/243 9377
- **GHAZIABAD**
100 New Arya Nagar, Patel Marg
Ghaziabad 201 001
Phone : 0120-283 5857, 285 2093
Tele Fax : 0120-283 5857
- **DEHRADUN**
108/3 Chander Nagar, Dehradun 248 001
Phone : 0135-2629809/2640
- **VARANASI**
Pama Complex, DLW Road
Shivadaspur, Lehartara, Varanasi 221 002
Phone : 0542-2371041/42, Fax : 0542-237 1042
- **AGRA**
B-2/17, Kanchan Market, Bye Pass Road
Kamala Nagar, Agra 282 005
Phone : 0562-288 0422/3488, Fax : 0562-288 3488
- **KANPUR**
84/1-B, Fazalganj, Industrial Area, Kanpur 208 012
- **BAREILLY**
Clutter Buck Ganj
Opp. GTI 7th Km. Stone, Bareilly (UP)-243502
Phone : 0581-248 0340/0940
- **HALDWANI**
Jai Singh Farm, Aonla Choki Road,
Gaujajali, Uttar Haldwani
Phone : 05946-245 648/245 652
- **NOIDA**
B-20, Sector-3, Noida
Phone : 0120-2533 681/2544 164, Fax : 0120-2545 776

- **LUDHIANA**
4B-Extension Industrial Area-A, Ludhiana 141 003
Phone : 0161-222 3581/5216, Fax : 0161-2605 039 (PP)
- **GURGAON**
Kataria Complex, Khasra No. 10947/7283/2918/2
Daultabad Road Industrial Area, Gurgaon.
- **GORAKHPUR**
Bindra Complex, S-1, Transport Nagar, Gorakhpur 273001
Phone : 0551-2334244/4245
- **PARWANOO**
Sector-5, Near BCI Bearing, Parwanoo, Himachal Pradesh
- **PANCHKULA**
Plot No. 60, Industrial Area, Phase-1, Panchkula
- **MOHALI**
SCF No. 44, Phase IX, Mohali
- **BHATINDA**
SCF : 35 & 36 Model Town, Bhatinda 151 002, (Punjab)
Phone : 0164-2240 239/5000 131, Fax : 0164-221 3578
- **JALANDHAR**
C/o. Handa Ice Factory, Santokhpura,
Hoshiarpur, Jalandhar 144 044
Phone : 0181-2292 003/509 4716,
Fax : 0181-2641 056 (PP)
- **CHANDIGARH**
92, 2 Canals Industrial Area,
Phase II, Chandigarh 160 002
Phone : 0172-5075 219/220, Fax : 0172-5017 755 (PP)
- **JAIPUR**
Plot No. 39-40, Sharma Colony Extension
Road No. 4, Bias Godam Industrial Area,
Jaipur 302 004
Phone : 0141-2217 498/2216 396, Fax : 0141-2211 433
- **JODHPUR**
7-A(I), Heavy Industrial Area,
Shastri Circle, Jodhpur, Rajasthan
- **FARIDABAD**
Plot No. 7A, Sector 24, Industrial Area,
Faridabad 121 005
Phone : 0129-2230 936/2441 135, Fax : 0129-2233 436

- **NEW DELHI**
A-13, Mayapuri, Phase - II, New Delhi- 110 064
Tel No: 011-28115672/ 28117479, Fax: 011-28115672
3976/80, Ajmeri Gate Corner, Ajmeri Gate, New Delhi.
Phone : 011-23216987/ 23216792, Fax: 011-23217493
400 Yards, Sultanpur,
Mehrauli Gurgaon Road, New Delhi
Phone : 011-26802293/ 26804756
Fax: 011-26804014/ 3976
- **FARIDABAD**
3D/44 A (B.P), NIT, Faridabad, Haryana-121 001.
Phone: 0129-2422810/ 2426440, Fax: 0129-4056302
- **PANIPAT**
Uggar Sen Colony, Assand Road, Panipat
Phone : 0180-2658388/5011598, Fax: 0180-2681863
- **KANPUR**
123 / 361, Fazal Ganj,
Industrial Area, Kanpur
Ph: 0512-2236761/ 2230974/ 2242086
Fax: 0512-2242086
- **VARANASI**
C-27/ 273-12, Das Nagar Colony,
Maldahia, Varanasi
Phone : 0542-2207878/ 2207871, Fax : 0542- 2391525
- **SAHIBABAD**
Plot No.30, Sector-V, Rajendra Nagar,
G.T. Road, Sahibabad, Dist. Ghaziabad
Phone : 0120-2898237/2898260/3292682
Fax : 0120-2898237
- **HALDWANI**
8-182/1, Aish Bagh,
Kaladhungi Road, Ward No.8, Haldwani
Phone : 05946-254596/ 320315, Fax : 05946-255278

- **JAMMU**
Krystal Ice Factory, Kunjwani
By-pass Crossing, Jammu 180 010
Phone : 0191-2483 455/895, Fax : 0191-2454 095
- ★ **CHENNAI**
126, Peters Road, Chennai 600 086
Phone : 044-28353752/2295/0242, Fax : 044-28350189
11/A, Chokkanathar Street, Karthikeyan Nagar
Maduravoyal Village, Chennai 602 102
Phone : 044-2378 2494/3859, Fax : 044-2378 0021
- **PONDICHERRY**
8, Main Road, Gnanapragasam Nagar
Pondicherry 605 008
Phone : 0413-224 9035/8098, Fax : 0413-224 8098
- **COIMBATORE**
17, Cowley Brown Road, R. S. Puram, Coimbatore 641 002
Phone : 0422-255 2845/3738, Fax : 0422-255 3738
- **SALEM**
2, Seetharama Chetty Road, Arisipalayam
Salem 636 009 (Tamil Nadu)
Phone : 0427-235 1755/1420, Fax : 0427-235 1420
- **MADURAI**
'Sundara Bhavanam', Door No. 175
Kamarajar Salai, Madurai 625 009
Phone : 0452-262 8274/8312, Fax : 0452-2629023
- ★ **BANGALORE**
22, Fort, A Street, K R Road, Bangalore 560 002
Phone : 080-2670 1315/1815, Fax : 080-2670 9641
112/7, Katha No. 116, Garvabha VIP Alya
Begur Hobli Hongasandra Gram Panchayat
Bangalore South Taluk
Phone : 080-2573 6082/6393, Fax : 080-2573 6659
C-1, Compartment, Central Warehouse, APMC
Yeshwanthpur, Bangalore 560 022
Phone : 080-2337 7643/5762 0954, Fax : 080-2337 7643
- **MANGALORE**
No. 20-1085, Nereshwalya Cross Road
Beside Rosario School & Church, Bunder
Mangalore 575 001
Phone : 0824-242 8221/2444 296, Fax : 0824-2443 622

RAJDOOT DIVISION DEPOTS

- **CHANDIGARH**
S.C.O. 268, Sector-32-D, Chandigarh
Phone : 0172-2605149/2663823, Fax : 0172-2663823
- **JALANDHAR**
Asiatic Compound, Basti Baba Khel,
Kapurthala Road, Jalandhar, Punjab - 144 001
Phone : 0181-2651096/2650049, Fax : 0181-2650049
- **JAMMU**
55 - B/B, Gandhi Nagar, Jammu-180 004
Phone : 0191-2451657/2453816
- **PATNA**
Behind Reserve Bank of India
Off Exhibition Road, Patna - 800 001
Phone : 0612-2321279/ 2624720, Fax : 0612-2669567
- **GUWAHATI**
Near Avtar Complex, Dreamland Apartment (P) Ltd.,
Basistha Road, Naharani Path,
Dispur Last Gate, Guwahati-781 006.
Phone : 0361-2233054/2233096/2233249
Fax: 0361-2233249
- **RANCHI**
Birs Chowk, Khunti Road, Ranchi - 834 002
Phone : 0651-2253746/897,
Fax : 0651-2508476/2250207
- **PUNE**
C/O. Nath Warehousing Co.
Survey No. 164, Fursungi Road,
Taluka Haveli, Pune - 412 308
Phone : 020-26980158/26982511, Fax : 020-26980158
- **INDORE**
20, Navalakha Timber, Scheme (1st Floor),
Lohamandi, Indore-452 001
Phone : 0731-400 2854/408 8473, Fax : 0731-408 8473

- **HUBLI**
Vanashri Traders Compound
Torvi Hakkal, Mill Road, Hubli 580 024
Phone : 0836-2218 025/27, Fax : 0836-2268 241
- ★ **KOCHI**
28-106/98, Valath Arcade, V.P. Marakkar Road
Edappally Toll Junction,
Edappally, Kochi 682 024
Phone : 0484-255 1150/255 0470/394 1695
Fax : 0484-255 0270
- **KOZHIKODE**
19/1051, Puthiyapalam Road, Thali,
Kozhikode 673 002
Phone : 0495-270 0906/3412/4822
- **KOTTAYAM**
Survey No. 84/2, Ward No. VIII
Muttambalam, Kottayam 686 001
Phone : 0481-230 2669/2670, Fax : 0481-230 2998
- **THIRUVANANTHAPURAM**
Vainavi Drainage Road,
Near Kalyan Hospital
Killipalam, Thiruvananthapuram - 695 036
Phone : 0471-2468728/8729, Fax : 0471-2468445
- **SECUNDERABAD**
Survey NO. 133, Plassey Lanes, Bowenpally
Secunderabad 500 011
Phone : 040-27953677/88/99, Fax : 040-2795506
- **VISAKHAPATNAM**
32-1-201, Bowdara Road, Visakhapatnam 530 004
Phone : 0891-2502087, 2565936, Fax : 0891-2502087
- **VIJAYAWADA**
29-14-25, Prakasham Road, Governorpet
Vijayawada 520 002
Phone : 0866-243 5956/7449, Fax : 0866-2437449
- **TIRUPATI**
Do No. 3/95, S No. 240/1, Srinivasa Puram
Tiruchanoor Road, Tirupati
Phone : 0877-223 9395, Fax : 0877-223 9200

- **AHMEDABAD**
R. 1-4, Tirupati Estate, Opp. Kaydee House,
Near IBP Petrol Pump, Aslali Bye Pass N.H.No.8,
Aslali, Dist. Ahmedabad
Phone : 02718-261072/ 261165, Fax : 02718-261074
- **KOCHI**
50/1195, Ponevazhi Road,
Edappally North, Edappally, Kochi - 23
Phone : 0484-2800376/2801880, Fax : 0484-2801880
- **KOZHIKODE**
1/90 D & E, Davood Chambers,
Butt Road, Chungam, P.O. West Hill,
Kozhikode, Kerala-673 005
Phone : 0495-2380455/2380492, Fax : 0495-238 0492
- **BANGALORE**
No. 114/16, Patel Puttiah Indl. Estate,
Mysore Road, Bangalore - 560 026
Phone : 080-26752865/26752896, Fax : 080-26752865
- **JAIPUR**
35-A, Tagore Nagar, Near D.C.M.,
Ajmer Road, Jaipur-302 024.
Phone : 0141-235 3741/321 6285, Fax : 0141-235 1950
- **SECUNDERABAD**
Plot No. 17-18, Bhel Colony, Rasoolpura,
Secunderabad - 500 003, Andhra Pradesh
Phone : 040-2790 4495/5591 9597, Fax : 040-2790 9109
- **VADODARA**
M/S.Banker's Brothers, Estate No. 1, N.H.No.8,
AT & PO Padamla, Dist. Vadodara - 391 350
Phone : 0265 - 2243170/ 3200040, Fax: 0265-2243170
- **HIMACHAL PRADESH**
Plot No. 105-A, Sector-4, Parwanoo,
Distt. Solan, Himachal Pradesh

SUBSIDIARY COMPANIES

BEEPEE COATINGS PVT. LIMITED
Gujarat, India

BERGER PAINTS (CYPRUS) LIMITED
Cyprus

BERGER JENSON & NICHOLSON (NEPAL) PVT. LIMITED
Bhaktapur, Nepal

BERGER PAINTS OVERSEAS LIMITED
Russia

★ Berger Paints Home Decor Centres