

Annual Report 2007-08  
BERGER PAINTS INDIA LIMITED



# Imagination across borders

Imagination has no boundary. No limit. And as it flows from one space into the other it carries us to worlds that never were; worlds that can only be imagined with Lewis Berger.

Today, Lewis Berger is transcending boundaries; of imagination and nations. While operations in Russia have already begun with production going online at the Lewis Berger manufacturing unit at Krasnodar, Lewis Berger is on an expansion mode in Nepal with

the setting up of a second unit. Today Lewis Berger's sister company in Bangladesh is the dominant leader with over 65% market share, while Lewis Berger itself is all set to acquire Bole SA of Poland, a leading provider of External Insulation Finishing Systems (EIFS) in eastern Europe, subject to regulatory approvals. As Lewis Berger continues to grow internationally it also continues to be the second largest paint company in India.



Paint your

# Imagination at work

Paint your world with imagination. Paint it with Lewis Berger. Be it home décor or any other industrial purpose, Lewis Berger makes the world of difference to every surface it touches.

## Decorative Paints

Innovations that set Lewis Berger decorative paints apart:

**Breathe Easy** – Lewis Berger's imagination has resulted in Lewis Berger Breathe Easy, India's first and only certified environment-friendly paint. Non-toxic and with low VOC, Lewis Berger Breathe Easy is free of any kind of heavy metal and pungent smell, usually associated with paints. Every imagination is now more environment-friendly with Lewis Berger Breathe Easy.

**Berger Kids Gitter 'n' Glow** – Add colour to your child's world of imagination with Berger Kids Gitter 'n' Glow. With its 40 unique wall themes you can bring their Wolf cave and give them a chance to see their imagination glitter by day and glow at night.

**Illusions** – Give wings to your imagination. See your home transform before your eyes as you do up the interiors and exteriors of your home to textures and patterns from Illusions.

**Metallica** – Metallica is a paint for modernism which is available in a range of shades including the popular gold and silver and allows you to create your own imaginative designs. No other paint can be so gorgeous and so elegant at the same time in such a perfect way. It makes your walls speak of a unique and distinctive style. So, if you are looking for the extraordinary, the chic, the new, your search ends here.

## Industrial Paints

Look around and almost everything that you see has been touched by Berger. Constant R & D and superior product quality make Berger the chosen one in the industrial world.

### Areas of application:

**Automotive Coatings** – When a luxury car like Mercedes gets imaginative, it does so with Berger automotive coatings. Used extensively in the automotive sector, from cars to buses, Berger adds that extra bit to every vehicle it touches.

**Powder Coatings** – From Indian to an MNC, Berger powder coatings is the coating of choice, used by every home and office appliance manufacturer. Be it Godrej of IIT, office cabinet



or washing machines, Berger's thin film powder coating adds a distinct, stylish look to all appliances.

**Protective Coatings** – When the environment is highly corrosive, protection comes in the form of Berger protective coatings. Whether it's pipelines, tank linings or any other industrial structure, Berger's high performance makes it the market leader in the protective coating segment. Used extensively in the thermal and hydro power sector, Berger is also the lone supplier to the nuclear power plants, giving protection against radioactive contamination. Apart from this, Berger also supplies protective coatings to Reliance's petrochemical factory at Jamnagar, ONGC's oil facilities and other chemical facilities to help provide long term preservation of structures.

**Coil Coatings** – As glory malls and swanky offices grow up in an emerging India, it does so with Berger Becker coil coatings. Berger has tied up with Becker of Sweden to manufacture coil coatings, to add to the modern and elegant look of every steel surface that it touches.

**Specialty Coatings** – Berger Becker manufactures specialty coatings designed for mobiles. Companies like Nokia use this coating from Berger Becker to create the soft screen on mobile phones.



# Imagination...



IT No. 03017  
Breathe Easy

Presenting

# Breathe Easy

**India's first**

environment-friendly, odourless,  
luxury sheen emulsion



Breathe Easy is a low odour paint from Lewis Berger which gets the room ready for occupancy just an hour after it has been painted. Low in VOC, it does not cause any breathing problems. It's the first and only paint in India to receive the Singapore Green Label Certification.

For more information about 'Breathe Easy' SMS BERGER to 56757

### Board of Directors

Kuldip Singh Dhingra  
Chairman

Gurbachan Singh Dhingra  
Vice Chairman

Subir Bose  
Managing Director

Gerald Kenneth Adams

Dr. (Mrs.) Isher Judge Ahluwalia

Anil Bhalla

Gurcharan Das

Kamal Ranjan Das

Naresh Gujral

### Vice President & Company Secretary

Aniruddha Sen

### Auditors

Lovelock & Lewes

### Registered Office

Berger House,  
129 Park Street,  
Kolkata - 700 017

### Consortium 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

ING Vysya Bank Ltd.

ABN Amro Bank NV

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## Notice

Notice is hereby given that the Eighty-fourth Annual General Meeting of Berger Paints India Limited will be held at Kalamandir, 48, Shakespeare Sarani, Kolkata - 700 017 on 30th July, 2008 at 11:00 a.m. to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2008, the audited Balance Sheet as at 31st March, 2008, together with the Directors' and Auditors' Reports thereon.
2. To declare a Dividend on equity shares of the Company for the year ended 31st March, 2008.
3. To appoint a Director in place of Mr. Naresh Gujral who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Kuldip Singh Dhingra 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 Mr. Gerald Kenneth Adams be and is hereby appointed a Director of the Company."

By Order of the Board

Place : Kolkata  
Dated : 6th June, 2008

Aniruddha Sen  
Vice President & 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. The Register of Members and Share Transfer Books of the Company will remain closed from 18th July, 2008 to 30th July, 2008, both days inclusive.
3. The dividend, if declared, will be paid on or before 28th August, 2008 to those members entitled thereto and whose names shall appear on the Register of Members of the Company as on the conclusion of the book closure or their mandates.
4. 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.
5. Members are reminded to send their dividend warrants, which have not been cashed, to the Company for revalidation.
6. 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 (P) Ltd. (in case of shares held in physical form) at the earliest.

7. 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 PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 (“the Act”)

### Item No. 6

Mr. Gerald Kenneth Adams (“Mr. Adams”) was appointed Additional Director of the Company with effect from 30th January, 2008 at the Board Meeting held on 30th January, 2008 pursuant to Article 103 of the Articles of Association of the Company and holds office up to the date of this Annual General Meeting. A notice has been received under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose the appointment of Mr. Adams as a Director at this Meeting.

Mr. Adams, being the Founder / Managing Director of Jerry Adams Consulting Pty Ltd. has vast experience in the field of strategic planning and business development. At present, this concern is providing various on-going consulting for PPG Industries (Australia and USA) and the State of South Australia (as States’ Representative to Carnegie Mellon University). Mr. Adams is B.A. Magna Cum Laude, Phi Beta Kappa, University of Washington (Seattle, Washington); MBA with distinction, Harvard Business School (Cambridge, Mass.). Previously, he held senior positions / directorship in various companies viz. Axiom Energy Ltd., Vita Life Sciences Ltd. and Orica Ltd. He also played executive roles in various companies viz. Rexam Ltd.; Box USA; Amcor Ltd.; Kraft Inc.; FMC Corp., Boston Consulting Group; Airborne Freight Corp. Currently, he is the Chairman of Berger Paints Bangladesh Ltd. and is also on the board of ZORK Pty Ltd. Your Directors feel that the Company will benefit considerably from inclusion of Mr. Adams on the Board.

Mr. Adams does not hold any committee positions in the companies in which he is a Director.

Apart from Mr. Adams, no Director of the Company is deemed to be interested in this Resolution.

Your Directors recommend the resolution for your approval.

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

	Item No. 3	Item No. 4	Item No. 6
Name of Director	Mr. Naresh Gujral	Mr. Kuldip Singh Dhingra	Mr. Gerald Kenneth Adams
Date of Birth	May 19, 1948	September 2, 1947	June 17, 1953
Date of Appointment	February 12, 2003	July 17, 1991	January 30, 2008
Qualification	Fellow member of the Institute of Chartered Accountants of India	Graduate	<ul style="list-style-type: none"> <li>• B.A. Magna Cum Laude, Phi Beta Kappa, University of Washington (Seattle, Washington)</li> <li>• MBA with distinction, Harvard Business School (Cambridge, Mass.)</li> </ul>
Expertise in specific functional areas	<ul style="list-style-type: none"> <li>• He is an industrialist.</li> <li>• He is the founder of Span India Group, one of the leading exporters of high-end fashion garments to Europe from India and is on the Board of a number of companies.</li> </ul>	<ul style="list-style-type: none"> <li>• He is an industrialist and has vast &amp; rich business experience.</li> <li>• He is on the board of a number of companies.</li> <li>• Has a long and varied experience in paint industry.</li> </ul>	<ul style="list-style-type: none"> <li>• Founder / MD of Jerry Adams Consulting Pty Ltd., a company specializing in strategy and business development. On-going consulting for PPG Industries (Australia and USA) and the State of South Australia</li> <li>• Previous senior positions in Axiom Energy Ltd.; Vita Life Sciences Ltd.; Orica Ltd.</li> <li>• Previous executive roles in Rexam Ltd.; Box USA; Amcor Ltd.; Kraft Inc.; FMC Corp., Boston Consulting Group; Airborne Freight Corp.</li> </ul>
List of public companies in which outside Directorship held as on March 31, 2008	—	<ul style="list-style-type: none"> <li>• Berger Paints Cyprus Ltd.</li> <li>• Citland Commercial Credit Ltd.</li> <li>• Lusako Trading Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Berger Paints Bangladesh Ltd.</li> <li>• ZORK Pty Ltd.</li> </ul>
Chairman/Member of the Committees of the Board of the Companies on which he is a Director as on March 31, 2008	Mr. Gujral does not hold any committee position in the companies in which he is a Director.	Mr. Dhingra does not hold any committee position in the companies in which he is a Director, other than those of the Company.	Mr. Adams does not hold any committee position in the companies in which he is a Director.
Shareholding in the Company	—	864,000	—

Your Directors recommend the resolutions for your approval.

Kolkata  
 Dated : 6th June, 2008

By Order of the Board  
 Aniruddha Sen  
 Vice President & Company Secretary



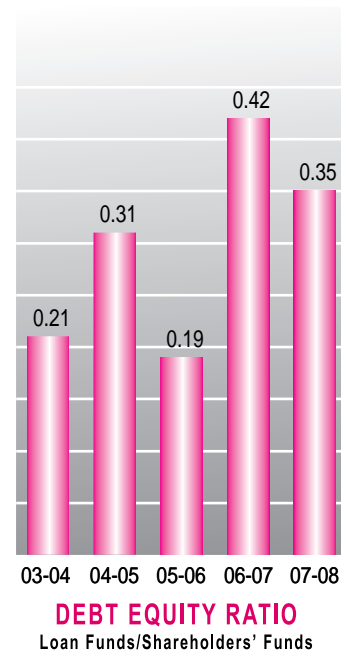
# Directors' Report

Your Directors are pleased to present the Annual Report of the Company, together with the audited accounts for the financial year ended 31st March, 2008.

## 1. FINANCIAL RESULTS & APPROPRIATIONS

(Rs. in million)

	BPIL		Consolidated	
	2007-08	2006-07	2007-08	2006-07
Profit before Depreciation, Interest and Exceptional Item	1,490	1,284	1,528	1,347
Less :				
Depreciation	186	178	201	187
Interest	113	83	122	88
Exceptional Item (Expenditure under Voluntary Retirement Scheme)	3	1	3	1
Profit Before Tax	1,188	1,022	1,202	1,071
Less :				
Provision for Taxation	267	192	272	194
Profit After Taxation	921	830	930	877
Add :				
Profit brought forward from the previous year	250	250	250	250
Available for appropriation	1,171	1,080	1,180	1,127
Appropriations :				
Transfer to General Reserve	92	463	92	510
Dividend(s) – Interim	—	191	—	191
– Final (Proposed)	159	128	159	128
Tax on dividend	27	48	27	48
Balance carried to Balance Sheet	893	250	902	250
	1,171	1,080	1,180	1,127

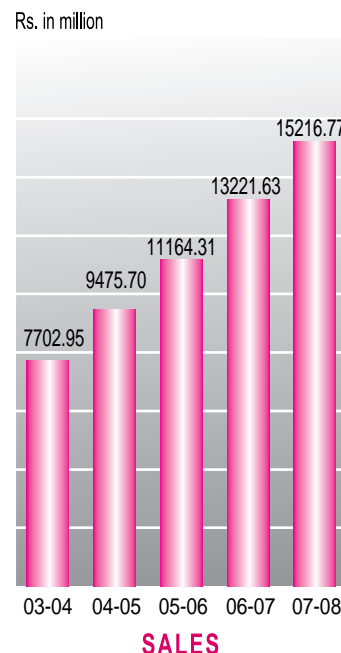


## 2. OPERATIONAL & FINANCIAL PERFORMANCE

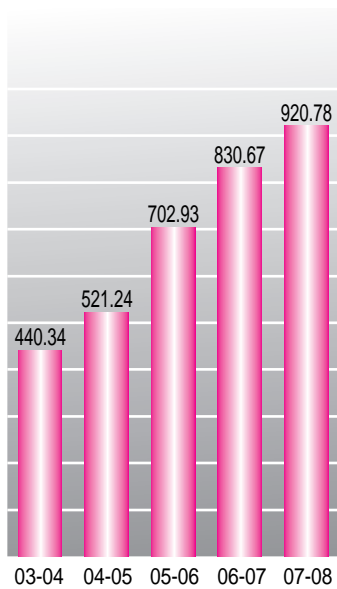
The consolidated sales achieved during the financial year ended 31st March, 2008, were Rs. 15,857 million as against Rs. 13,838 million in the previous year showing a growth of 14.6%. The consolidated net profit, at Rs. 930 million was higher than those of the previous year (Rs. 877 million) by 6.04%.

During the financial year ended 31st March, 2008, the Company achieved sales of Rs. 15,217 million as against Rs. 13,222 million in the previous year registering a growth of 15.09%. The profit before depreciation, interest and exceptional item was Rs. 1,490 million as against Rs. 1,284 million in the previous year, recording an improvement of 16.04%. The profit before tax at Rs. 1,188 million and the profit after tax at Rs. 921 million during the year under review showed an improvement of 16.24% and 10.96% respectively.

Your Company was able to deliver steady top line growth in spite of a lower GDP growth and slow down in the automotive sector. The margins could have been further improved but for inflationary pressures in raw materials from the 4th quarter. The Company continued to focus on improving product mix, cutting costs and improving service level to customers so as to retain its

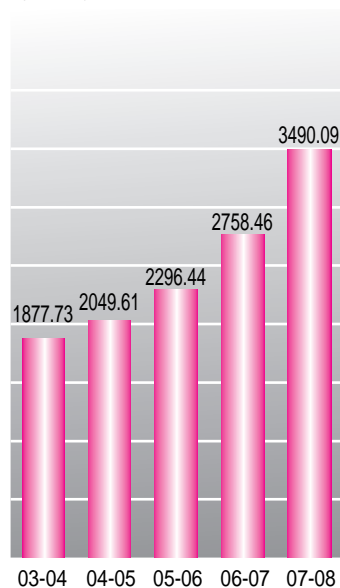


Rs. in million



**PROFIT AFTER TAX**

Rs. in million



**SHAREHOLDERS' FUND**

competitive edge.

The growth in the architectural/decorative segment continued to be good, boosted by a buoyant performance by the housing and infrastructure sectors. Your Company continued its efforts of trying to reach out to a larger number of direct customers and also paint applicators through innovative new products and value added services.

The new products introduced during the year include Illusions Sealer – an undercoat used to protect the walls from dampness and salt leaching, Illusions Metallica – to provide metallic satin finishes to the interior walls in gold, silver and copper bases which can be further enhanced to myriads of shades and designs, Kidz Glitter and Glow – which provides a sparkling effect during the day and glow in the dark at night for children.

The Lewis Berger Home Painting Services have been extended to 17 centres, which cater to 34 cities in the country. This business continues to grow well and provides excellent painting service at reasonable cost to the customers. It also helps the Company to build a loyal customer base for the future.

Your Company has introduced “preview” option on its website. This is an additional service, which would enable a customer to upload images and examine different colour combinations and designs before making the final colour selection.

Your Company continues to focus on the growing large project business in the country through its “Prolinks” Division – since the share in this segment has gone up substantially over the last few years. The Company is also actively working on the applicator loyalty programme to ensure larger share from this growing new project business segment.

The Protective Coatings business performed well and your Company continues to ensure that it maintains the preferred supplier position in this segment. The Powder Coating business also registered a good growth to ensure effective capacity utilization of the new plant at Jammu.

The ERP project is on track and likely to be completed by calendar year 2008. The Company is constantly making improvements in the area of godown management and logistics to improve servicing of the markets across all its depots throughout the country.

**3. CAPITAL, DIVIDEND AND BONUS ISSUE**

Pursuant to the resolutions adopted by the shareholders by postal ballot on 11th April, 2008, the authorized capital of your Company stands increased from Rs. 650,000,000 divided into 325,000,000 Ordinary (Equity) Shares of Rs. 2/- each to Rs. 750,000,000 divided into 375,000,000 Ordinary (Equity) Shares of Rs. 2/- each with effect from 11th April, 2008.

Your Directors recommend a dividend @ 25 % for the year under review. This, if approved, will absorb an amount of Rs. 159 million and will be paid to those members whose names appear in the Register of Members as on 30th July, 2008. The dividend payment for the year will therefore be Rs. 159 million as compared to Rs. 319 million in the previous year.

Pursuant to the approval accorded by the shareholders by way of postal ballot on 11th April, 2008, the Company has allotted 20,000,000 warrants (“Equity Warrants”) to Jenson and Nicholson (Asia) Limited, U.K., a part of the promoter group, on 19th May, 2008, at a price of Rs. 49.50 per Equity Warrant, which is higher than the price determined in accordance with the Securities and Exchange Board of India (Disclosure & Investor Protection) Guidelines, 2000. The allotment was made on 19th May, 2008 upon receipt of 10% of the price. The Equity Warrants are convertible into equity shares at the option of the holder within a period of 18 months from the date of issue, i.e. within 18th November, 2009. The proceeds of the issue will be deployed for funding various growth proposals of the Company.

In terms of the provisions of Section 205C of the Companies Act, 1956, your Company transferred an amount of Rs. 1,306,168 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, 2000.

#### 4. ACQUISITION OF BOLIX S.A., POLAND

Your Company has signed an agreement on 28th April, 2008 for acquisition of Bolix S.A. (Bolix), a leading provider of External Insulation Finishing Systems (EIFS) in Poland, from Advent International, a global private equity group. Bolix is the largest provider of EIFS systems in the B2B segment in Poland. It also exports to neighbouring countries such as Ukraine, Russia and the Baltic countries viz., Estonia, Latvia and Lithuania. The annual turnover of Bolix exceeded 100 million Zlotys (45.5 million US Dollars) in 2007. The acquisition is subject to anti-monopoly clearances, as may be required.

EIFS is a comprehensive solution for meeting both the insulation and decorative requirements of external walls of buildings. Bolix's products, all of which are manufactured in-house, include adhesives, mortars, plasters, primers and paints. In combination with other insulation materials like polystyrene foam or mineral wool and auxiliary materials such as fibre glass meshes, Bolix's EIFS products provide significant insulation solutions while at the same time offering decorative finish suitable for traditional brick or concrete structures. In the context of the attention given by European Union and other countries to energy saving and the concerns of global warming, EIFS represents a good growth potential. The proposed acquisition will provide synergy benefits to the Company's presence in the region – both in terms of new business opportunities and regional markets. The technology and the products complement the Company's existing businesses and the Company proposes to introduce this range of products in the Indian market. This will result in considerable savings in energy costs, benefits to the environment, better aesthetics and long life of exterior walls.

The advisors to the transaction were Ernst and Young, India and Tomczak & Partners, Advocates, Poland.

The acquisition will be made through Lusako Trading Limited ("Lusako"), currently the Company's subsidiary in Cyprus.

The transaction will be made at an approximate value of USD 34.8 million, subject to usual net debt and working capital adjustments.

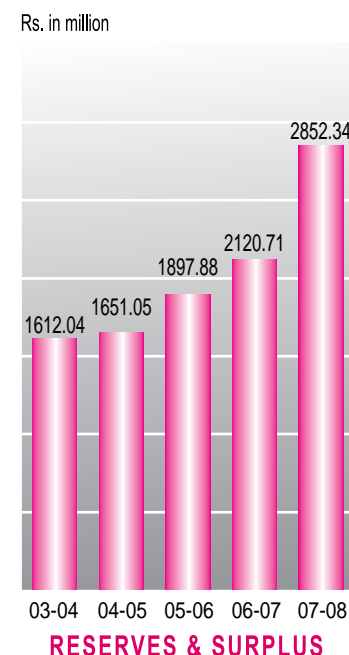
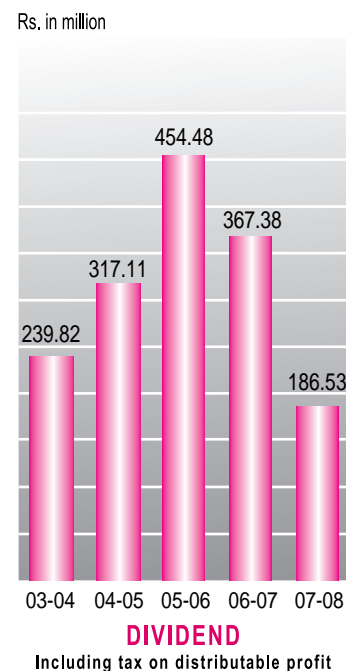
#### 5. SUBSIDIARY COMPANIES & JOINT VENTURE

The Statement of the holding Company's interest in the subsidiary companies namely Beepee Coatings Private Limited ("Beepee Coatings"), Berger Jenson & Nicholson (Nepal) Private Limited ("BJN - Nepal"), Berger Paints (Cyprus) Limited ("Berger Cyprus") and subsidiary of its subsidiary company, viz., 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. Post 31st March, 2008, all the shares of Lusako Trading Limited have been acquired by Berger Paints India Limited for the purpose of purchase of shares of Bolix S.A., Poland, as mentioned above.

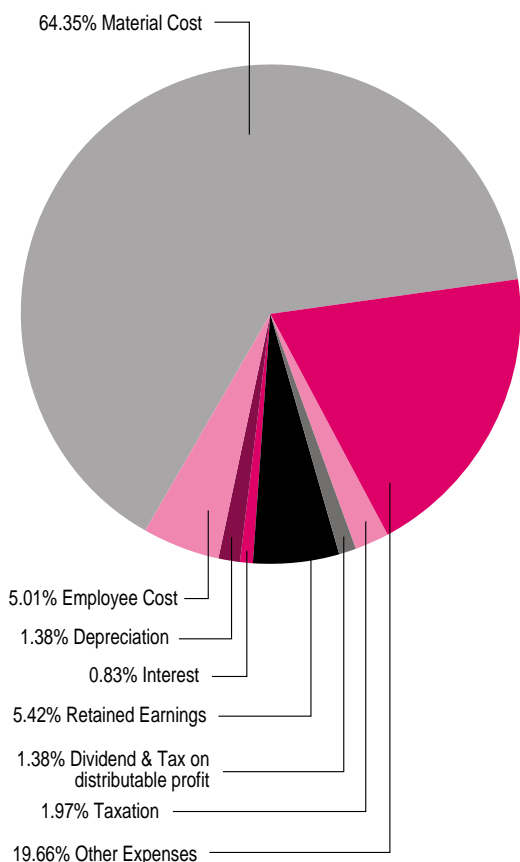
The performance of Beepee Coatings, a wholly owned subsidiary with its entire manufacturing facilities dedicated to processing the Company's products was satisfactory. The processing income amounted to Rs. 72.85 million.

BJN-Nepal, also a wholly owned subsidiary, has shown substantial improvement. During the year under review, this company achieved a turnover of Rs. 160.83 million and Profit Before Tax of Rs. 10.35 million.

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



## DISTRIBUTION OF TOTAL INCOME



Berger Paints Overseas Limited in Russia has commenced commercial production in September 2007 at its modern plant in the Republic of Adygeya, with alkyd based and water based paints. During the year under review, it registered a loss of 2,790,000 Roubles (Rs. 4.48 million).

The Company's joint venture, Berger Becker Coatings Limited continued to achieve good business during the year under review.

BNB Coatings India Limited (BNB), the Company's joint venture with Nippon Bee Chemicals Co. Ltd. of Japan (NBC) for manufacture of coatings for plastic substrates used in automobiles was incorporated on 21st June, 2007. The products manufactured by BNB require sophisticated technological inputs and strict quality surveillance. BNB has commenced business and has started supplying to its customers.

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, 2008 and expects to obtain the same before publication. 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 open for inspection at the Head Office of the Company by any investor during working hours.

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 the year ended 31st March, 2008, this company generated business income of over Rs. 23.25 crores (2006-07: Rs.16.74 crores) and made a profit after tax of Rs. 7.72 crores (2006-07: Rs.1.5 crores).

## 6. PROJECTS

During the year, your Company commenced the following projects:

Work on setting up of an automobile paint manufacturing plant with a combined capacity of 24,000 MTPA at the Jejuri Industrial Estate, Pune is progressing in full swing. The Company has received environment clearance from the Ministry of Environment and Forests for this purpose and is finalizing the design and the contractors.

The capacity expansion of the Goa solvent based paint plant up to 18,000 KL per annum is complete and the plant is expected to be commissioned soon.

Capacity of the Jammu powder plant has been expanded during the year.

The Company has started preliminary work for expansion of water based paint and resin manufacturing capacity in its existing plant at Rishra in West Bengal and installation of a resin manufacturing plant in Goa.

The Company's subsidiary, Beepee Coatings Private Limited is expanding its capacity in Gujarat.

## 7. CONSOLIDATED FINANCIAL STATEMENTS

The duly audited Consolidated Financial Statement as required under the Accounting Standards 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 appear in the Annual Report of the Company for the year 2007-08.

## 8. CORPORATE GOVERNANCE

Your Company re-affirms its commitment to the standards of corporate governance. This Annual Report carries a Section on Corporate Governance and benchmarks your Company with the provisions of Clause 49 of the Listing Agreement (Annexures I & II).

During the year under review, your Company has voluntarily carried out a Secretarial Audit. The Secretarial Audit Report forms a part of the Annual Report.

## 9. 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, and (3) TIGERWERK Lack-u.Farbenfabrik GmbH & Co. KG, Austria for specialized powder coatings. Products manufactured with the know-how of the collaborators have been well received by the customers.

## 10. FOREIGN EXCHANGE

Your Company earned foreign exchange of Rs. 13.2 million 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.

## 11. FUTURE PROSPECTS

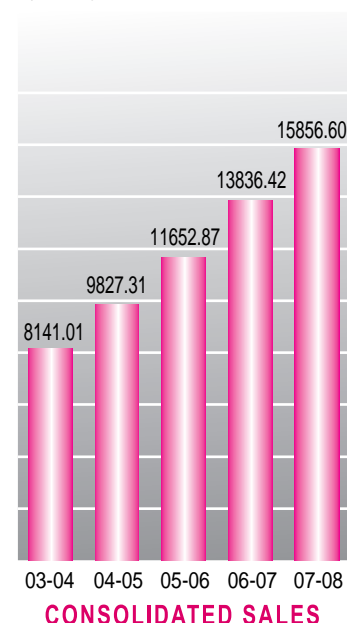
There are signs of slowdown in the economy with higher inflation and significant rise in the prices of raw materials. The spiraling prices of crude oil may impact the demand as well as the profitability. Your Company has experienced these challenges in the earlier years and has successfully faced them in the market through various measures of containing costs, changes in product mix, widening the customer base by introducing various categories and ranges of products, reaching out to new consumers in all sectors, increasingly strengthening the supply chain and logistics, opening up new depots and formulating marketing strategies and enhancing the commitment of customers. In the long term, the Company believes that there will be no let up in the demand and compared to other economies, the demand in India is likely to grow at a much higher rate supported by growth in housing, of which there is a shortfall. The per capita consumption of paints in India continues to be low and there is major opportunity for improvement. There may be a slight dip in the demand over the short term but the long term prospects remain good due to obvious growth potential in housing, infrastructure and the industrial sectors, given the current state of the country's development.

The year to date performance is encouraging and barring unforeseen circumstances, your Directors are optimistic that your Company will continue to show results as per market expectations.

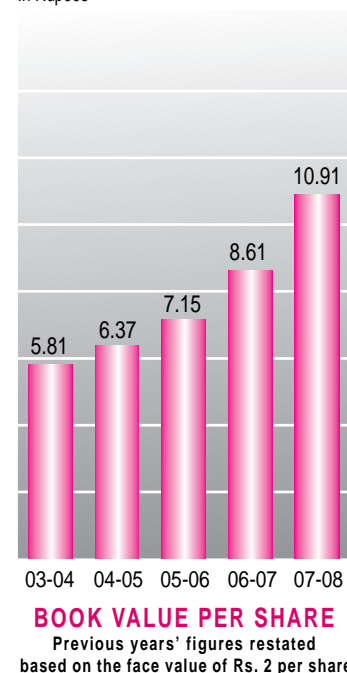
## 12. FIXED DEPOSITS

There are no outstanding public deposits in the Company as on 31st March, 2008, except those lying unclaimed. The Company had earlier discontinued acceptance of fresh deposits and renewal of deposits. Deposits amounting to Rs. 0.606 million which had matured for repayment are lying unclaimed, for which your Company has sent out reminders. Out of the aforesaid unclaimed deposit, an amount of Rs. 21 thousand has been transferred to the Investor Education and Protection Fund.

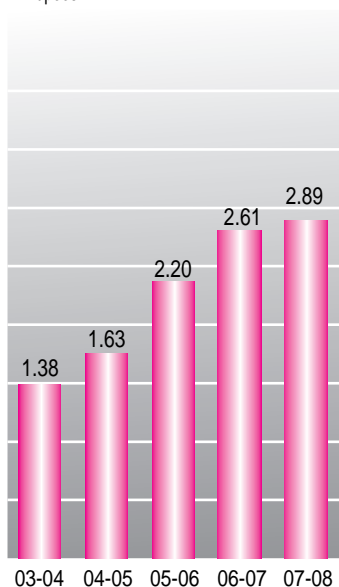
Rs. in million



In Rupees



In Rupees



**EARNINGS PER SHARE**  
 Previous years' figures restated  
 based on the face value of Rs. 2 per share

### 13. COST AUDITORS

The Board of Directors have re-appointed M/s N. Radhakrishnan & Co., Kolkata, Mr. Gopalkrishnan, Pondicherry and M/s Shome & Banerjee & Co., Kolkata, 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 2007-08. 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, 2008 your Company had 1693 employees. Industrial Relations were satisfactory during the year under review.

Human Resources continue to be a prime area of attention and importance for your Company. In relentless pursuit of excellence, it continues to focus on both recruitment and retention, giving priority to meritocracy and ensuring that performance is first recognized and then rewarded in an appropriate manner. Your Company understands that culture, core values and integrity constitute the framework of a corporate that is held in esteem by the employees and makes continuous efforts to progress in these directions. Tailor made training and development programmes are continuously designed and implemented to address the growing needs of the market.

Your Company continues to place highest importance to environment, occupation health and safety. The Risk Assessment and Minimisation Committee of your Company regularly meets and monitors the situation obtaining in the Company and makes recommendations, which are implemented.

Your Company wishes to put on record its deep appreciation, co-operation and efforts of all employees for the betterment of the organization.

### 15. INFORMATION PURSUANT TO SECTION 217 OF THE ACT

#### a. Conservation of Energy & Technology Absorption

Information pursuant to Section 217(1)(e) of the Act, 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, 2008 are given in Annexure III to the Report.

#### b. Particulars of Employees

Statement under Section 217(2A) of the Act, 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, 2008 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 judgments and estimates that are reasonable and prudent so as to give a true and

fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period,

- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- iv) the Accounts have been prepared on a going concern basis.

## 16. DIRECTORS

Your Board had appointed Mr. Gerald Kenneth Adams as additional director effective 30th January, 2008, to hold office till the next Annual General Meeting. Mr. Adams is a Bachelor of Arts from the University of Washington and an MBA with distinction from Harvard Business School. Mr. Adams has wide business experience and has held senior positions in companies all over the world including those in Box USA, Rexam Release, USA, Orica Consumer Products, Australia and Vita Life Sciences Limited, Australia. Currently, Mr. Adams is the Chairman of Berger Paints Bangladesh Limited and a Director and Remuneration Committee Member of ZORK Pty Limited, Australia. Mr. Adams is the founder and MD of Jerry Adams Consulting Pty Ltd. in Australia, a consulting company specializing in strategy and business development. Pursuant to the provisions of Section 260 of the Companies Act, 1956 Mr. Adams holds office till the forthcoming Annual General Meeting. A notice has been received from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. Adams for the office of a Director.

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

Messrs Dhingra and Gujral do not hold any committee position in the companies in which they are directors.

Currently, the Audit Committee consists of Mr. Anil Bhalla, as the Chairman, Mr. K.R. Das and Mr. G.S. Dhingra.

## 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 this 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.

Kolkata  
Dated : 6th June, 2008

On behalf of the Board of Directors  
Kuldeep Singh Dhingra  
Chairman

## Annexure-I Corporate Governance

FOR THE YEAR ENDED 31ST MARCH, 2008

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

### 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 9 Directors, out of which 1 is an executive director, 2 are non-executive, promoter directors and 6 non-executive, independent directors.

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

The Chairman of the Board is a Non-executive Director. He 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.

The names and category of Directors on the Board, the number of Directorships and Committee Memberships held by them in other companies are given below :

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. Kuldeep Singh Dhingra†	Non-executive Chairman/Promoter	25	Nil
Mr. Gurbachan Singh Dhingra†	Non-executive Vice Chairman/Promoter	22	1 (Chairman - Audit Committee)
Mr. Subir Bose	Managing Director/Executive	3	Nil
Mr. Anil Bhalla	Non-executive/Independent Director	4	Nil
Mr. Kamal Ranjan Das	Non-executive/Independent Director	3	Nil
Mr. Gurcharan Das	Non-executive/Independent Director	9	Nil
Mr. Naresh Gujral	Non-executive/Independent Director	12	Nil
Dr. Mrs. Isher Judge Ahluwalia	Non-executive/Independent Director	1	Nil
Mr. Gerald Kenneth Adams**	Non-executive/Independent Director	—	Nil

\*Includes directorship in Private Companies.

\*\*Appointed effective 30th January, 2008.

† Mr. K. S. Dhingra and Mr. G. S. Dhingra are brothers.

The number of Board Meetings and the attendance of Directors as well as their attendance at the last AGM during the financial year 2007-2008 are as mentioned below :-

Name of Directors	No. of Meetings Attended	AGM Date & Attendance 31st July, 2007
Mr. Kuldeep Singh Dhingra	5	P
Mr. Gurbachan Singh Dhingra	5	P
Mr. Subir Bose	5*	P
Mr. Anil Bhalla	5	X
Mr. Kamal Ranjan Das	4*	X
Mr. Gurcharan Das	5	X
Mr. Naresh Gujral	3	X
Dr. Mrs. Isher Judge Ahluwalia	1	X
Mr. Gerald Kenneth Adams	—	X

\* Participated at the Board Meeting held on 26th February, 2008 through video conferencing.



Five Board Meetings were held during the year 2007-2008 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

- 1) June 12, 2007
- 2) July 25, 2007
- 3) October 31, 2007
- 4) January 30, 2008
- 5) February 26, 2008

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.

Necessary quorum was present at all these meetings.

Compensation paid / payable to Non-Executive Directors is given elsewhere in the report.

### 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, disclosure of financial statements, recommending appointment / removal of external auditors and fixing their remuneration, reviewing the quarterly and annual financial statements before submission to the Board, reviewing the adequacy of the internal audit function including the structure and staffing of the internal audit department, ensuring adequacy of the internal control system, reviewing findings of internal investigations, discussing the scope of audit with 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 on 31st March, 2008 is as follows:

Mr. Anil Bhalla – Chairman

Mr. Kamal Ranjan Das

Mr. G.S. Dhingra

Mr. Aniruddha Sen – Secretary

In 2007-2008, the composition of the Audit Committee and details of meetings attended by the members thereof were as follows:

Name of Directors	Status	No. of Meetings Attended
Mr. Anil Bhalla	Chairman	6
Mr. Kamal Ranjan Das	Member	5
Mr. Gurbachan Singh Dhingra	Member	5

Six Audit Committee Meetings were held during the year 2007-2008 and the dates on which the Audit Committee Meetings were held are as follows:

- 1) May 18, 2007
- 2) June 12, 2007
- 3) July 25, 2007
- 4) October 5, 2007
- 5) October 31, 2007
- 6) January 29, 2008

The quorum of two independent directors as required by the Listing Agreement, was present in all Audit Committee Meetings held during the year except at the meeting held on 25th July, 2007. However, the quorum, as defined in Clause 49 of the Listing Agreement, was present in four meetings - being the minimum number of meetings required, under the same clause. Mr. Anil Bhalla, the Chairman of the Audit Committee was not present in the AGM held on 31st July, 2007 on account of his travel abroad for attending to medical condition in the family. During his absence, Mr. G. S. Dhingra, a member of the Audit Committee was appointed as the Chairman of the Audit Committee at the said Annual General Meeting to provide clarifications to the shareholders' queries.

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 -

1. Commission which does not exceed one percent of the net profits of the Company for the financial year subject to maximum of Rs. 40 lacs distributed among them and
2. 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

### (B) INVESTORS' GRIEVANCE COMMITTEE

Mr. Kamal Ranjan Das (Chairman)  
 Mr. Subir Bose  
 Mr. Anil Bhalla  
 Mr. Aniruddha Sen - Secretary

2. Number of Meetings of the above Committees and the attendance of Directors during the financial year 2007-2008 were as follows :-

#### a. SHARE TRANSFER COMMITTEE MEETING (held every fortnight)

Name of Directors	Status	No. of Meetings Attended
Mr. Subir Bose	Chairman	24
Mr. K.R. Das	Member	11

Twenty-four Share Transfer Committee Meetings were held during the year 2007-2008.

Note: Two meetings out of the twenty-four meetings were conducted through circulation.

#### b. INVESTORS' GRIEVANCE COMMITTEE MEETING (held every quarter)

Name of Directors	Status	No. of Meetings Attended
Mr. K. R. Das	Chairman	3
Mr. Subir Bose	Member	4
Mr. Anil Bhalla	Member	4

Four Investors' Grievance Committee Meetings were held during the year 2007-2008 and the dates on which such meetings were held are as follows:

- 1) April 18, 2007
- 2) July 23, 2007
- 3) October 17, 2007
- 4) January 29, 2008

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.

Necessary quorum was present at all these meetings.

3. Shareholder complaints received during the year (2007-2008) :

Number of complaints received : 1  
 Number of complaints attended to : 1  
 Number of pending complaints as at 31st March, 2008 : Nil

#### IV. GENERAL BODY MEETINGS

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

F.Y. ended	Date	Time	Venue	If Special Resolution Passed
March 31, 2005	27.07.05	11.00 a.m.	Kalamandir Auditorium, 48, Shakespeare Sarani, Kolkata - 700 017	No
March 31, 2006	28.07.06	11.00 a.m.	Kalamandir Auditorium, 48, Shakespeare Sarani, Kolkata - 700 017	Yes
March 31, 2007	31.07.07	11.00 a.m.	Kalamandir Auditorium, 48, Shakespeare Sarani, Kolkata - 700 017	Yes

No special resolution was passed last year through postal ballot. However in the current financial year 2008-2009, four special resolutions were passed with a majority in each case through the postal ballot exercise for the following items of business:

- 1) Issue of Convertible Warrants to promoters/promoter group on a preferential basis.
- 2) Increase of Authorised Capital of the Company.
- 3) Amendment of Memorandum of Association of the Company.
- 4) Amendment of Articles of Association of the Company.

The postal ballot results were declared on 11th April, 2008 at the Registered Office and results duly published in newspapers and also put up on the Company website.

Mr. S. M. Gupta, practising Company Secretary, was appointed as scrutinizer for the postal ballot exercise which was conducted in terms of the procedure laid down in the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 read with relevant provisions of the Companies Act, 1956.

#### V. DISCLOSURES

- a) 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.
- b) The Company has complied with all the 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 and allowed reimbursement of expenses incurred in performance of his duties.
  - The Company attempts to move towards a regime of unqualified financial statement.

#### 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, Business Line, Dainik Statesman. 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.

The Company has also introduced a toll free number - 1800 345 2200 which the shareholders can use to make any query relating to their shareholding on any working day (between Monday and Friday) between 14:00 hrs and 16:00 hrs.

## 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 convertible instruments except for the 20 million convertible Share Warrants issued and allotted on preferential basis to Jenson & Nicholson (Asia) Limited, a promoter group, on May 19, 2008, convertible into equal number of equity shares within a period of 18 months from the date of allotment at the discretion of the Warrant holder.

Name of the Non-executive Director	Number of shares held
Mr. Kuldip Singh Dhingra	864,000
Mr. Gurbachan Singh Dhingra	864,960
Mr. Anil Bhalla	41,760
Mr. Kamal Ranjan Das	33,312
Mr. Gurcharan Das	-
Mr. Naresh Gujral	-
Dr. Mrs. Isher Judge Ahluwalia	-
Mr. Gerald Kenneth Adams	-

## IX. REMUNERATION POLICY AND REMUNERATION TO DIRECTORS

### (A) 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.

### (B) Non-Executive Directors

The Non-Executive Directors were paid commission during the year limited to one percent of the net profits approved by the general body of the shareholders subject to maximum of Rs. 40 lacs distributed among them based on time devoted, advice rendered and expertise lent to the Company.

The details of remuneration (including perquisites and allowances) paid during the year ended 31st March, 2008 are as follows:

#### (a) Executive Director (Managing Director) :

Fixed Components	Rs.
Salary	3,412,500
Company's contribution to Provident Fund and Superannuation Fund	921,375
LTC and other perquisites	551,600
Variable Component	
Commission	1,706,250
Total	<u>6,591,725</u>

#### (b) Non-Executive Directors:

(Commission only - Total)	3,650,000
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## X. MANAGEMENT DISCUSSION AND ANALYSIS

### 1. INDUSTRY STRUCTURE AND DEVELOPMENT

Considering factors reigning the international economic scenario, the estimated GDP growth posted by India in the year 2007-08, boosted by healthy growths in agriculture and service sectors, is a sign of the country's resilience and ability to insulate itself from external vagaries. The positive growth in the field of agriculture is particularly encouraging. Growth in the manufacturing sector at 8.8% has been lower than that posted in the year 2006-07. Construction sector continued to perform well with a 9.8% growth.

Indian paint industry has been growing at an average rate of 13% over the last five years at a rate higher than the GDP growth. The Indian paint market is dominated by the architectural/decorative coatings systems segment, constituting almost three-fourth of the market's share. Other large segments are automotive and industrial paints, protective coatings and powder coatings. This Company has sizeable presence in all the major sectors.

### 2. OPPORTUNITIES AND THREAT

India continues to lag behind in so far as consumption of paint is concerned. Optimistic estimates put it around 1.2 to 1.4 litres per capita. The industry is less than half the size of the Chinese market and about one-fifth of the U.S. market by volume. The lower consumption of paints in India may be attributed to insufficient number of dwellings, a large number of temporary and semi-temporary houses which are not built of bricks or concrete, time lag between re-paintings and use of lime powder.

However, with a high growth rate, a high percentage of discerning young population, reduction in poverty levels, construction of new homes, higher inclination to spend, increasing décor-consciousness and gradual replacement of lime powder, there is a palpable change and currently the architectural/decorative segment has a potential to grow at a healthy rate. In the event the agricultural growth is sustained, demands from rural and semi-urban areas may also surge ahead. In the automotive and industrial segments too, the demands are likely to be high.

In order to cater to the growing demands and to achieve economies of scale, the Company has embarked upon various expansion plans as detailed in the Directors' Report for the year.

The rising price of fuel and food may lead to inflationary pressures, lowering the overall disposable income of people and affecting demand in the near term.

### 3. OUTLOOK

Considering the needs of housing and the rapid development in this field that is bound to take place, the Company does not expect major slow down in this sector. The infrastructure sector is also expected to clock a uniform growth. These are likely to keep boosting the paint demand in the long term.

Your Company is at the forefront of the market explaining to the dealers and the applicators and communicating with the customers about the benefits of the new offerings and better aesthetics which they offer. In the past couple of years, the Company has offered many new products to address the needs of the consumers in a fast evolving, rapidly growing and globally assimilating India. Such technologically advanced offerings have been well accepted in the market. Your Company is committed to continuing such progressive as well as pioneering initiatives to not only maintain but enhance its leadership in its field. The Protective Coatings Business and the Automotive Business are also expected to perform well.

With the concerns of energy savings catching up with India, particularly in view of the rising crude and gas prices, the Company will be able to offer External Insulation and Finishing Systems from Bolix S.A. of Poland, which it proposes to acquire in the near future. This would lead to major savings of electricity (and therefore, fuel), other than offering aesthetic values and durability.

### 4. RISK AND CONCERN

Never in the recent past has the country witnessed so many issues cropping up at the same time from high inflation, weakening currency and fears of a rising interest rate. The increase in prices of petroleum based raw materials and the freight charges will squeeze the household kitty. Further, all paint companies are dependent on raw materials, which have a direct nexus with crude. These are issues which are being faced by all industries.

In the long term, the Indian economy is expected to counter these pressures effectively and adjust itself to the needs of the time.

In the paint industry, the Company expects the shift towards value added, long lasting products to continue.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well established internal control system, commensurate with its size and spread, with defined guidelines on compliance, which enable it to run its factories, offices and depots with a fair degree of comfort. The system incorporates continuous monitoring, routine reporting, checks and balances, purchase policies, authorization and delegation procedures, audits including compliance audits, which are periodically reviewed by the Audit Committee. The Internal Audit Department maintains a regular surveillance over the entire operations. The Head of Internal Audit Department is present throughout the Audit Committee Meetings and places his reports at every meeting. The Audit Committee itself meets on a routine basis and extensively covers operational matters in addition to statutory matters. There is a Risk Assessment and Minimisation Committee dealing with risks faced by the Company and providing specific recommendations.

6. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's gross sales revenue for the year 2007-08 has been Rs. 15,217 million, registering a growth of 15.09% over that for 2006-07. All factories performed well during the year under review. The Company's profit after tax, at Rs. 921 million, registered a growth of 10.96% 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, 2008 was 2179 (31st March, 2007 : 2045).

Kolkata  
Dated : 6th June, 2008

On behalf of the Board of Directors  
Kuldip Singh Dhingra  
Chairman

## Appendix

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

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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, 2008. The said Code of Conduct has also been uploaded by the Company in its website [www.bergerpaints.com](http://www.bergerpaints.com).

Kolkata  
Dated : 6th June, 2008

Subir Bose  
Managing Director

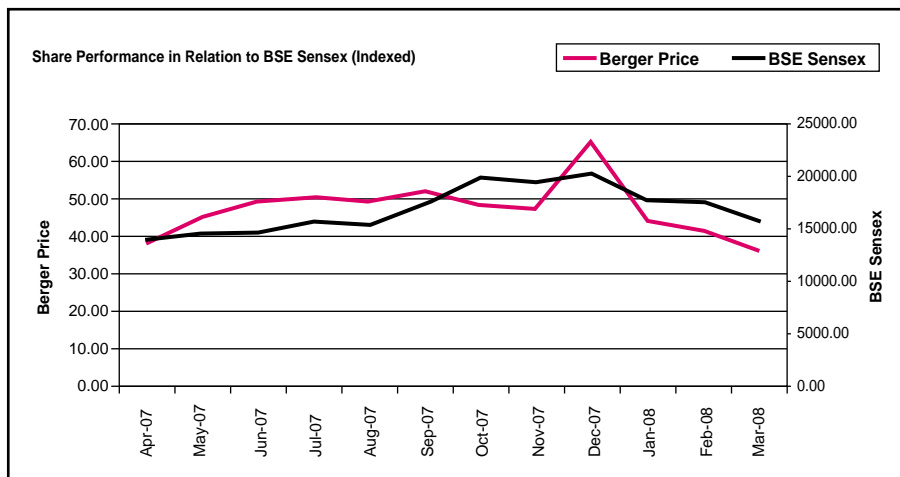
## Annexure-II TO CORPORATE GOVERNANCE

### GENERAL SHAREHOLDERS' INFORMATION

- Annual General Meeting : Date 30th July, 2008 Time 11.00 a.m. Venue Kalamandir, 48, Shakespeare Sarani, Kolkata-700 017
- Financial Year : The accounting year covers the period from 1st April, 2007 to 31st March, 2008. Financial Reporting for the quarters ending on :-  
 30th June, 2008 — By 31st July, 2008  
 30th September, 2008 — By 31st October, 2008  
 31st December, 2008 — By 31st January, 2009  
 31st March, 2009 (audited) — By 30th June, 2009  
 Note : The above calendar is indicative in nature.
- Book Closure Dates : 18th July, 2008 to 30th July, 2008 (both days inclusive)
- Dividend Payment Date : On or before 28th August, 2008
- Listing on Stock Exchanges : The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata – 700 001  
 Bombay Stock Exchange Limited, 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 Limited, 4th floor, Trade World, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013  
 Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 17th floor Dalal Street, Mumbai - 400 001
- ISIN No. : INE463A01020
- Market Price (High & Low) at BSE during each month of the Financial Year 2007-2008 :

Month	High (Rs.)	Low (Rs.)
April 2007	39.30	35.00
May 2007	45.50	38.00
June 2007	56.75	42.50
July 2007	57.35	47.00
August 2007	53.30	46.00
September 2007	52.15	49.00
October 2007	53.80	44.00
November 2007	52.50	43.75
December 2007	67.95	46.05
January 2008	68.55	36.10
February 2008	49.00	38.55
March 2008	41.00	32.50

Share Performance in Relation to BSE Sensex (Indexed)



Number of Shareholders : 42229  
 (As at 31st March, 2008)

Shareholding Pattern (As at 31st March, 2008)	Status	Holding (%)
	Promoters	73.61
	Non Resident Individuals/Companies	2.71
	Financial Institutions/Insurance Companies	5.29
	Resident Individuals	13.78
	Domestic Companies	2.15
	Nationalized Banks & Mutual Funds	2.46
	<b>TOTAL</b>	<b>100.00</b>

Distribution of Shareholding :  
 (As at 31st March, 2008)

Share holding of nominal value	Share Amount		Shareholder	
	Rs.	% to total	Number	% to total
1 - 5000	37,044,562	5.81	37,999	89.98
5001 - 10000	18,980,694	2.98	2,415	5.72
10001 - 20000	16,723,346	2.62	1,232	2.92
20001 - 30000	7,347,076	1.15	298	0.71
30001 - 40000	3,453,450	0.54	98	0.23
40001 - 50000	2,933,598	0.46	64	0.15
50001 - 100000	4,135,532	0.65	59	0.14
100001 & above	547,126,670	85.79	64	0.15
<b>TOTAL</b>	<b>637,744,928</b>	<b>100.00</b>	<b>42,229</b>	<b>100.00</b>

Share Transfer System : Shares sent for physical transfer are effected within 15 working days of lodgment. The Share Transfer Committee meets every fortnight. The total number of shares transferred in physical form during the year 2007-2008 was 232,924 as compared to 212,005 shares during 2006-2007.

Dematerialization of Shares & Liquidity : 95.46 % of the Company's shares are held in electronic form.



- Outstanding GDRs/ADRs/  
Warrants or any convertible  
instruments, conversion date  
and likely impact on equity : The Company has allotted 20,000,000 warrants (“Equity Warrants”) to Jenson and Nicholson (Asia) Limited, U.K., a part of the promoter group, on 19th May 2008, at a price of Rs. 49.50 per Equity Warrant. The Equity Warrants are convertible into equity shares at the option of the holder within a period of 18 months from the date of issue. If and when converted, the paid up equity capital of the Company shall stand increased to Rs. 677,744,928.
- 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 Auditors’ Certificate is given as an Appendix to the Report on Corporate Governance.

On behalf of the Board of Directors

Kolkata  
Dated : 6th June, 2008

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, 2008 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and 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, except the requisite attendance of the two independent directors in one audit committee meeting and the absence of the Audit Committee Chairman at the A.G.M. of the Company held on 31st July, 2007, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2008, 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.

Place : Kolkata  
Date : 6th June, 2008

Prabal Kr. Sarkar  
*Partner*  
Membership Number 52340  
For and on behalf of  
LOVELOCK & LEWES  
*Chartered Accountants*

**Annexure-III** TO DIRECTORS' REPORT PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST MARCH, 2008

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	1,31,06,882	1,22,62,161
Total Amount	Rs. 5,01,40,483	Rs. 4,43,16,586
Rate/Unit	Rs. 3.83	Rs. 3.61
(b) Own Generation		
(i) Through Diesel Generator :		
Units	26,95,021	21,24,545
Units per litre of Diesel oil	3.38	3.37
Cost/Unit	Rs. 9.01	Rs. 9.57
(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 :		
Quantity (KL)	260	Not applicable
Total Cost	Rs. 56,98,576	Not applicable
Average Rate (Rs. / KL)	21,913	Not applicable
4) Others :		
Quantity (LDO, HSD & FO for Resin Production) in KL	1,575	1,629
Total Cost in Rs.	5,40,28,171	5,08,12,652
Rate/Unit (KL)	Rs. 34,309	Rs. 31,193
 (B) Consumption per unit of production		
Products	Standard	
Paints, Varnishes & Enamels (KL)	1,12,545	1,01,110
Resin (KL) for captive consumption	31,056	26,261
	No specific Standard as the consumption per unit depends on the product mix	
Unit/KL		
Electricity	110.04	112.95
Furnace Oil	Not applicable	Not applicable
Coal (specific quantity)	Not applicable	Not applicable
Others (LDO for Resin Prodn.) (LDO KL/ RESIN KL)	0.06	0.06

On behalf of the Board of Directors

Kolkata  
Dated : 6th June, 2008

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.
  - 1 Cost reduction with product upgradation.
  - 1 Development of low VOC products.
  - 1 Adaptation & reproduction of Collaborator's Technology.
  - 1 OEM specific products.
2. Benefits derived as a result of the above R&D :
  - 1 Launching of new decorative products
    - Special Effect Paint Metallica
  - 1 Development of new Protective Coating product
    - Water Borne 2-Pack Epoxy Primer & Top Coat
    - High Durable Exterior Enamel for Railways
    - QD Inorganic Zinc Silicate Coating
  - 1 Launching of new Automotive & General Industrial products
    - 2-coat High Performance Chasis Paint for Commercial Vehicles
    - Polyester Primer Surfacer for Automotive OEM
    - 2-Pack Polyurethane Primer for Tractor Chasis
3. Future Plan of action :
  - 1 New Products for Retail Market (both Interior & Exterior)
  - 1 Cost Reduction & Product Upgradation
  - 1 Low VOC Paint
  - 1 Process Optimization
  - 1 Absorption & Indigenisation of Collaborator's Technology
  - 1 New Protective Coating products for Floor Coating, Zinc Free HR Coating, Water Based Road Marking Paint, etc.
  - 1 New Automotive Products for Bus Body, Two Coat HR Paint for Automotive Exhaust, Electrodeposition Clear, Low Bake 1-Pack TSA Top Coat & Epoxy Primer, etc.

4. Expenditure on R&D :	(Rs. in Million)
(a) Capital	2.11
(b) Recurring	10.44
(c) Total	12.55
(d) Total R&D expenditure as a percentage of Total Turnover	0.08%

##### Technology Absorption, Adaptation and Innovation :

1. Efforts, in brief, made towards technology absorption, adaptation and innovation :
  - 1 New products for specific OEM customers through absorption of collaborators' technology.
  - 1 Products of Powder Coatings offered to General Industrial and other specific customers through absorption of collaborator's technology.
  - 1 A number of products on Protective Coating offered to specific customer.
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 :

<u>Technology Imported</u>	<u>Year of Import</u>	<u>Absorption of Technology</u>
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, 2008  
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, 2008

Name	Designation/ Nature of duties	Gross remuneration	Qualification	Experience (Years)	Date of Commencement of employment in the Company	Age	Previous Employment/ Position held
A. Employed throughout the year and in receipt of remuneration aggregating Rs. 24,00,000/- or more							
Mr. Subir Bose	Managing Director	Rs.6,591,725	B. Tech, PGDBA	37	09.07.1984	58	Marketing Manager, Abucon Nigeria Ltd.
Mr. Ashok Sharma	Sr.Vice-President - Auto, GI & Powder	Rs.2,426,237	MBA (Finance), B.Sc TECH, B. Sc (Hons)	35	01.05.1980	58	Production Executive Asian Paints (India) Ltd.
Mr. Prabal Kr. Sengupta	Vice-President Marketing & Sales (Retail)	Rs.2,633,773	PGDBM, M.Sc (Chem), B.Sc (Chem)	29	26.03.1984	53	Marketing Executive, National Tobacco Co.
Mr. Sunil Sharma	President	Rs.3,581,946	B.A. Hons. (Economics), MBA	34	17.09.1991	56	Garware Paints, GM (Sales & Exports)

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, 2008

Kuldip Singh Dhingra  
Chairman

## ANJAN KUMAR ROY & CO.

Company Secretaries

Office:

5/1 Bondel Road, Kolkata – 700019.

Ph. No. 033-6452 0209

Residence:

542/1 Parnasree, Kolkata – 700060.

Ph. No. 033-2407 7431 / 033-2451 0780

Mobile No. 98302 01949 / 98318 91949

E Mail: [akroyco@yahoo.co.in](mailto:akroyco@yahoo.co.in) / [anjanroy\\_2003@yahoo.co.in](mailto:anjanroy_2003@yahoo.co.in) / [anjankumarroyco@hotmail.com](mailto:anjankumarroyco@hotmail.com)

Ref No.AR/BERGER/1/06/08

Date: 06-06-2008

To,  
The Board of Directors,  
Berger Paints India Limited  
Berger House,  
129 Park Street,  
Kolkata-700017.

Subject : Secretarial Audit for the Year Ended 31/03/2008

Dear Sirs / Madam,

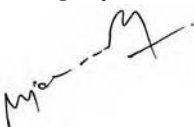
This is to confirm that, I have audited the books, documents and records of Berger Paints India Limited (“the Company”), in respect of the year ended 31/03/2008.

The said audit included the provisions of law related to disclosure requirements, investor protection, prohibition of insider trading, protection of stakeholders’ interests and various other provisions of laws, mentioned herein below, applicable to the Company for the time being.

On the basis of the said audit and information and explanations furnished by the Officers and Agents of the Company, I found that the Company and its Directors have reasonably complied with the provisions of the following Acts read with the Rules, Regulations and guidelines, applicable to such Acts, during the aforesaid period:

- (a) Companies Act, 1956,
- (b) Securities Contracts (Regulation) Act, 1956,
- (c) Securities and Exchange Board of India Act, 1992,
- (d) Depositories Act, 1996.

For ANJAN KUMAR ROY & CO.  
Company Secretaries



ANJAN KUMAR ROY  
CP 4557

## 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, 2008 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, 2008 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2008 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, 2008;
    - (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.

Prabal Kr. Sarkar  
*Partner*

Membership Number 52340

For and on behalf of

Lovelock & Lewes

*Chartered Accountants*

Place: Kolkata

Date : 6th June, 2008

## 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, 2008]

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, 2008 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 Sections 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, 2008 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 sales tax, entry tax and excise duty as at 31st March, 2008 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
Central Excise Act	Excise Duty	157,134,249	1998-1999	Custom Excise Service
		5,895,981	2001-2007	Tax Appellate Tribunal
		81,121,276	1998-2007	Commissioner of Central Excise (Appeals)
		703,384	2001-2007	Commissioner
		1,532,552	2006-2007	Joint Commissioner
		2,442,531	2003-2007	Additional Commissioner
			1997-1998	Assistant Commissioner
Central Sales Tax Act	Sales Tax	4,255,833	2005-2007	
			1999-2000	Appellate Tribunal
			2000-2002	
			2004-2005	
		16,690,504	1996-1997	Revision Board
			2000-2001	
		174,660	2002-2003	Special Commissioner
			1983-1984	Assistant Commissioner (Appeal)
		21,126,355	1986-1988	
			1989-1991	
			1994-1996	
			1999-2000	
	2001-2006			
	51,345,704	1995-1996	Deputy Commissioner (Appeal)	
		1998-2005		
	402,397	2004-2006	Assistant Commissioner	
State Sales Tax Acts	Sales Tax	10,951,866	1994-1995	Appellate Tribunal
			1996-1998	
			1999-2002	
			2004-2005	
		27,177,347	1996-1997	Revision Board
			2000-2001	
			2003-2004	
		60,252,274	1995-1996	Deputy Commissioner (Appeal)
		56,016,000	1998-2005	
			1984-1985	Assistant Commissioner (Appeal)
	1986-1987			
	1988-1990			
	1991-1998			
	2001-2008			
	179,601	2005-2006	Assistant Commissioner	
	Entry Tax	128,157	1998-1999	Appellate Tribunal
			2001-2002	
		107,907	2003-2004	Revision Board
		24,071	2002-2005	Deputy Commissioner (Appeal)
		30,239	1998-1999	Assistant Commissioner (Appeal)
			2003-2005	



## Annexure to Auditors' Report (Contd.)

10. The Company has no accumulated losses as at 31st March, 2008 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, 2008

Prabal Kr. Sarkar  
*Partner*  
Membership Number 52340  
For and on behalf of  
Lovelock & Lewes  
*Chartered Accountants*

# Balance Sheet

AS AT 31st MARCH, 2008

		31st March, 2008	31st March, 2007
	Schedule	Rs. '000	Rs. '000
<b>SOURCES OF FUNDS</b>			
Shareholders' Funds			
Capital	1	637,745	637,745
Reserves and Surplus	2	2,852,342	2,120,714
		<u>3,490,087</u>	<u>2,758,459</u>
Loan Funds			
Secured Loans	3	998,391	860,288
Unsecured Loans	4	210,796	292,830
		<u>1,209,187</u>	<u>1,153,118</u>
Deferred Taxation	5	65,104	68,018
<b>TOTAL</b>		<u>4,764,378</u>	<u>3,979,595</u>
<b>APPLICATION OF FUNDS</b>			
Fixed Assets	6		
Gross Block		2,752,155	2,449,376
Less : Depreciation		1,415,069	1,241,392
Net Block		1,337,086	1,207,984
Capital Work-in-Progress - at Cost		247,077	137,147
		<u>1,584,163</u>	<u>1,345,131</u>
Investments	7	218,467	128,168
Current Assets, Loans and Advances			
Inventories	8	2,690,954	2,520,694
Sundry Debtors	9	1,584,355	1,435,218
Cash & Bank Balances	10	399,003	217,427
Loans and Advances	11	592,139	466,799
		<u>5,266,451</u>	<u>4,640,138</u>
Less : Current Liabilities and Provisions			
Liabilities	12	2,116,477	1,983,324
Provisions	13	188,226	151,282
		<u>2,304,703</u>	<u>2,134,606</u>
Net Current Assets		2,961,748	2,505,532
Miscellaneous Expenditure (To the extent not written off or adjusted)		—	764
<b>TOTAL</b>		<u>4,764,378</u>	<u>3,979,595</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, 2008

Prabal Kr. Sarkar  
*Partner*  
 Membership Number 52340  
 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  
 Gerald K Adams — Director  
 Anil Bhalla — Director  
 K.R. Das — Director  
 Aniruddha Sen — Vice President &  
 Company Secretary

## Profit and Loss Account

FOR THE YEAR ENDED 31st MARCH, 2008

	Schedule	For the year ended 31st March, 2008	For the year ended 31st March, 2007
		Rs. '000	Rs. '000
<b>INCOME</b>			
Gross Turnover		15,216,766	13,221,632
Less: Excise Duty		1,820,078	1,569,298
Net Turnover		<u>13,396,688</u>	<u>11,652,334</u>
Other Income	15	141,390	128,934
		<u>13,538,078</u>	<u>11,781,268</u>
<b>EXPENDITURE</b>			
Materials Consumed	16	8,711,498	7,608,303
Expenses	17	3,336,987	2,889,177
Interest	18	112,687	82,881
Depreciation		186,468	178,016
		<u>12,347,640</u>	<u>10,758,377</u>
<b>PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM</b>		1,190,438	1,022,891
Exceptional Item (Expenditure Under Voluntary Retirement Scheme)		2,656	550
<b>PROFIT BEFORE TAXATION</b>		<u>1,187,782</u>	<u>1,022,341</u>
Provision for Taxation			
Current Tax	19	249,300	177,920
Deferred Tax	20	(2,295)	158
Fringe Benefit Tax		19,996	13,589
<b>PROFIT AFTER TAXATION</b>		<u>920,781</u>	<u>830,674</u>
Profit brought forward		250,000	250,000
<b>AVAILABLE FOR DISTRIBUTION</b>		<u>1,170,781</u>	<u>1,080,674</u>
Transfer to :			
General Reserve		92,078	463,292
Dividend			
- Interim		—	191,323
- Final		159,436	127,549
Tax on distributable profit		27,096	48,510
Balance carried to Balance Sheet		892,171	250,000
		<u>1,170,781</u>	<u>1,080,674</u>
Earnings per share - Basic and diluted (in Rupees)		2.89	2.61
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, 2008

Prabal Kr. Sarkar  
*Partner*  
Membership Number 52340  
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  
Gerald K Adams — Director  
Anil Bhalla — Director  
K.R. Das — Director  
Aniruddha Sen — Vice President &  
Company Secretary

## Schedules

	<u>31st March, 2008</u>	<u>31st March, 2007</u>
	Rs. '000	Rs. '000
<b>1. CAPITAL - Equity</b>		
Share Capital		
Authorised :		
325,000,000 (2006-07 : 325,000,000) Ordinary Shares of Rs. 2/- each	<u>650,000</u>	<u>650,000</u>
Issued :		
318,918,204 (2006-07 : 318,918,204) Ordinary Shares of Rs. 2/- each	<u>637,836</u>	<u>637,836</u>
Subscribed :		
318,872,464 (2006-07 : 318,872,464) Ordinary Shares of Rs. 2/- each fully paid-up	<u>637,745</u>	<u>637,745</u>
	<u>637,745</u>	<u>637,745</u>

Notes : Of the above Equity Shares -

- (a) 3,151,187 shares of Rs. 10/- each allotted as fully paid-up pursuant to a contract without payment being received in cash.
- (b) 257,660 shares of Rs. 10/- each allotted as fully paid-up pursuant to a contract in full redemption of Mortgage Debentures.
- (c) 26,972,214 shares of Rs. 10/- each allotted as fully paid Bonus Shares by capitalisation of General Reserve and Share Premium.
- (d) 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.
- (e) 119,577,174 shares of Rs. 2/- each allotted as fully paid Bonus Shares by capitalization of Share Premium and General Reserve.

## 2. RESERVES AND SURPLUS

	<u>Balance at 31st March, 2007</u>		<u>Additions</u>	<u>Deductions</u>	<u>Balance at 31st March, 2008</u>
	Rs. '000		Rs.'000	Rs.'000	Rs.'000
Revaluation Reserve	13,771	—	—	1,417 *	12,354
General Reserve	1,856,224	92,078	92,078	1,204 **	1,947,098
Share Premium	111	—	—	—	111
Profit and Loss Account	250,000	892,171	892,171	250,000	892,171
Capital Reserve	200	—	—	—	200
Capital Redemption Reserve	408	—	—	—	408
	<u>2,120,714</u>	<u>984,249</u>	<u>984,249</u>	<u>252,621</u>	<u>2,852,342</u>

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

\*\* Refer to note (xii) in Schedule 21

## Schedules

	31st March, 2008 <hr/> Rs.'000	31st March, 2007 <hr/> Rs.'000
<b>3. SECURED LOANS</b>		
Loans from Banks - Cash Credit	998,391	860,288
	<hr/> 998,391	<hr/> 860,288
Note :		
Loans from Banks - Cash Credit are secured by hypothecation of stock-in-trade and book debts.		
<b>4. UNSECURED LOANS</b>		
Fixed Deposits *	795	879
Short Term Loans		
Banks	1	271,951
Others	210,000	20,000
	<hr/> 210,796	<hr/> 292,830
* Includes unclaimed matured fixed deposits	585	669
<b>5. DEFERRED TAXATION</b>		
Liability		
Depreciation	85,364	80,668
Amortisation of expenses in accounts	—	881
	<hr/> 85,364	<hr/> 81,549
Less : Asset		
Amortisation of expenses allowed as per Income Tax Act	6,666	4,303
Others	13,594	9,228
	<hr/> 20,260	<hr/> 13,531
	<hr/> 65,104	<hr/> 68,018

# Schedules

## 6. FIXED ASSETS



	Original Cost/ Professional Valuation at 31st March, 2007***		Original Cost/ Professional Valuation at 31st March, 2008		Depreciation			Net Book value at 31st March, 2007
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Upto 31st March, 2007	On deletions (Accumulated upto the date of sale)	Upto 31st March, 2008	Rs. '000
Land :								
Freehold	33,069	—	33,069	—	—	—	—	33,069
Leasehold **	13,268	19,528	32,796	—	1,560	313	1,873	30,923
Buildings :								
Freehold *	444,050	23,635	466,585	1,100	106,890	14,461	121,317	345,268
Leasehold **	33,114	—	33,114	—	7,732	468	8,200	24,914
Plant and Machinery	1,416,393	203,111	1,609,918	9,586	825,483	128,455	952,126	657,792
Furniture and Fittings	53,329	21,307	74,360	276	26,021	4,678	30,563	43,797
Equipment	387,590	46,600	427,315	6,875	241,206	30,477	268,504	158,811
Motor Cars and Other Vehicles	66,155	18,941	72,495	12,601	31,819	8,535	9,047	41,188
Intangible Assets :								
Computer Software	2,408	95	2,503	—	681	498	1,179	1,324
Previous year	2,449,376	333,217	2,752,155	30,438	1,241,392	187,885	1,415,069	1,337,086
	2,262,559	253,846	2,449,376	67,029	1,089,631	179,433	1,241,392	1,207,984

\* Partly on Leasehold Land.

\*\* Represents payments made and costs incurred in connection with acquisition of leasehold rights in certain properties for 87, 90, 95 and 99 years and are being amortised over the period of such leases.

\*\*\* Year of Revaluation

Year	Asset Type
1989	Leasehold Land, Freehold Building
1985	Freehold Building
1993	Freehold Land, Freehold Building

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

## Schedules

	31st March, 2008	31st March, 2007
	Rs.'000	Rs.'000
<b>7. INVESTMENTS</b>		
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		
858,762 (2006-07: 369,830) Equity Shares of CYP £ 1 each fully paid-up	80,158	33,959
Other Investments		
Government Security - 7 years National Savings Certificate (Under Lien)	1	1
Trade		
270,850 Equity Shares of M/s Berger Becker Coatings Private Limited		
of Rs. 100/- each fully paid-up	27,085	27,085
44,100 Equity Shares of BNB Coatings India Limited of Rs. 1,000/-		
each fully paid-up	44,100	—
Other Than Trade		
Pnb Principal Insurance Advisory Company Private Limited - 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
	218,467	128,168

Note :

The following investments were purchased and sold during the year :

Description of Investment	No. of Units	Purchase Cost Rs. '000
Birla Cash Plus - Instl. Growth	697,418	15,000
DSP Merrill Lynch Cash Plan - Retail - Growth	19,715	20,000
Kotak Floater Short Term - Growth	2,298,604	30,000
LICMF Liquid Fund	9,403,345	100,000
Reliance Floating rate Fund Daily Dividend Reinvestment Plan	19,936,118	200,000
Reliance Liquid Plus Fund - Retail Option - Daily Dividend Plan	100,152	100,000
Reliance Liquid Plus Fund -Institutional Option - Daily Dividend Plan	130,146	130,017
Reliance Liquidity Fund - Daily Dividend Reinvestment Option	16,001,990	160,000
Reliance Monthly Interval Fund - Series 1 - Institutional Dividend Plan	9,993,319	100,017
Sahara Fixed Maturity Plan - 3 Months - Growth Plan	1,000,000	10,000
Sahara Fixed Maturity Plan - 3 Months Series 2 - Growth Plan	2,000,000	20,000
UTI Liquid Cash Plan - Institutional (Daily Income Option)	49,092	50,000

## 8. INVENTORIES (including in transit)

Stores and Spare Parts	39,991	32,855
Raw Materials	895,692	877,087
Containers	81,201	64,799
Work-in-Process	158,217	136,207
Finished Goods	1,515,853	1,409,746
	2,690,954	2,520,694

## Schedules

	31st March, 2008	31st March, 2007
	<u>Rs.'000</u>	<u>Rs.'000</u>
<b>9. SUNDRY DEBTORS - Unsecured - Considered Good</b>		
Debts Outstanding - for a period exceeding six months	49,917	44,754
Other Debts	1,534,438	1,390,464
	<u>1,584,355</u>	<u>1,435,218</u>
<b>10. CASH AND BANK BALANCES</b>		
Cash and cheques in hand	5,728	5,442
With Standard Chartered Bank, Chittagong (at pre-1966 devaluation rate of Indian Rupees), Rs. 36, fully written off	—	—
With Scheduled Banks -		
On Current Accounts	389,366	209,598
On Fixed Deposit Accounts	3,909	2,387
	<u>399,003</u>	<u>217,427</u>
<b>11. LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received -		
Secured - Considered Good	18	18
Unsecured - Considered Good*	373,617	311,396
	<u>373,635</u>	<u>311,414</u>
Advance payment of Tax [net of provision Rs. 255,000 (2006-07: Rs. 193,979)]	56,297	11,481
Balance with Customs, Central Excise etc.		
Unsecured - Considered Good **	87,058	85,392
Deposits		
Unsecured - Considered Good		
Security and Tender (including Deposits in Government Securities - Unquoted at cost - pledged with Government Authorities Rs. 6)	75,149	58,512
	<u>592,139</u>	<u>466,799</u>
* Includes interest accrued on deposits and others	671	1,784
Includes loans and advances made to subsidiaries	76,538	88,215
** Includes excise duty deposited for subsidiary	1,719	3,697
<b>12. LIABILITIES</b>		
Acceptances	522,075	475,456
Sundry Creditors -		
Total Outstanding Dues to Micro and Small Enterprises	13,919*	6,077
Total Outstanding Dues to Other Creditors	1,102,559**	1,026,048**
Security Deposits	10,474	7,855
Other Liabilities	467,305	466,448
Interest accrued but not due on loans	145	1,440
	<u>2,116,477</u>	<u>1,983,324</u>

\*Refer Note IV (i) in Schedule 14

\*\*Refer Note IV (ii) in Schedule 14



## Schedules

	31st March, 2008	31st March, 2007
	Rs.'000	Rs.'000
<b>13. PROVISIONS</b>		
Provision for Fringe Benefit Tax [net of advance tax : Rs. 17,287 (2006-07 : Rs. 11,566)]	1,694	2,056
Tax on distributable profit	27,096	21,677
Proposed Dividend	159,436	127,549
	188,226	151,282
<b>14. NOTES ON THE BALANCE SHEET</b>		
I. Estimated amount of Contracts remaining to be executed on Capital Account not provided for.	217,739	31,868
<p>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.</p>		
<p>III. Claims against the Company not acknowledged as debts :</p> <p>The Sales Tax, Excise, Income Tax &amp; Provident Fund Authorities have made certain claims totalling Rs. 232,978 (2006-07 : Rs. 312,856), Rs. 248,830 (2006-07 : Rs. 21,453), Rs. Nil (2006-07 : Rs. 62,280), Rs. 865 (2006-07 : Rs. 865) 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.</p>		
<p>IV. (i) Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 :</p> <p>(a) The principal amount and the interest due thereon remaining unpaid to Micro and Small Enterprises as at 31st March, 2008 is Rs. 13,897 and Rs. 22 respectively;</p> <p>(b) The amount of interest paid by the buyer in terms of Section 16 of the above Act, alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year - Rs. Nil.</p> <p>(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act - Rs. Nil.</p> <p>(d) The amount of Interest accrued and remaining unpaid as at 31st March, 2008 - Rs. 22.</p> <p>(e) The amount of further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises, for the purpose of disallowance as a deductible expenditure under Section 23 of this Act - Rs. 22.</p> <p>The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.</p>		
<p>(ii) Payable to a subsidiary company - Rs. 2,550 (2006-07 : Rs.3,416).</p>		

## Schedules

	31st March, 2008	31st March, 2007
	<u>Rs.'000</u>	<u>Rs.'000</u>
V. Miscellaneous Expenditure (to the extent not written off or adjusted) represent:		
(i) Technical Fees	—	764
	<u>—</u>	<u>764</u>
VI. (i) Secured Loans from Bank taken by wholly owned subsidiaries and outstanding as at 31st March, 2008, guaranteed by the Company	5,050	6,460
(ii) Secured Loans taken by a joint venture company, M/s Berger Becker Coatings Private Limited and outstanding as at 31st March, 2008 guaranteed by the Company	—	95,069
<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, 2008	For the year ended 31st March, 2007
	Rs.'000	Rs.'000
<b>15. OTHER INCOME</b>		
Discount	6,787	4,261
Bad Debts Recovered	421	417
Hire of Machinery	1,154	1,119
Consultancy fees	1,202	1,349
Profit on sale of Fixed Assets(net)	3,197	910
Dividend Income from Investments - Other than Trade	1,227	—
Profit on sale of investments	1,743	21
Miscellaneous *	125,659	120,857
	141,390	128,934
* Includes net profit on contracts executed - Rs. 3,990 (2006-07: Rs. 3,503)		
<b>16. MATERIALS CONSUMED</b>		
Opening Stocks -		
Raw Materials	877,087	669,593
Containers	64,799	56,820
Work-in-Process	136,207	120,645
Finished Goods	1,409,746	1,120,475
	2,487,839	1,967,533
Add : Purchases -		
Raw Materials	6,948,487	6,449,797
Containers	1,186,053	1,033,390
Finished Goods	798,252	662,970
	8,932,792	8,146,157
Less : Cost of materials sold [including cost of containers and others Rs. 17,557 (2006-07: Rs. 15,117)] and consumed in painting contracts	62,063	42,479
	8,870,729	8,103,678
Deduct : Closing Stocks -		
Raw Materials	895,692	877,087
Containers	81,201	64,799
Work-in-Process	158,217	136,207
Finished Goods	1,515,853	1,409,746
	2,650,963	2,487,839
Stock destroyed in Fire	—	28,807
	8,707,605	7,554,565
(Decrease) / Increase in Excise Duty on Stock of Finished Goods	3,893	53,738
	8,711,498 **	7,608,303 **
** Includes		
Raw Materials Consumed	6,885,376	6,214,941
Others Consumed	1,826,122	1,393,362
Materials Consumed	8,711,498	7,608,303

## Schedules

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Rs.'000	Rs.'000
<b>17. EXPENSES</b>		
Salaries, Wages, Bonus and Commission	474,732	396,222
Contribution to Provident, Superannuation and Gratuity Funds *	66,342	63,702
Staff Welfare	137,165	120,675
Freight, Octroi and Delivery	681,482	584,186
Power & Fuel	150,464	132,007
Consumption of Stores and Spare Parts	30,729	26,895
Repairs to Buildings(a)	3,493	1,024
Repairs to Machinery(a)	25,478	19,533
Repairs to Other Assets(a)	10,736	9,790
Rent	83,814	61,452
Rates & Taxes	6,715	16,711
Travelling	123,394	105,819
Advertisement and Sales Promotion Expenses	531,196	455,850
Insurance	10,421	13,489
Cash Discount	523,137	475,429
Commission to Stockists, Distributors etc.	6,101	5,233
Bad Debts written off	7,100	7,733
Directors' Fees	120	126
Commission to Non-Executive Directors	3,650	—
Auditors' Remuneration :	2007-08	2006-07
	Rs.'000	Rs.'000
Audit Fee	1,510	1,310
Other Services :		
Tax Audit	225	225
Miscellaneous Certificates and Other Matters	727	727
Reimbursement of Expenses	80	187
Other expenses (b)	458,176	390,852
	3,336,987	2,889,177
*Refer to note (xii) in Schedule 21		
(a) Includes :		
Consumption of Stores and Spare Parts	9,562	8,556
(b) Includes :		
Processing Charges	172,671	150,712
Amortisation of :		
(a) Expenses on Technical Fees	764	764
(b) Expenses on issue of ordinary shares and debentures	—	314

## Schedules

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Rs.'000	Rs.'000
<b>18. INTEREST</b>		
Interest expenditure :		
On Fixed Loan	59	53
On Others	127,706	101,080
Less : Interest income- [Tax deducted at source 2007-08 : Rs. 3,188 (2006-07 : Rs. 3,940)]	15,078	18,252
	<u>112,687</u>	<u>82,881</u>
<b>19. PROVISION FOR TAXATION</b>		
Income Tax :		
- Provision for the year	249,300	177,920
	<u>249,300</u>	<u>177,920</u>
<b>20. DEFERRED TAXATION</b>		
Liability :		
Depreciation	4,697	1,348
Amortisation of expenses in Accounts	(882)	1,848
	<u>3,815</u>	<u>3,196</u>
Less : Asset :		
Amortisation of expenses allowed as per Income Tax Act	(427)	260
Others	6,537	2,778
	<u>6,110</u>	<u>3,038</u>
	<u>(2,295)</u>	<u>158</u>

## Schedules

### 21. (i) SIGNIFICANT ACCOUNTING POLICIES

#### a) Accounting convention

The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable Accounting Standards notified u/s 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

#### 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) Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

iv) 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. Current investments are valued at lower of cost or market value.

#### 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 also valued at lower of cost or net realisable value. 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. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported at balance sheet dates using the exchange rates at the date of transactions.

#### 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) 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 six years.

#### i) Employee Benefits

Contribution made to approved Employees' Provident Fund and Superannuation Fund for certain category of employees are recognized in the Profit and Loss Account on an accrual basis.

Retirement Gratuity for employees, is funded through a scheme of Life Insurance Corporation of India. The excess / shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain / loss in the Profit and Loss Account.

Liability for Leave encashment benefit is calculated using actuarial methods at year end and provided for.

#### j) 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.

## Schedules

### k) 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. 187,885 (2006-07 : Rs. 179,433) from which has been deducted Rs. 1,417 (2006-07: Rs. 1,417) 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. 4,060 (2006-07: Net Gain Rs. 2,215).
- (c) Calculation of Earnings per Share of Rs. 2.89 (2006-07: Rs. 2.61) (Face Value Rs. 2) :  
The numerator (net profit for the year) and denominator (number of equity shares) are Rs. 920,781 (2006-07: Rs. 830,674) and 318,872,464 (2006-07: 318,871,454) shares respectively.

(iii) (a) Raw Materials Consumed	For the year ended 31st March, 2008		For the year ended 31st March, 2007	
	Quantity	Value	Quantity	Value
	MT	Rs. '000	MT	Rs. '000
Acids and Chemicals	23,407	1,163,473	20,711	977,237
Resins	16,033	1,088,093	14,392	989,379
Pigments	14,631	1,276,342	14,094	1,297,270
Solvents	42,666	1,791,546	41,043	1,740,338
Oils	10,292	548,912	9,671	401,420
Extenders	61,334	412,931	54,096	330,306
Others		604,079		478,991
		<u>6,885,376</u>		<u>6,214,941</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

	% of Total Consumption	Value Rs. '000	% of Total Consumption	Value Rs. '000
	(1) Raw Materials			
(i) Imported	13.54	932,022	15.29	950,092
(ii) Indigenous	86.46	5,953,354	84.71	5,264,849
	<u>100.00</u>	<u>6,885,376</u>	<u>100.00</u>	<u>6,214,941</u>
(2) Stores and Spare Parts				
(i) Imported	1.17	470	0.99	350
(ii) Indigenous	98.83	39,821	99.01	35,101
	<u>100.00</u>	<u>40,291</u>	<u>100.00</u>	<u>35,451</u>

## Schedules

(iv) Details of each Class of Goods Manufactured, Purchased, Sold and Stocks during the year ended 31st March, 2008

Class of Goods	Installed Capacity per annum	Opening Stocks	Production	Closing Stocks	Sales	
					Quantity	Value Rs. '000
(a) Synthetic Resin						
2007-08 (MT)	23,487	1,122	23,542	1,195	355	22,921
2006-07 (MT)	23,671	1,014	16,984	1,122	236	15,376
(b) Paints, Varnishes, Enamels, etc.						
2007-08						
Liquid (KL)		15,469	96,675	16,613	134,520	
Non-Liquid (MT)		5,708	27,578	5,908	63,829	
Total	163,227	22,724	133,921	24,182	211,801	15,192,702
(all expressed in MT)						
Value (Rs. '000)		1,409,746		1,515,853		
Others Value (Rs. '000)						1,143
Grand Total						15,216,766
2006-07						
Liquid (KL)		13,708	88,671	15,469	119,206	
Non-Liquid (MT)		4,872	24,569	5,708	56,071	
Total	155,157	19,914	120,812	22,724	185,767	13,206,074
(all expressed in MT)						
Value (Rs. '000)		1,120,475		1,409,746		
Others Value (Rs. '000)						182
Grand Total						13,221,632

- 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) 2007-08: 23114 MT (2006-07: 16640 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 62,498 MT (2006-07: 49,049 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, 2008		For the year ended 31st March, 2007	
	Quantity	Value Rs. '000	Quantity	Value Rs. '000
(c) Purchase for Resale				
Paints, Enamels, Varnishes etc.				
Liquid (KL)	4,143		2,892	
Non-Liquid (MT)	19,273		16,773	
All expressed in MT	23,830	796,668	19,954	662,509
Others		1,584		461
Total		798,252		662,970



## Schedules

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Rs. '000	Rs. '000
(v) C.I.F. value of Direct Imports		
(a) Raw Materials	952,260	947,234
(b) Capital Goods	31,938	33,012
(c) Stores and Spare Parts	2,004	644
	<u>986,202</u>	<u>980,890</u>
(vi) Remittance in Foreign Currency on account of dividend to non-resident shareholders		
(a) Financial Year for which the dividend was remitted	2006-07	2005-06
(b) Number of non-resident shareholders to whom remittance was made	1	1
(c) Number of shares on which remittance was made	25,853,760	16,158,600
(d) Dividend remitted	10,342	16,159
Remittance in Foreign Currency on account of interim dividend to non-resident shareholders		
(a) Financial Year for which the dividend was remitted	2007-08	2006-07
(b) Number of non-resident shareholders to whom remittance was made	—	1
(c) Number of shares on which remittance was made	—	25,853,760
(d) Dividend remitted	—	15,512
(vii) Expenditure in Foreign Currency during the year		
Travelling	2,601	1,295
Royalty	2,267	2,355
Shade Card	1,727	2,258
Consultancy Fees	1,257	656
Technical Knowhow	893	1,015
Interest	8,085	3,122
Others	255	457
	<u>17,085</u>	<u>11,158</u>
(viii) Earnings in Foreign Exchange during the year		
(a) F O B value of Export	8,175	12,167
(b) Consultancy Fees	1,202	1,349
(c) Royalty Income	3,848	2,042
	<u>13,225</u>	<u>15,558</u>

## Schedules

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	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	920,781	830,674
Add : Provision for Taxation - current and deferred tax	247,005	178,078
Depreciation	186,468	178,016
Directors' Fees	120	126
Share and Debenture Issue Expenses	—	314
Voluntary Retirement Scheme (refer to note xiv)	2,656	550
Wealth Tax	313	238
Managerial Remuneration (Note)	10,242	6,082
	<u>1,367,585</u>	<u>1,194,078</u>
Less : Depreciation at rates specified under Sec 350 of the Companies Act, 1956	135,389	137,315
Profit on Sale of Fixed Assets ( Net )	3,197	910
Net Profit for the purpose of Non-Executive Directors' Commission	<u>1,228,999</u>	<u>1,055,853</u>
Non-Executive Directors' Commission payable thereon at 1%	12,290	10,559
Non-Executive Directors' Commission restricted to	3,650	—
Note: (a) Managing Director's Remuneration includes		
(i) Salary	3,413	3,263
(ii) Commission	1,706	1,631
(iii) Allowances and estimated benefits in kind	552	307
(iv) Contribution to Provident, Superannuation and Gratuity Funds	921	881
	<u>6,592</u>	<u>6,082</u>
(b) Commission to Non-Executive Directors	3,650	—
	<u>10,242</u>	<u>6,082</u>

(x) Particulars of information in relation to the Company's interest in the joint venture companies :-

(a) Description of interest in the joint venture company

Name of the Company	Proportion of interest	Country of incorporation
Berger Becker Coatings Private Limited	48.98%	India
BNB Coatings India Limited	49.00%	India

(b) The aggregate amount of assets, liabilities, income and expenses related to the Company's interest in the joint venture companies as at 31st March, 2008 are as follows :

	Berger Becker Coatings Private Limited		BNB Coatings India Limited	
	2007-08	2006-07	2007-08	2006-07
Assets	312,830	313,497	46,610	—
Liabilities	167,317	175,497	6,774	—
Income	427,716	442,831	882	—
Expenses	418,733	403,600	4,845	—

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

## Schedules

### (xii) Employee Benefits :-

The company has determined the liability for Employee benefits as at 31st March, 2008 in accordance with the revised Accounting Standard 15 - Employee Benefits and adjusted Rs. 1,204 (net of deferred tax credit of Rs. 619) relating to the period upto 31st March, 2007 from the General Reserve, in terms of the said Standard.

#### i) Defined benefit plans - as per Actuarial Valuation as on 31st March, 2008.

	Gratuity Rs.'000	Leave Encashment Rs.'000	Other defined benefit plans Rs.'000
<b>A. Expense recognised in the statement of Profit &amp; Loss Account for the year ended March 31, 2008</b>			
1. Current service cost	5,424	5,508	3,164
2. Interest cost	6,500	2,571	440
3. Expected return on plan assets	7,199	N.A.	423
4. Net actuarial (gain) / loss recognised during the year	6,904	2,985	(3,834)
5. Total Expense	11,629	11,064	(653)
<b>B. Net Asset / (Liability) recognised in the Balance Sheet</b>			
1. Present value of the obligation	89,297	38,172	4,349
2. Fair value of plan assets	83,361	—	5,002
3. Funded Status [surplus / (deficit)]	(5,936)	(38,172)	653
4. Unrecognised past service cost	—	—	—
5. Net Asset / (Liability) recognised in the Balance Sheet	(5,936)	(38,172)	653
<b>C. Change in Present value of the Obligation during the year ended March 31, 2008</b>			
1. Present value of obligation as at April 1, 2007	81,714	36,244	5,504
2. Current service cost	5,424	5,508	3,164
3. Interest cost	6,500	2,571	440
4. Benefits paid	11,245	9,136	925
5. Actuarial (gain) / loss on obligation	6,904	2,985	(3,834)
6. Present value of obligation as at March 31, 2008	89,297	38,172	4,349
<b>D. Change in Fair value of plan assets during the year ended March 31, 2008</b>			
1. Fair value of plan assets as at April 1, 2007	75,880	—	2,502
2. Expected return on plan assets	7,199	—	423
3. Contributions made	11,527	9,136	3,002
4. Benefits paid	11,245	9,136	925
5. Actuarial gain / (loss) on plan assets	—	—	—
6. Fair value of plan assets as at March 31, 2008	83,361	—	5,002
<b>E. Major categories of plan assets as a % of total plan</b>	100% Qualifying insurance policy	Unfunded	100% Qualifying insurance policy
<b>F. Actuarial Assumptions</b>			
1. Discount rate	8.00%	8.70%	8.00%
2. Expected return on plan assets = actual rate of return as ARD falls on 31st March.			
3. Future salary increases considering inflation, promotion, seniority and other relevant factors.			

Note : This being the first year of adoption of Revised Accounting Standard 15 on Employee Benefits, comparatives have not been provided.

- ii) During the year, the Company has recognised the following amounts in Profit and Loss Account for defined contribution plans :
- Provident and Family Pension Fund - Rs. 37,567
  - Superannuation Fund - Rs. 16,419

## Schedules

### (xiii) Disclosures on Related Parties

							For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Related Party	Relationship	Outstanding as on 31.3.2008 (Rs. in '000)	Outstanding as on 31.3.2007 (Rs. in '000)	Payable/Receivable	Nature of transaction	Value of transaction (Rs. in '000)	Value of transaction (Rs. in '000)
(A)	U. K. Paints India Private Limited	Holding Company	25,257	15,250	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	2,880 117,902 44,590 99,055 3,759 2,475	3,144 120,712 69,255 1,524 2,675 282
(B)	Berger Becker Coatings Private Limited	Joint Venture Company	2,289	1,461	Receivable	1 Sale of Goods 2 Advance Received	428 —	19 175
(C)	BNB Coatings India Limited	Joint Venture Company	13,076	—	Receivable	1 Sale of Goods 2 Sale of fixed assets	8,985 14,211	— —
(D)	Berger Jenson & Nicholson (Nepal) Private Limited	Wholly owned Subsidiary Company	16,591	17,750	Receivable	1 Sale of Goods 2 Royalty Income	37,485 3,578	31,318 911
(E)	Beepee Coatings Private Limited	Wholly owned Subsidiary Company	27,169	12,301	Receivable	1 Charges for Processing of Goods 2 Machinery Rental Income 3 Building Rent Paid 4 Unsecured Loan given 5 Interest on Loan given	72,850 1,200 48 14,000 1,101	63,600 1,164 48 15,448 270
(F)	Berger Paints (Cyprus) Limited	Wholly owned Subsidiary Company	30,499	55,908	Receivable	1 Share Application	20,797	48,044
(G)	Berger Paints Overseas Limited	Wholly owned Indirect Subsidiary Company	3,997	7,086	Receivable	1 Sale of Goods 2 Sale of Machinery	8,777 —	13,610 155
(H)	U K Paints (Overseas) Limited	Fellow Subsidiary Company	71	77	Payable			
(I)	Mr. K. S. Dhingra	Key Management Personnel	938	62	Payable	1 Rent Paid 2 Director's commission 3 Security Deposit	748 1,000 —	249 — 62
(J)	Mr. G. S. Dhingra	Key Management Personnel	938	62	Payable	1 Rent Paid 2 Director's commission 3 Security Deposit	748 1,000 —	249 — 62
(K)	Mr. S. N. Dhingra	Relative of Key Management Personnel	62	62	Receivable	1 Rent Paid 2 Security Deposit	748 —	249 62
(L)	Mr. Subir Bose	Key Management Personnel	36	36	Receivable	1 Rent Paid	80	72
(M)	Mrs. Chandrika Bose	Relative of Key Management Personnel	36	186	Receivable	1 Rent Paid 2 Security Deposit refund received	80 150	164 —

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

(xiv) Exceptional item consists of Rs. 2,656 (2006-07 : Rs. 550) for Voluntary Retirement Scheme.

(xv) 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 - Rs. 123 (2006-07 : Rs. 66).

(xvi) All figures are in Rupees thousands.

(xvii) 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  
Gerald K Adams — Director  
Anil Bhalla — Director  
K R Das — Director  
Aniruddha Sen — Vice President &  
Company Secretary

## Cash Flow Statement FOR THE YEAR ENDED 31st MARCH, 2008

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

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Rs. '000	Rs.'000
<b>A. Cash flow from operating activities</b>		
Net profit before income tax and exceptional items	1,190,438	1,022,891
Adjusted for :		
Depreciation	186,468	178,016
Interest Income	(15,078)	(18,252)
Dividend Income	(1,227)	—
Income from sale of Investment	(1,743)	(21)
Interest Charged	127,765	101,133
Profit on sale of fixed assets	(3,197)	(910)
Provision for wealth tax	313	238
Misc. expenditure amortised	764	1,078
Foreign Currency Translation	676	(2,903)
Expenditure under Voluntary Retirement Scheme	(2,656)	(550)
Operating profit before working capital changes	1,482,523	1,280,720
Changes in :		
Trade & other receivables	(148,593)	(428,622)
Inventories	(170,260)	(524,901)
Trade & other payables	134,603	(23,471)
Cash generated from operations	1,298,273	303,726
Direct taxes paid (net of income tax refund received)	(336,389)	(279,456)
Net cash from operating activities	961,884	24,270
<b>B. Cash Flow from investing activities</b>		
Purchase of fixed assets	(447,581)	(290,098)
Sale of fixed assets	19,427	40,267
Interest received	16,191	16,545
Dividend received	1,227	—
Advance to Subsidiaries	(78,257)	(69,190)
Investment in joint venture and subsidiaries	(90,299)	—
Purchase of investments	(935,034)	(15,000)
Sale of investments	936,777	15,021
Net cash used in investing activities	(577,549)	(302,455)
<b>C. Cash flow from financing activities</b>		
Proceeds from share issue & buyback	—	147
Repayment of public deposits	(84)	(622)
Proceeds from short term loans	52,013,430	29,532,000
Repayment of short term loans	(52,095,380)	(29,586,594)
Proceeds from other loans	138,103	784,087
Interest paid	(129,038)	(100,787)
Dividend paid	(129,790)	(385,972)
Net cash used in financing activities	(202,759)	242,259
Net changes in cash & cash equivalents (A+B+C)	181,576	(35,926)
Cash & cash equivalents - opening balance	217,427	253,353
Cash & cash equivalents - closing balance	399,003	217,427
Notes to the Cash Flow Statement :		
1. Cash and cash equivalents represent :		
(a) Cash-in-hand	5,728	5,442
(b) Balance with banks	393,275	211,985
	399,003	217,427

2. 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.
3. Previous year's figures have been regrouped, wherever necessary.

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

Prabal Kr. Sarkar  
Partner  
Membership Number 52340

For and on behalf of  
LOVELOCK & LEWES  
Chartered Accountants

Kolkata  
Dated : 6th June, 2008

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

# Information Pursuant to part IV of schedule VI to the Companies Act, 1956

## Balance Sheet Abstract and Company's General Business Profile

### I. Registration Details

Registration No. 

4	7	9	3
---	---	---	---

  
 Balance Sheet Date 

3	1
---	---

 / 

0	3
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 / 

0	8
---	---

  
 Date Month Year

State Code 

2	1
---	---

### II. Capital raised during the year (Amount in Rs. Thousands)

#### Public Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

#### Bonus Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

#### Rights Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

#### Private Placement

			N	I	L				
--	--	--	---	---	---	--	--	--	--

### III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

#### Total Liabilities

		4	7	6	4	3	7	8	
--	--	---	---	---	---	---	---	---	--

#### Sources of Funds

#### Paid - up Capital

			6	3	7	7	4	5	
--	--	--	---	---	---	---	---	---	--

#### Secured Loans

			9	9	8	3	9	1	
--	--	--	---	---	---	---	---	---	--

#### Deferred Taxation

			6	5	1	0	4		
--	--	--	---	---	---	---	---	--	--

#### Application of Funds

#### Net Fixed Assets

		1	5	8	4	1	6	3	
--	--	---	---	---	---	---	---	---	--

#### Net Current Assets

		2	9	6	1	7	4	8	
--	--	---	---	---	---	---	---	---	--

#### Accumulated Losses

			N	I	L				
--	--	--	---	---	---	--	--	--	--

#### Total Assets

		4	7	6	4	3	7	8	
--	--	---	---	---	---	---	---	---	--

#### Reserves & Surplus

		2	8	5	2	3	4	2	
--	--	---	---	---	---	---	---	---	--

#### Unsecured Loans

			2	1	0	7	9	6	
--	--	--	---	---	---	---	---	---	--

#### Investments

			2	1	8	4	6	7	
--	--	--	---	---	---	---	---	---	--

#### Misc. Expenditure

									0
--	--	--	--	--	--	--	--	--	---

### IV. Performance of Company (Amount in Rs. Thousands)

#### Turnover (Net of Excise)

		1	3	3	9	6	6	8	8
--	--	---	---	---	---	---	---	---	---

#### + - Profit / Loss before tax

				1	1	8	7	7	8	2
--	--	--	--	---	---	---	---	---	---	---

#### Earning per Share in Rs.

						2	.	8	9
--	--	--	--	--	--	---	---	---	---

#### Total Expenditure

		1	2	3	4	7	6	4	0
--	--	---	---	---	---	---	---	---	---

#### + - Profit / Loss after tax

						9	2	0	7	8	1
--	--	--	--	--	--	---	---	---	---	---	---

#### Dividend rate %

										2	5
--	--	--	--	--	--	--	--	--	--	---	---

### V. Generic names of three principal Products/Services of Company (as per monetary terms)

Item code No. (ITC Code) 

3	2	0	8	9	0	.	0	2
---	---	---	---	---	---	---	---	---

Product Description 

S	Y	N	T	H	E	T	I	C	E	N	A	M	E	L					
U	L	T	R	A		W	H	I	T	E		P	A	I	N	T	S		

Item code No. (ITC Code) 

3	2	0	8	9	0	.	0	3
---	---	---	---	---	---	---	---	---

Product Description 

S	Y	N	T	H	E	T	I	C	E	N	A	M	E	L					
O	T	H	E	R		C	O	L	O	U	R	S							

Item code No. (ITC Code) 

3	2	0	9	1	0	.	0	2
---	---	---	---	---	---	---	---	---

Product Description 

A	C	R	Y	L	I	C	E	M	U	L	S	I	O	N					
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--	--	--	--

## 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, 2008	31st March, 2008	31st March, 2008	31st March, 2008
3.	Holding Company's Interest as at 31.03.08 :				
	a. No. of Equity Shares held	25,00,000 Shares of Rs. 10/- each	1,05,421 Shares of NRs. 100/- each	8,58,762 Shares of CYP £ 1 each	The Charter Capital of Roubles 1,38,86,300 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, 2008				
	i) for the financial year of the Subsidiary	(-) 4,579	(+) 8,106	(-) 348	(-) 4,480
	ii) for previous financial years of the Subsidiary since it became Subsidiary of the Company	(+) 8,940	(+) 17,656	(-) 1,373	(+) 1,174
	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  
Gerald K Adams — Director  
Anil Bhalla — Director  
K.R. Das — Director  
Aniruddha Sen — Vice President & Company Secretary

Kolkata  
Dated : 6th June, 2008

## SUMMARY OF FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2008

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	37,925	71,952	116,460	160,830	10,345	2,240	8,105
Beepee Coatings Private Limited	Indian Rupees	25,000	(1,706)	51,227	74,521	72,850 *	(4,228)	351	(4,579)
Berger Paints (Cyprus) Limited	US Dollars	71,395	(1,714)	29,742	99,423	—	(348)	—	(348)
Berger Paints Overseas Limited	Roubles	23,644	(3,477)	83,453	103,620	2,334	(4,480)	—	(4,480)

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.



## 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 Joint Venture Companies

We have audited the attached consolidated Balance Sheet of Berger Paints India Limited and its subsidiaries and joint venture companies as at 31st March, 2008, 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 joint venture companies whose financial statements reflect total assets of Rs. 819,740 (in '000) as at 31st March, 2008 and total revenues of Rs. 1,115,823 (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 companies are 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 companies 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 companies as at 31st March, 2008,
- (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 companies for the year ended on that date  
and
- (c) In the case of the consolidated Cash Flow Statement, of the consolidated cash flows of Berger Paints India Limited and its subsidiaries and joint venture companies 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, 2008**

		31st March, 2008	31st March, 2007
	Schedule	Rs. '000	Rs. '000
<b>SOURCES OF FUNDS</b>			
Shareholders' Funds			
Capital	1	637,745	637,745
Reserves and Surplus	2	2,986,156	2,250,459
		<u>3,623,901</u>	<u>2,888,204</u>
Loan Funds			
Secured Loans	3	1,118,501	975,304
Unsecured Loans	4	210,796	308,548
		<u>1,329,297</u>	<u>1,283,852</u>
Deferred Taxation	5	74,335	76,596
<b>TOTAL</b>		<u>5,027,533</u>	<u>4,248,652</u>
<b>APPLICATION OF FUNDS</b>			
Fixed Assets	6		
Gross Block		3,099,641	2,655,378
Less : Depreciation / Amortisation		1,485,593	1,297,371
Net Block		<u>1,614,048</u>	<u>1,358,007</u>
Capital Work-in-Progress - at Cost		252,061	219,605
[Includes share of Joint Venture Rs. 2760 (2006-07: Rs. 44879)]		<u>1,866,109</u>	<u>1,577,612</u>
Investments	7	12,507	12,507
Current Assets, Loans and Advances			
Inventories	8	2,864,942	2,677,957
Sundry Debtors	9	1,690,330	1,542,758
Cash & Bank Balances	10	435,989	230,108
Loans and Advances	11	569,820	450,313
		<u>5,561,081</u>	<u>4,901,136</u>
Less : Current Liabilities and Provisions			
Liabilities	12	2,224,345	2,088,189
Provisions	13	188,331	155,987
		<u>2,412,676</u>	<u>2,244,176</u>
Net Current Assets		<u>3,148,405</u>	<u>2,656,960</u>
Miscellaneous Expenditure (To the extent not written off or adjusted)		512	1,573
<b>TOTAL</b>		<u>5,027,533</u>	<u>4,248,652</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, 2008

Prabal Kr. Sarkar  
*Partner*  
 Membership Number 52340  
 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  
 Gerald K Adams — Director  
 Anil Bhalla — Director  
 K.R. Das — Director  
 Aniruddha Sen — Vice President &  
 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, 2008

	Schedule	For the year ended 31st March, 2008 Rs. '000	For the year ended 31st March, 2007 Rs. '000
<b>INCOME</b>			
Gross Turnover [Includes share of Joint Venture Rs. 487,914 (2006-07: Rs. 508,939)]		15,856,597	13,837,588
Less: Excise Duty [Includes share of Joint Venture Rs.67,269 (2006-07: Rs. 70,634)]		1,887,347	1,639,932
Net Turnover		<u>13,969,250</u>	<u>12,197,656</u>
Other Income	14	156,571	135,592
		<u>14,125,821</u>	<u>12,333,248</u>
<b>EXPENDITURE</b>			
Materials Consumed	15	9,144,673	8,008,379
Expenses	16	3,453,065	2,978,251
Interest	17	122,782	87,874
Depreciation / Amortisation [Includes share of Joint Venture Rs.4,423 (2006-07: Rs. 3,438)]		201,013	187,363
		<u>12,921,533</u>	<u>11,261,867</u>
<b>PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM</b>		1,204,288	1,071,381
Exceptional Item (Expenditure Under Voluntary Retirement Scheme)		<u>2,656</u>	<u>550</u>
<b>PROFIT BEFORE TAXATION</b>		1,201,632	1,070,831
Provision for Taxation			
Current Tax	18	252,107	179,190
Deferred Tax	19	(1,492)	868
Fringe Benefit Tax [Includes share of Joint Venture Rs.721 (2006-07: Rs. 280)]		<u>20,734</u>	<u>13,887</u>
<b>PROFIT AFTER TAXATION</b>		930,283	876,886
Profit brought forward		<u>250,000</u>	<u>250,000</u>
		1,180,283	1,126,886
Transfer to :			
General Reserve		92,078	509,504
Dividend			
- Interim		—	191,323
- Final		159,436	127,549
Tax on distributable profit		27,096	48,510
Balance carried to Balance Sheet		<u>901,673</u>	<u>250,000</u>
		<u>1,180,283</u>	<u>1,126,886</u>
Earnings per share -Basic and diluted (in Rupees)		2.92	2.75
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, 2008

Prabal Kr. Sarkar  
*Partner*  
Membership Number 52340  
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  
Gerald K Adams — Director  
Anil Bhalla — Director  
K.R. Das — Director  
Aniruddha Sen — Vice President &  
Company Secretary

## Schedules

	31st March, 2008	31st March, 2007
	Rs. '000	Rs. '000
<b>1. CAPITAL - Equity</b>		
Share Capital		
Authorised :		
325,000,000 (2006-07:325,000,000) Ordinary Shares of Rs. 2/- each	650,000	650,000
Issued :		
318,918,204 (2006-07:318,918,204) Ordinary Shares of Rs. 2/- each	637,836	637,836
Subscribed :		
318,872,464 (2006-07:318,872,464) Ordinary Shares of Rs. 2/- each fully paid-up	637,745	637,745
	637,745	637,745

Notes : Of the above Equity Shares -

- (a) 3,151,187 shares of Rs. 10/- each allotted as fully paid-up pursuant to a contract without payment being received in cash.
- (b) 257,660 shares of Rs. 10/- each allotted as fully paid-up pursuant to a contract in full redemption of Mortgage Debentures.
- (c) 26,972,214 shares of Rs. 10/- each allotted as fully paid Bonus Shares by capitalisation of General Reserve and Share Premium.
- (d) 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.
- (e) 119,577,174 shares of Rs. 2/- each allotted as fully paid Bonus Shares by capitalization of Share Premium and General Reserve.

### 2. RESERVES AND SURPLUS

	Balance at 31st March, 2007	Additions	Deductions	Balance at 31st March, 2008
	Rs. '000	Rs.'000	Rs.'000	Rs.'000
Revaluation Reserve	13,771	—	1,417*	12,354
General Reserve	1,985,053	92,078	1,497***	2,075,634**
Share Premium	111	—	—	111
Profit and Loss Account	250,000	901,673	250,000	901,673
Capital Reserve	1,877	—	—	1,877
Capital Redemption Reserve	408	—	—	408
Foreign Currency Translation Reserve	(761)	2,317	7,457	(5,901)
	2,250,459	996,068	260,371	2,986,156

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

\*\* Includes Rs. 124,104 on account of 48.98% holding in the joint venture company M/s Berger Becker Coatings Private Limited & Rs.(-)4,264 on account of 49% holding in the joint venture company M/s BNB Coatings India Limited as per proportionate consolidation principle.

\*\*\* Refer to note 9 in Schedule 20 (B)

	31st March, 2008	31st March, 2007
	Rs.'000	Rs.'000
<b>3. SECURED LOANS</b>		
Loans from Banks	1,118,501	975,304
	1,118,501*	975,304*
* Includes share of Joint Venture	100,028	95,069

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

## Schedules

	31st March, 2008	31st March, 2007
	Rs.'000	Rs.'000
<b>4. UNSECURED LOANS</b>		
Fixed Deposits *	795	879
Short Term Loans		
Banks	1	271,951
Others	210,000	35,718
	210,796	308,548
* Includes unclaimed matured fixed deposits	585	669
<b>5. DEFERRED TAXATION</b>		
Liability		
Depreciation	95,644	89,559
Amortisation of expenses in accounts	—	881
	95,644	90,440
Less : Asset		
Amortisation of expenses allowed as per Income Tax Act	6,666	4,276
Others	14,643	9,568
	21,309	13,844
	74,335 *	76,596 *
* Includes share of Joint Venture	3,720	3,184

## 6. FIXED ASSETS

	Original Cost/ Professional Valuation at 31st March, 2007***	Additions	Deletions	Original Cost/ Professional Valuation at 31st March, 2008	Depreciation				Net Book Value at 31st March, 2008	Net Book Value at 31st March, 2007
					Upto 31st March, 2007	For the Year ***	On deletions (Accumulated upto the date of sale)	Upto 31st March, 2008		
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Tangible Assets										
Goodwill ****	10,198	—	—	10,198	—	—	—	—	10,198	10,198
Land :										
Freehold	37,402	7	—	37,409	—	—	—	—	37,409	37,402
Leasehold	17,221	22,378	—	39,599	3,020	479	—	3,499	36,100	14,201
Buildings :										
Freehold *	521,158	96,148	561	616,745	123,328	18,954	34	142,248	474,497	397,830
Leasehold **	40,811	—	—	40,811	10,990	686	—	11,676	29,135	29,821
Plant and Machinery	1,486,912	258,895	6,130	1,739,877	847,727	135,965	1,812	981,880	757,797	639,185
Furniture and Fittings	57,162	24,566	276	81,452	28,998	5,229	136	34,091	47,361	28,164
Equipment	402,022	47,311	4,688	444,645	251,791	31,312	3,179	279,924	164,721	150,231
Motor Cars and Other Vehicles	69,722	19,738	12,500	76,960	30,183	8,968	9,047	30,104	46,856	39,539
Intangible Assets										
Trade Mark	8,666	—	720	7,946	—	—	—	—	7,946	8,666
Software	4,104	95	—	4,199	1,334	837	—	2,171	2,028	2,770
	2,655,378	469,138	24,875	3,099,641	1,297,371	202,430	14,208	1,485,593	1,614,048 #	1,358,007 #
Previous Year	2,429,341	293,512	67,475	2,655,378	1,136,294	188,780	27,703	1,297,371	1,358,007	45,296

# Includes share of Joint Venture

\* Partly on Leasehold Land.

\*\* Represents payments made and costs incurred in connection with acquisition of leasehold rights in certain properties for 87, 90, 95 and 99 years and are being amortised over the period of such leases.

\*\*\* Year of Revaluation      Asset Type  
 1989                      Leasehold Land, Freehold Building  
 1985                      Freehold Building  
 1993                      Freehold Land, Freehold Building

Refer to note 6 in Schedule 20 (B).

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

## Schedules

	<u>31st March, 2008</u>	<u>31st March, 2007</u>
	Rs.'000	Rs.'000
<b>7. INVESTMENTS</b>		
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
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	1
10 Shares of Charotar Gas Co. @ Rs. 500/- per share fully paid-up	5	5
	<u>12,507</u>	<u>12,507</u>
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
Birla Cash Plus - Instl. Growth	697,418	15,000
DSP Merrill Lynch Cash Plan - Retail - Growth	19,715	20,000
Kotak Floater Short Term - Growth	2,298,604	30,000
LICMF Liquid Fund	9,403,345	100,000
Reliance Floating Rate Fund - Daily Dividend Reinvestment Plan	19,936,118	200,000
Reliance Liquid Plus Fund - Retail Option - Daily Dividend Plan	100,152	100,000
Reliance Liquid Plus Fund -Institutional Option - Daily Dividend Plan	130,146	130,017
Reliance Liquidity Fund - Daily Dividend Reinvestment Option	16,001,990	160,000
Reliance Monthly Interval Fund - Series 1 - Institutional Dividend Plan	9,993,319	100,017
Sahara Fixed Maturity Plan - 3 Months - Growth Plan	1,000,000	10,000
Sahara Fixed Maturity Plan - 3 Months Series 2 - Growth Plan	2,000,000	20,000
UTI Liquid Cash Plan - Institutional (Daily Income Option)	49,092	50,000
<b>8. INVENTORIES (including in transit)</b>		
Stores and Spare Parts	44,026	35,074
Raw Materials	967,878	939,028
Containers	89,473	69,399
Work-in-Process	194,326	161,251
Finished Goods	1,569,239	1,473,205
	<u>2,864,942 *</u>	<u>2,677,957 *</u>
* Includes share of Joint Venture	106,175	101,155
<b>9. SUNDRY DEBTORS - Unsecured - Considered Good</b>		
Debts Outstanding - for a period exceeding six months		
Considered Good	48,280	41,218
Considered Doubtful	392	43
	<u>48,672</u>	<u>41,261</u>
Less: Provision for Doubtful Debts	392	43
	<u>48,280</u>	<u>41,218</u>
Other Debts	1,642,050	1,501,540
	<u>1,690,330 *</u>	<u>1,542,758 *</u>
* Includes share of Joint Venture	83,648	93,748

## Schedules

	<u>31st March, 2008</u>	<u>31st March, 2007</u>
	Rs.'000	Rs.'000
<b>10. CASH AND BANK BALANCES</b>		
Cash in hand (including cheques and remittances in transit)	7,783	5,947
With Standard Chartered Bank, Chittagong (at pre-1966 devaluation rate of Indian Rupees), Rs.36, fully written off	—	—
With Scheduled Banks		
On Current Accounts	424,248	221,774
On Fixed Deposit Accounts	3,958	2,387
	<u>435,989 *</u>	<u>230,108 *</u>
* Includes share of Joint Venture	27,906	7,836
<b>11. LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received		
Secured - Considered Good	18	18
Unsecured - Considered Good*	312,778	267,578
	<u>312,796</u>	<u>267,596</u>
Advance payment of Tax (net of provision of tax)	79,899	29,230
Balance with Customs, Central Excise etc.		
Unsecured - Considered Good	96,702	90,215
Deposits		
Unsecured - Considered Good		
Security and Tender (including Deposits in Government Securities - Unquoted at cost - pledged with Government Authorities Rs.6)	80,423	63,272
	<u>569,820 #</u>	<u>450,313 #</u>
# Includes share of Joint Venture	25,987	20,688
* Includes interest accrued on deposits and others	671	1,784
<b>12. LIABILITIES</b>		
Acceptances	522,075	475,456
Sundry Creditors		
Total outstanding dues to micro and small enterprises	13,919	6,077
Total Outstanding dues to other creditors	1,160,801	1,105,350
Security Deposits	10,474	7,744
Other Liabilities	516,931	492,122
Interest accrued but not due on loans	145	1,440
	<u>2,224,345 *</u>	<u>2,088,189 *</u>
* Includes share of Joint Venture	70,238	77,244
<b>13. PROVISIONS</b>		
Provision for Taxation (net of advance tax)	—	4,705
Provision for Fringe Benefit Tax (net of advance tax)	1,799	2,056
Tax on distributable profit	27,096	21,677
Proposed Dividend -Final	159,436	127,549
	<u>188,331 *</u>	<u>155,987 *</u>
* Includes share of Joint Venture	105	—

## Schedules

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Rs.'000	Rs.'000
<b>14. OTHER INCOME</b>		
Discount	9,978	5,504
Bad Debts Recovered	421	417
Consultancy fees	1,202	1,349
Profit on sale of Fixed Assets (net)	3,197	910
Dividend Income from Investments - Other than Trade	1,227	—
Profit on sale of investments	1,743	21
Miscellaneous **	138,803	127,391
	156,571*	135,592*
* Includes share of Joint Venture	7,648	5,769
** Includes net profit on contracts executed - Rs. 3,990 (2006-07: Rs. 3,503)		
 <b>15. MATERIALS CONSUMED</b>		
Opening Stocks		
Raw Materials	939,028	719,882
Containers	69,399	60,105
Work-in-Process	161,251	137,869
Finished Goods	1,473,205	1,167,585
	2,642,883	2,085,441
Add : Purchases		
Raw Materials	7,355,573	6,885,080
Containers	1,206,831	1,033,463
Finished Goods	801,550	662,970
	9,363,954	8,581,513
Less : Cost of materials sold [including cost of containers and others Rs. 17,407 (2006-07: Rs. 15,117)] and consumed in painting contracts	43,575	42,479
	9,320,379	8,539,034
Deduct : Closing Stocks		
Raw Materials	967,878	939,028
Containers	88,924	69,399
Work-in-Process	194,326	161,251
Finished Goods	1,569,239	1,473,205
	2,820,367	2,642,883
Stock destroyed in Fire	—	28,807
	9,142,895	7,952,785
(Decrease) / Increase in Excise Duty on Stock of Finished Goods	1,778	55,594
	9,144,673*	8,008,379*
* Includes Raw Material Consumed	7,300,555	6,638,572
Others	1,844,118	1,369,807
Materials Consumed	9,144,673**	8,008,379**
** Includes share of Joint Venture	353,746	348,795



## Schedules

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	<u>Rs.'000</u>	<u>Rs.'000</u>
<b>16. EXPENSES</b>		
Salaries, Wages, Bonus and Commission	534,521	440,508
Contribution to Provident, Superannuation and Gratuity Funds	70,730	67,610
Staff Welfare	140,163	122,089
Freight, Octroi and Delivery	691,133	592,660
Power & Fuel	176,534	154,061
Consumption of Stores and Spare Parts	38,677	33,815
Repairs to Buildings (a)	3,863	1,402
Repairs to Machinery (a)	30,472	23,695
Repairs to Other Assets (a)	12,909	11,798
Rent	87,010	62,402
Rates & Taxes	7,791	18,931
Travelling	132,307	111,864
Advertisement and Sales Promotion Expenses	556,153	471,462
Insurance	13,073	15,953
Cash Discount	523,137	483,756
Commission to Stockists, Distributors etc.	6,156	5,233
Bad Debts written off	7,449	8,445
Directors' Fees	132	141
Commission to Non-Executive Directors	3,650	—
Previous Year Expenses	531	385
Auditors' Remuneration :	<u>2007-08</u>	<u>2006-07</u>
	Rs.'000	Rs.'000
Audit Fee	2,024	1,649
Other Services :		
Tax Audit	265	284
Miscellaneous Certificates and Other Matters	727	766
Reimbursement of Expenses	<u>200</u>	<u>192</u>
Other expenses (b)	413,458	349,150
	<u>3,453,065</u> *	<u>2,978,251</u> *
* Includes share of Joint Venture	57,449	48,820
(a) Includes :		
Consumption of Stores and Spare Parts	9,562	8,556
(b) Includes :		
Processing Charges	99,964	87,112
Amortisation of :		
(a) Expenses on Technical Fees	764	764
(b) Expenses on issue of ordinary shares and debentures	—	314
(c) Deferred Revenue Expenditure	298	329

## Schedules

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	<u>Rs.'000</u>	<u>Rs.'000</u>
<b>17. INTEREST</b>		
Interest expenditure:		
On Fixed Loan	2,515	53
On Others	<u>134,419</u>	<u>106,542</u>
Less : Interest income - (Tax deducted at source Rs. 3,188 2006-07 - Rs. 3,940)	14,152	18,720
Interest on Income Tax Refund	—	1
	<u>122,782</u> *	<u>87,874</u> *
*Includes share of Joint Venture	7,669	3,790
<b>18. PROVISION FOR TAXATION</b>		
Income Tax		
Provision for the year	251,694	184,919
Adjustment in respect of earlier years	413	(5,729)
	<u>252,107</u> *	<u>179,190</u> *
* Includes share of Joint Venture	500	(1,190)
<b>19. DEFERRED TAXATION</b>		
Liability		
Depreciation	6,086	1,712
Amortisation of expenses in Accounts	(882)	1,848
Others	—	392
	<u>5,204</u>	<u>3,952</u>
Less : Asset		
Amortisation of expenses allowed as per Income Tax Act	(154)	260
Others	6,850	2,824
	<u>6,696</u>	<u>3,084</u>
	<u>(1,492)</u> *	<u>868</u> *
* Includes share of Joint Venture	536	392

## Schedules

### 20(A) SIGNIFICANT ACCOUNTING POLICIES

#### a) Accounting convention

The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable Accounting Standards notified u/s 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

#### 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) Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

iv) 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. Current investments are valued at lower of cost or market value.

#### 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 also valued at lower of cost or net realisable value. Provision is made for damaged, defective or obsolete stocks where necessary. All inventories other than Berger Becker Coatings Private Limited, BNB Coatings India Limited and Berger Paints Overseas Limited 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. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported at balance sheet dates using the exchange rates at the date of transactions.

#### 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) 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 six years.

#### i) Employee Benefits

Contributions made to approved Employees' Provident Fund and Superannuation Fund for certain categories of employees are recognized in the Profit and Loss Account on an accrual basis. Retirement Gratuity for employees, is funded through a scheme of Life Insurance Corporation of India. The excess / shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain / loss in the Profit and Loss Account. Liability for Leave encashment benefit is calculated using actuarial methods at year end and provided for. The liability for gratuity and leave encashment in respect of Berger Jenson & Nicholson (Nepal) Private Limited are accounted for on cash basis.

#### j) 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.

#### k) 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).

## Schedules

### 20(B) 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, 2008
<b>Direct Subsidiaries</b>		
Berger Jenson & Nicholson (Nepal) Private Limited	Nepal	100.00
Beepee Coatings Private Limited	India	100.00
Berger Paints (Cyprus) Limited	Cyprus	100.00
<b>Indirect Subsidiary</b>		
Berger Paints Overseas Limited	Russia	100.00
<b>Joint Venture</b>		
Berger Becker Coatings Private Limited	India	48.98
BNB Coatings India Limited	India	49.00

- 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 companies, M/s Berger Becker Coatings Private Limited and M/s BNB Coatings India Limited have been consolidated using the proportionate consolidation principle based on the audited financial statements drawn upto 31st March, 2008.

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 companies 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).

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. Claims against the Company not acknowledged as debts :

The Sales Tax, Excise, Income Tax & Provident Fund Authorities have made certain claims totalling Rs. 232,978/- (2006-07 : Rs. 312,856/-), Rs. 248,830/- (2006-07 : Rs. 21,453/-), Rs. Nil (2006-07 : Rs. 63,900/-), Rs. 865/- (2006-07 : Rs. 865/-) 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.

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

	31st March, 2008	31st March, 2007
	Rs. '000	Rs. '000
(i) Technical Fees	—	764
(ii) Deferred Revenue Expenditure - others	512	809
	<u>512</u>	<u>1,573</u>

5. Estimated amount of Contracts remaining to be executed on Capital Account not provided for [includes 2007-08 : Rs. Nil (2006-07 : Rs. 3,985/-) pertaining to the joint venture company].
- |  | 31st March, 2008 | 31st March, 2007 |
|--|------------------|------------------|
|  | 217,739          | 44,098           |
6. Gross depreciation for the year amounts to Rs.202,430/- (2006-07 : Rs. 188,780/-) from which has been deducted Rs. 1,417/- (2006-07 : Rs. 1,417/-) being extra depreciation for the year arising on revaluation of fixed assets withdrawn from Revaluation Reserve.
7. The inventory amounting to Rs. 130,554/- (2006-07 : Rs. 122,754/-) of Berger Becker Coatings Private Limited, BNB Coatings India Limited and Berger Paints Overseas Limited has been valued at FIFO method.
8. Calculation of Earnings per Share of Rs. 2.92 (2006-07 : Rs. 2.75) (Face Value Rs. 2) :
- The numerator (net profit for the year) and denominator (number of equity shares) are Rs. 930,283/- (2006-07 : Rs. 876,886/-) and 318,872,464 (2006-07 : 318,871,454) shares respectively.

## Schedules

### 9. Employee Benefits :-

The company has determined the liability for Employee benefits as at 31st March, 2008 in accordance with the revised Accounting Standard 15 - Employee Benefits and adjusted Rs. 1,497 (net of deferred tax credit of Rs. 769) relating to the period upto 31st March, 2007 from the General Reserve, in terms of the said Standard.

#### i) Defined benefit plans - as per Actuarial Valuation as on 31st March, 2008.

	Gratuity Rs.'000	Leave Encashment Rs.'000	Other defined benefit plans Rs.'000
<b>A. Expense recognised in the statement of Profit &amp; Loss Account for the year ended March 31, 2008</b>			
1. Current service cost	6,060	5,796	3,164
2. Interest cost	7,070	2,611	440
3. Expected return on plan assets	7,828	—	423
4. Net actuarial (gain) / loss recognised during the year	7,506	2,996	(3,834)
5. Total Expense	12,808	11,403	(653)
<b>B. Net Asset / (Liability) recognised in the Balance Sheet</b>			
1. Present value of the obligation	98,617	38,941	4,349
2. Fair value of plan assets	90,973	—	5,002
3. Funded Status [surplus / (deficit)]	(7,644)	(38,941)	653
4. Unrecognised past service cost	—	—	—
5. Net Asset / (Liability) recognised in the Balance Sheet	(7,644)	(38,941)	653
<b>C. Change in Present value of the Obligation during the year ended March 31, 2008</b>			
1. Present value of obligation as at April 1, 2007	89,280	36,745	5,504
2. Current service cost	6,060	5,796	3,164
3. Interest cost	7,070	2,611	440
4. Benefits paid	11,299	9,207	925
5. Actuarial (gain) / loss on obligation	7,506	2,996	(3,834)
6. Present value of obligation as at March 31, 2008	98,617	38,941	4,349
<b>D. Change in Fair value of plan assets during the year ended March 31, 2008</b>			
1. Fair value of plan assets as at April 1, 2007	82,450	—	2,502
2. Expected return on plan assets	7,828	—	423
3. Contributions made	11,994	9,207	3,002
4. Benefits paid	11,299	9,207	925
5. Actuarial gain / (loss) on plan assets	—	—	—
6. Fair value of plan assets as at March 31, 2008	90,973	—	5,002
<b>E. Major categories of plan assets as a % of total plan</b>	100% Qualifying insurance policy	Unfunded	100% Qualifying insurance policy
<b>F. Actuarial Assumptions</b>			
1. Discount rate	8.00%	8.70%	8.00%
2. Expected return on plan assets = actual rate of return as ARD falls on 31st March.			
3. Future salary increases considering inflation, promotion, seniority and other relevant factors.			

Note : This being the first year of adoption of Revised Accounting Standard 15 on Employee Benefits, comparatives have not been provided.

#### ii) During the year, the Company has recognised the following amounts in Profit and Loss Account for defined contribution plans :

- Provident and Family Pension Fund - Rs. 40,737
- Superannuation Fund - Rs. 16,419

## Schedules

### 10. Disclosures on Related Parties

								For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Related Party	Relationship	Outstanding as on 31.3.2008 (Rs in '000)	Outstanding as on 31.3.2007 (Rs in '000)	Payable/Receivable		Nature of transaction	Value of transaction (Rs in '000)	Value of transaction (Rs in '000)
(A)	U. K. Paints India Private Limited	Holding Company	25,257	15,250	Payable	1	Clearing & Forwarding Agency Commission	2,880	3,144
						2	Charges for Processing of Goods	117,902	120,712
						3	Purchase of Goods	44,590	69,255
						4	Sale of Goods	99,055	1,524
						5	Rent Expense	3,759	2,675
						6	Purchase of Fixed Assets	2,475	—
						7	Sale of Fixed Assets	—	282
(B)	U. K. Paints (Overseas) Ltd.	Fellow Subsidiary	71	77	Payable				
(C)	Mr. K. S. Dhingra	Key Management Personnel	938	62	Payable	1	Rent Paid	748	249
						2	Director's commission	1,000	—
						3	Security Deposit	—	62
(D)	Mr. G. S. Dhingra	Key Management Personnel	938	62	Payable	1	Rent Paid	748	249
						2	Director's commission	1,000	—
						3	Security Deposit	—	62
(E)	Mr. S. N. Dhingra	Relative of Key Management Personnel	62	62	Receivable	1	Rent Paid	748	249
						2	Security Deposit	—	62
(F)	Mr. Subir Bose	Key Management Personnel	36	36	Receivable	1	Rent Paid	80	72
(G)	Mrs. Chandrika Bose	Relative of Key Management Personnel	36	186	Receivable	1	Rent Paid	80	164
						2	Security Deposit refund received	150	—

11. 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 Rs. 123 (2006-2007 : Rs. 66).

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

13. Exceptional Item consists of Rs. 2,656 (2006-2007 : Rs. 550) for Voluntary Retirement Scheme.

14. All figures are in Rupees Thousands.

15. 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

Gerald K Adams — Director

Anil Bhalla — Director

K R Das — Director

Aniruddha Sen — Vice President &

Company Secretary

Kolkata

Dated : 6th June, 2008

## CONSOLIDATED CASH FLOW STATEMENT OF BERGER PAINTS INDIA LIMITED AND ITS SUBSIDIARY AND JOINT VENTURE COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2008

	For the year ended 31st March, 2008	For the year ended 31st March, 2007
	Rs. '000	Rs. '000
<b>A. Cash flow from operating activities</b>		
Net Profit before income tax & exceptional items	1,204,289	1,071,381
Adjusted for :		
Depreciation	201,013	187,363
Interest Income	(14,152)	(18,721)
Dividend Income	(1,227)	—
Income from sale of Investment	(1,743)	(21)
Interest charged	136,934	106,595
Profit on sale of fixed assets	(3,197)	(910)
Provision for wealth tax	313	238
Misc. expenditure amortised	1,061	1,407
Foreign Currency Translation	(4,464)	(4,465)
Expenditure under Voluntary Retirement Scheme	(2,656)	(550)
Operating profit before working capital changes	1,516,171	1,342,317
Changes in :		
Trade & other receivables	(213,443)	(500,412)
Inventories	(186,985)	(561,328)
Trade & other payables	137,006	(283)
Cash generated from operations	1,252,749	280,294
Miscellaneous expenditure	—	13
Direct taxes paid (net of income tax refund received)	(350,387)	(292,026)
Net cash from operating activities	902,362	(11,719)
<b>B. Cash Flow from investing activities</b>		
Purchase of fixed assets	(505,308)	(408,423)
Sale of fixed assets	13,144	40,682
Interest received	15,265	17,014
Dividend received	1,227	—
Purchase of investments	(935,034)	(15,000)
Sale of investments	936,777	15,021
Net cash used in investing activities	(473,929)	(350,706)
<b>C. Cash flow from financing activities</b>		
Proceeds from share issue	—	147
Repayment of public deposits	(84)	(622)
Proceeds from short term loans	52,013,430	29,532,000
Repayment of short term loans	(52,111,098)	(29,570,875)
Proceeds from other loans	143,197	833,054
Interest paid	(138,207)	(106,249)
Dividend paid	(129,790)	(385,972)
Net cash used in financing activities	(222,552)	301,483
Net changes in cash & cash equivalents (A+B+C)	205,881	(60,942)
Cash & cash equivalents - opening balance	230,108	291,050
Cash & cash equivalents - closing balance	435,989	230,108
Notes to the Cash Flow Statement :		
1) Cash and cash equivalents represent:		
(a) Cash-in-hand	7,783	5,947
(b) Balance with banks	428,206	224,161
	435,989	230,108
2) 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.		
3) Previous year's figures have been regrouped, wherever necessary.		

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

Prabal Kr. Sarkar  
*Partner*  
Membership Number 52340  
For and on behalf of  
LOVELOCK & LEWIS  
*Chartered Accountants*

Kolkata  
Dated : 6th June, 2008

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

## Financial Summary of Berger Paints India Limited – Five Years at a Glance

	2007-08	2006-07	2005-06	2004-05 ##	2003-04
	Rs. '000				
Sales	15,216,766	13,221,632	11,164,307	9,475,702	7,702,955
Net Sales (Sales net of Excise) @	13,396,688	11,652,334	9,809,717	8,245,778	6,706,043
% Growth	14.97	18.78	18.97	22.96	15.17
Other Income	141,390	128,934	133,827	124,828	104,000
Materials Consumed	8,711,498	7,608,303	6,291,534	5,296,872	4,197,108
Employee Cost	678,329	580,599	499,465	466,099	393,243
Other Expenses	2,658,658	2,308,578	2,006,259	1,694,646	1,437,702
Operating Profit (PBDIT & Exceptional Item)	1,489,593	1,283,788	1,146,286	912,989	781,990
% to Net Sales	11.12	11.02	11.69	11.07	11.66
Depreciation	186,468	178,016	173,923	156,869	139,292
Interest	112,687	82,881	52,771	36,382	27,932
Profit Before Tax & Exceptional Item	1,190,438	1,022,891	919,592	719,738	614,766
Exceptional Item *	2,656	550	3,159	56,957	550
Profit Before Tax	1,187,782	1,022,341	916,433	662,781	614,216
Tax	267,001	191,667	213,506	141,544	173,880
Profit After Tax	920,781	830,674	702,927	521,237	440,336
Return On Net Worth (%) **	26.48	30.27	30.84	25.68	23.76
Dividend -including Tax on Distributable Profit	186,532	367,382	454,480	317,113	239,817
Retained Earnings	734,249	463,292	248,447	204,124	200,519
Fixed Assets	2,999,232	2,586,523	2,373,047	2,004,693	1,573,400
Less : Depreciation	1,415,069	1,241,392	1,089,631	924,716	758,534
Net Fixed Assets	1,584,163	1,345,131	1,283,416	1,079,977	814,866
Investments	218,467	128,168	128,168	109,109	171,715
Current Assets	5,266,451	4,640,138	3,640,666	2,989,111	2,388,102
Less : Current Liabilities	2,304,703	2,134,606	2,262,091	1,416,797	1,037,403
Net Current Assets	2,961,748	2,505,532	1,378,575	1,572,314	1,350,699
Misc. Exp. Not written off or adjusted	—	764	1,841	3,332	6,274
Net Assets Employed	4,764,378	3,979,595	2,792,000	2,764,732	2,343,554
Share Capital	637,745	637,745 ***	398,554	398,561 ***	265,691
Reserves	2,852,342	2,120,714	1,897,883	1,651,045	1,612,039
Shareholders' Equity	3,490,087	2,758,459	2,296,437	2,049,606	1,877,730
Borrowings	1,209,187	1,153,118	427,703	644,095	387,149
Deferred Tax Liability	65,104	68,018	67,860	71,031	78,675
Net Capital Employed	4,764,378	3,979,595	2,792,000	2,764,732	2,343,554
Debt - Equity Ratio	0.35:1	0.42:1	0.19:1	0.31:1	0.21:1
Cash Earnings Per Share (Rs.)	3.47	3.16	2.75	2.13	1.82
Earnings Per Share (Rs.)	2.89	2.61	2.20	1.63	1.38
Book Value Per Share (Rs.) **	10.91	8.61	7.15	6.37	5.81
Dividend per share (Rs.)	0.50 ****	1.00	2.00	1.40	1.30
Number of employees #	2179	2045	1966	1937	1818

\* 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.

@ Excise Duty on stock of finished goods has been included in Material Consumption for FY 2007-08, 2006-07 & 2005-06. However the same were included in Excise Duty in earlier years and hence not comparable.

\*\*\* 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 by issue of 1:2 bonus shares on 12th of April, 2004 and 3:5 bonus shares on 13th October, 2006.

\*\*\*\* Proposed Dividend - Re. 0.50 per share.

## The scheme of amalgamation of Berger Auto and Industrial Coatings Limited, a wholly owned subsidiary, with the Company had been sanctioned by the Hon'ble High Court at Calcutta on 3rd March, 2005.

In view of the amalgamation effective 1st April, 2004 the figures for the year 2004-05 are not comparable with the previous year.

# Consolidated.



# BERGER PAINTS INDIA LIMITED

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

**Phone : 2229 9724-28, 2249 9754-57; Fax : 91-33-2249 9009/9729/2227 7288**

**Website : www.bergerpaints.com; E-mail : consumerfeedback@bergerindia.com**

## BERGER FACTORIES

### HOWRAH

14 & 15 Swarnamoyee Road  
Shibpur  
Howrah - 711 103  
Phone : 033-2668 4706 (4 lines)  
Fax : 033-2668 2956

### PONDICHERRY

53-56 Pandasozhanallur Village  
Nettapakkam Commune  
Pondicherry - 605 106  
Phone : 0413-269 9574/171  
Fax : 0413-269 9171

### GOA

316-317 Kundaim Industrial  
Estate, Kundaim  
North Goa  
Phone : 0832-239 5610/6407  
Fax : 0832-239 5663/239 5610

### SIKANDRABAD

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

### JAMMU

SIDCO Industrial Growth  
Centre  
Sambha, Distt. Jammu  
Jammu & Kashmir - 184 121  
Phone : 09123-246451/58/59

### RISHRA

103, G. T. Road  
Rishra  
Hooghly - 712 248  
Phone : 033-2672 0641/42

## BERGER SUBSIDIARIES

### BEEPEE COATINGS PRIVATE LIMITED

Gujarat, India

### BERGER PAINTS (CYPRUS) LIMITED

Cyprus

### BERGER JENSON & NICHOLSON (NEPAL) PRIVATE LIMITED

Bhaktapur, Nepal

### BERGER PAINTS OVERSEAS LIMITED

Russia

## BERGER DEPOTS

### HI KOLKATA

6C, Rameshwar Shaw Road, Kolkata - 700 014  
Phone : 033-2245 4361/2290 0994/2284 8012  
Fax : 033-2289 7084

243/1, B T Road, Kolkata - 700 036  
Phone : 033-2577 5081/9621, 2578 4976  
Fax : 033-2577 9613

P-1, Transport Depot Road, Kolkata - 700 088  
Phone : 033-2456 8019/021

100A & B, Kabir Subhanta Sarani  
Beliaghata, Kolkata - 700 085  
Phone : 033-6616 1801/02/03

### 1 SILIGURI

Bansal Tea Warehouse  
2nd Mile, Sevoke Road  
Siliguri - 734 401  
Phone : 0353-254 8886/5391

### 1 GUWAHATI

Hanuram Boro Path, Kachari Basti  
Dispur, Guwahati - 781 005  
Phone : 0361-234 8381/259 5169

### 1 PATNA

TPS Godown  
Anisabad Bye Pass Road  
Patna - 800 002  
Phone : 0612-225 6004/225 6006  
Fax : 0612-225 6006

### 1 RANCHI

Near Railway Over-Bridge,  
Adjacent Lala Lajpat Rai School  
Kadru Road  
Ranchi - 834 001  
Phone : 0651-233 1033/233 0487

### 1 BHUBANESWAR

Plot No. 146, Sector-A, Zone-B  
Mancheswar Industrial Estate  
Near Mancheswar Police Station  
Bhubaneswar - 751 010  
Phone : 0674-258 8719/8720  
Fax : 0674-258 8721

### 1 CUTTACK

Burdhwan Compound  
P.O. College Square  
Cuttack - 753 003  
Phone : 0671-264 9616/7584  
Fax : 0671-264 7584

### 1 RAIPUR

Ground Floor & First Floor  
Saraswati Kutir  
Behind Aligarh Safe Steel  
Jeevan Bima Marg, Pandri  
Raipur - 492 005  
Phone : 0771-242 6361/2250  
Fax : 0771-242 2250

### 1 AGARTALA

Road No. 2&3 Crossing  
Dheleswar Natunpally  
Agartala - 799 007  
Phone : 0381-220 8404  
Fax : 0381-220 2760

### 1 SHILLONG

Apphira Building, Fruit Garden  
Jowai Road  
Shillong - 793 003  
Phone : 0364-222 9587/6072  
Fax : 0364-222 6072

### HI MUMBAI

"APEEJAY HOUSE"  
Dinshaw Vacha Road  
Churchgate  
Mumbai - 400 020  
Phone : 022-2282 1067/1116, 2284 2964/3010  
Fax : 022-6634 0278

Pattanwala Glass Works  
L.B.S. Marg, Chirag Nagar  
Ghatkopar (West)  
Mumbai - 400 086  
Phone : 022-2516 8355/7398/9414  
Fax : 022-2516 6406

Ravji Sojpal Compound  
Gollandaji Hill Road, Sewree (West)  
Mumbai - 400 015  
Phone : 022-2412 5606/8876

### 1 KALYAN

Survey No. 202  
Water Supply Road  
Navi Koliwada  
At Post : Kongaon  
Taluka : Bhiwandi, Kalyan  
Distt : Thane - 421 301  
Phone : 02522-280265/281147  
Fax : 02522-280667

### 1 NAGPUR

Plot No. 5, Jain Layout  
Amravati Road  
Control Wadi, Wadi  
Nagpur - 440 023  
Phone : 07104-221512/221529  
Fax : 07104-221512/221529

### 1 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

**1 NASHIK**

Baphana Warehousing  
 Gate Nos. 102 & 103  
 Ambe Hill, 10th Mile  
 Mumbai - Agra Highway  
 Jaulke, Dindori  
 Distt. : Nashik, Maharashtra  
 Phone : 0255-727 9015  
 Fax : 0255-727 9015

**1 AURANGABAD**

C-18, MIDC Panderpur Waluj  
 Aurangabad - 431 136  
 Phone : 0240-255 5177/5178  
 Fax : 0240-255 5177/5178

**1 GOA**

"Shrinivas Estate", Arlem Junction  
 Chalta No. 39 P.T. Sheet No. 27  
 Fatorda, Margao, Goa - 403 601  
 Phone : 0832-274 9758/59  
 Fax : 0832-2749 7607

**1 AHMEDABAD**

12, 13 & 14, V L Estate  
 Near Jamnagar Transport Company  
 Sarkhej Balwa Road  
 Sarkhej  
 Ahmedabad - 382 210

**1 RAJKOT**

Plot No. 9, 10, 11, Survey No. 112/1  
 Ruda Transport Nagar, Anandpar  
 Navagam, Rajkot - 360 003  
 Phone : 0281-270 2563/2564  
 Fax : 0281-270 2564

**1 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

**1 SURAT**

Survey No. 94/5, B/h  
 Manav Daya Trust Hospital  
 Opp. HPL-LPG Refilling Station, Surat  
 Kadodara Road, AT Saroli, Tal. Choryasi  
 Distt. Surat - 394 210  
 Phone : 0261-264 6440/264 8614  
 Fax : 0261-264 8614

**1 INDORE**

178/1, Piplia Rao, A. B. Road  
 Opp. Bhopal Motors  
 Indore - 452 001  
 Phone : 0731-236 4207/402 3635  
 Fax : 0731-246 6175

**1 BHOPAL**

12-B, Industrial Estate  
 Govindpura, Bhopal  
 Phone : 0755-426 1495/426 7374  
 Fax : 0755-426 1495

**1 GWALIOR**

39/2322-23, Sakhia Vilas  
 Jhansi Road, Lashkar  
 Gwalior - 474 001  
 Phone : 0751-232 7071  
 Fax : 0751-232 7071

**1 JABALPUR**

Plot No. 4/7, Block 12  
 Namak Kothi Compound  
 Kanchghar Road  
 North Civil Lines  
 Jabalpur - 482 001  
 Phone : 0761-262 0532/9563  
 Fax : 0761-262 9563

**HI NEW DELHI**

D-14/2, Okhla Industrial Area, Phase II  
 New Delhi - 110 020  
 Phone : 011-2638 4714/4796/7256  
 Fax : 011-2638 5644  
 12/3, Asaf Ali Road  
 New Delhi - 110 002  
 Phone : 011-2325 3494/3515  
 Fax : 011-2328 2366

Block-A-1, Plot B-2 & B-3  
 Pankha Road, Janakpuri  
 New Delhi - 110 001  
 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  
 Fax : 011-2211 8880

102 & 103 DDA Transport Centre  
 Punjabi Bagh Chowk  
 New Rohtak Road  
 New Delhi - 110 035  
 Phone : 011-2511 7460/7461, 2831 6922/6923  
 Fax : 011-2543 8880

Industrial Plot No. E-12, SMA  
 Industrial Estate  
 G.T. Karnal Road  
 New Delhi - 110 033  
 Phone : 011-2769 2270/71/72

**HI LUCKNOW**

6, Hal Ancillary Complex  
 Ismailganj, Faizabad Road  
 Lucknow - 226 016  
 Phone : 0522-272 1726/27  
 Fax : 0522-272 1729  
 E-126 Transport Nagar  
 Kanpur Road, Lucknow - 226 010  
 Phone : 0522-243 6846/243 9377

**1 GHAZIABAD**

100 New Arya Nagar, Patel Marg  
 Ghaziabad - 201 001  
 Phone : 0120-285 2093/285 1081  
 Fax : 0120-285 2093  
 41-44, New Arya Nagar  
 Patel Marg  
 Ghaziabad - 201 001

**1 DEHRADUN**

108/3 Chander Nagar  
 Dehradun - 248 001  
 Phone : 0135-262 9809  
 Fax : 0135-272 2366

**1 VARANASI**

Pama Complex, DLW Road  
 Shivadaspur, Lehartara  
 Varanasi - 221 002  
 Phone : 0542-237 1041/42  
 Fax : 0542-237 1042

**1 AGRA**

1/2, Mau Road  
 Opp. Ganapati Apartments  
 Khandari, Bye Pass Road  
 Agra  
 Phone : 0562-253 0688/253 1422

**1 KANPUR**

84/1-B, Fazalganj, Industrial Area  
 Kanpur - 208 012  
 Phone : 0512-224 2259/60/61  
 Fax : 0512-224 2262

**1 BAREILLY**

Clutter Buck Ganj  
 Opp. GTI 7th Km. Stone  
 Bareilly (UP) - 243 502  
 Phone : 0581-248 0340/0940  
 Fax : 0581-255 0481

**1 HALDWANI**

Jai Singh Farm  
 Aonla Choki Road  
 Gaujajali  
 Uttar Haldwani  
 Phone : 05946-245648/245652  
 Fax : 05946-234006

**1 NOIDA**

B-20, Sector-3, Noida  
 Phone : 0120-253 3681/254 4164  
 Fax : 0120-254 5776

**1 LUDHIANA**

4B-Extension Industrial Area-A  
 Ludhiana - 141 003  
 Phone : 0161-222 3581/5216  
 Fax : 0161-260 5039

**1 GURGAON**

Kataria Complex  
 Khasra No. 10947/7283/2918/2  
 Daultabad Road Industrial Area  
 Gurgaon  
 Phone : 0124-225 5470/473

**1 GORAKHPUR**

Bindra Complex, S-1  
 Transport Nagar  
 Gorakhpur - 273 001  
 Phone : 0551-233 4244/4245

**1 PARWANOO**

Plot No. 43A, Sector - 1  
 Industrial Area  
 Parwanoo - 173 220  
 Phone : 0179-264 5012

- 1 PANCHKULA**  
Plot No. 60  
Industrial Area  
Phase - I  
Panchkula
- 1 MOHALI**  
421, Industrial Area  
Phase - IX  
Mohali, Punjab - 160 059  
Phone : 0172-509 5105/06
- 1 BHATINDA**  
E-21  
Old Industrial Area  
Bhatinda
- 1 JALANDHAR**  
C/o Handa Ice Factory  
Santokhpura  
Hoshiarpur  
Jalandhar - 144 044  
Phone : 0181-265 1096/0049
- 1 CHANDIGARH**  
Village Dariya, Ut Chandigarh  
(Opp. Chandigarh Rly Stn.)  
Phone : 0172-645 0261
- 1 JAIPUR**  
114A-115A  
Jhotwara Industrial Area  
Jaipur - 302 012  
Phone : 0141-234 4162/234 4054
- 1 JODHPUR**  
7-A(I), Heavy Industrial Area  
Shastri Circle, Jodhpur  
Rajasthan - 342 003  
Phone : 0291-274 4792/262  
Fax : 0291-274 4262
- 1 FARIDABAD**  
Plot No. 7A, Sector 24  
Industrial Area  
Faridabad - 121 005  
Phone : 0129-223 0936/223 7036  
Fax : 0129-223 3436
- 1 JAMMU**  
Krystal Ice Factory  
Kunjwani, By-pass Crossing  
Jammu - 180 010  
Phone : 0191-248 3455/895
- HI CHENNAI**  
126, Peters Road  
Chennai - 600 086  
Phone : 044-2835 3752/2295/0242  
Fax : 044-2835 0189  
Plot No. D-18  
Ambattur Industrial  
Estate, Ambattur  
Chennai - 600 058  
Phone : 044-2635 7835/6/7/8/9
- 1 PONDICHERRY**  
8, Main Road  
Gnanapragasam Nagar  
Pondicherry - 605 008  
Phone : 0413-224 9035/8098  
Fax : 0413-224 8098
- 1 COIMBATORE**  
1/1 Mettupalayam Road  
Cheran Nagar-P.O.  
Coimbatore - 641 029  
Phone : 0422-243 4508/243 1132  
Fax : 0422-243 1132
- 1 TRICHY**  
No. 249/2B, Opp. Sit Hostel  
Tanjavur Main Road  
Ariyamangalam  
Trichy - 620 208  
Phone : 0431-244 1476/71  
Fax : 0431-244 0104
- 1 MADURAI**  
'Sundara Bhavanam'  
Door No. 175  
Kamarajar Salai  
Madurai - 625 009  
Phone : 0452-262 8274/8312  
Fax : 0452-262 9023
- 1 HOSUR**  
Plot No. 9, Sidco Industrial Estate  
Sipcot Phase - III, Hosur - 635 126  
Tamil Nadu  
Phone : 04344-274939/929
- HI 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  
Garvebha 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
- 1 MANGALORE**  
No. 20-1085, Nereshwalya Cross Road  
Beside Rosario School & Church  
Bunder, Mangalore - 575 001  
Phone : 0824-242 8221/244 3622  
Fax : 0824-244 3622
- 1 HUBLI**  
Vanashri Traders Compound  
Torvi Hakkal, Mill Road  
Hubli - 580 024  
Phone : 0836-221 8025/27  
Fax : 0836-226 8241
- 1 MYSORE**  
No. 92 'A' Layout  
Bannimantap Industrial Area  
Mysore - 570 015  
Phone : 0821-249 6633/77
- HI KOCHI**  
Survey No. 616/A, 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
- 1 THRISSUR**  
3/165, Wheels Real Estate  
Chelakkottukara  
Moospet Road, P. O. East Fort  
Thrissur - 680 005  
Phone : 0487-242 9846/242 9836  
Fax : 0487-242 9846
- 1 KOZHIKODE**  
19/1051, Puthiyapalam Road  
Thali  
Kozhikode - 673 002  
Phone : 0495-270 0906/3412/4822
- 1 KOTTAYAM**  
Door No. 456, Goods Shed Road  
Ward No. VIII  
Muttambalam  
Kottayam - 686 001  
Phone : 0481-230 2669/2670  
Fax : 0481-230 2669
- 1 THIRUVANANTHAPURAM**  
TC No. 18/1958  
Soumya Theatre Complex  
Thirumala  
Thiruvananthapuram - 695 006  
Phone : 0471-235 9121/22  
Fax : 0471-235 9123
- 1 SECUNDERABAD**  
Survey No. 133  
Plassey Lanes  
Bowenpally  
Secunderabad - 500 011  
Phone : 040-2795 3677/88/99  
Fax : 040-2795 5006
- 1 VISAKHAPATNAM**  
32-1-201, Bowdara Road  
Visakhapatnam - 530 004  
Phone : 0891-250 2087/273 1820  
Fax : 0891-250 2087
- 1 VIJAYAWADA**  
R.S. No. 171/2  
Kanuru Donka Road, Enikepadu  
Vijayawada Rural Mandal  
Krishna District - 521 108  
Phone : 0866-284 3641/42  
Fax : 0866-284 3640
- 1 TIRUPATI**  
Do No. 3/95, S No. 240/1  
Srinivasa Puram  
Tiruchanoor Road  
Tirupati  
Phone : 0877-223 9395  
Fax : 0877-223 9200

## RAJDOOT DIVISION DEPOTS

### 1 NEW DELHI

A-13, Mayapuri, Phase - II  
 New Delhi - 110 064  
 Phone : 011-2811 5672/2811 7479/3257 3141  
 Fax : 011-2811 5672

3976/80, Ajmeri Gate Corner  
 Ajmeri Gate, New Delhi  
 Phone : 011-2321 6792/3257 3212  
 Fax : 011-2321 6792

400 Yards, Sultanpur  
 Mehrauli Gurgaon Road  
 New Delhi  
 Phone : 011-2680 2293/3257 3398  
 Fax : 011-2680 2293

### 1 FARIDABAD

3D/44 A (B.P), NIT  
 Faridabad, Haryana - 121 001  
 Phone : 0129-242 6440/320 9885  
 Fax : 0129-242 6440

### 1 PANIPAT

Plot No. 94, Sector-25, Part - II  
 Panipat - 132 103  
 Phone : 0180-320 9805

### 1 KANPUR

123/361, Fazal Ganj  
 Industrial Area, Kanpur  
 Phone : 0512-223 6761/223 0974/320 9738  
 Fax : 0512-223 0974

### 1 GHAZIABAD

C-213, SITE-I, Bulandsahar Road Industrial Area  
 (Opp. Silver City)  
 Ghaziabad, U.P. - 201 009  
 Phone : 0120-326 9987/329 2682  
 Fax : 0120-286 6790

### 1 NOIDA

H-102 & 103, Sector-9  
 Noida - 201 301  
 Phone : 0120-310 4829

### 1 VARANASI

Pama Complex  
 Lahartara DLW Road  
 Near Vishal Auto Agencies  
 Lahartara, Varanasi (UP) - 221 010  
 Phone : 0542-237 2279/320 9989  
 Fax : 0542-237 2278

### 1 HALDWANI

8-182/1, Aish Bagh  
 Kaladhungi Road, Ward No.8  
 Haldwani  
 Phone : 05946-254596/326984  
 Fax : 05946-254596

### 1 CHANDIGARH

S.C.O. 268, Sector-32-D  
 Chandigarh  
 Phone : 0172-260 5149/266 3823/320 9987  
 Fax : 0172-260 5149/266 3823

### 1 SOLAN

C/o Nirman Ghar (Basement)  
 Near Fire Station  
 Sector-3, Parwanoo  
 Distt. Solan (H.P) - 173 220  
 Phone : 01792-320757/232002  
 Fax : 01792-232002

### 1 JALANDHAR

Asiatic Compound  
 Basti Baba Khel  
 Kapurthala Road, Jalandhar  
 Punjab - 144 001  
 Phone : 0181-265 1096/320 9989/265 0049  
 Fax : 0181-265 1096

### 1 LUDHIANA

Plot No. 270, Industrial Area-A  
 Near SBI, Ludhiana  
 Punjab  
 Phone : 0161-320 5552/222 0270  
 Fax : 0161-222 0270

### 1 JAMMU

Bagh Lala, Mast Ram Vaid  
 Sukhsaja, Palace Road  
 Baghkhoovala  
 Digana, Jammu - 180 001  
 Phone : 0191-245 1657/245 3816  
 Fax : 0191-245 3816

### 1 PATNA

Behind Reserve Bank of India  
 Off Exhibition Road  
 Patna - 800 001  
 Phone : 0612-232 1279/326 1558  
 Fax : 0612-232 1279

### 1 GUWAHATI

Godown Number-1  
 Eastern Agro Processing & Tea Ware Housing  
 Society Complex  
 Jawahar Nagar  
 Near Basistha Chariali  
 Bye Pass Road, P.O. : Basistha  
 Guwahati - 781 029  
 Phone : 0361-230 7336/339

### 1 RANCHI

Road No. A-1, Hawaii Nagar  
 Near Birsa Chowk  
 Khunti Road  
 Ranchi - 834 002  
 Jharkhand  
 Phone : 0651-225 3746/320 9987  
 Fax : 0651-225 3746

### 1 PUNE

C/o Nath Warehousing Co.  
 Survey No. 164, Fursungi Road  
 Taluka Haveli  
 Pune - 412 308  
 Phone : 020-3254 9910/2698 0158  
 Fax : 020-2698 0158

### 1 GOA

No. : 56/C Vivenda Gaurish Nirboga  
 Camurlin-Village, Post Loutulim  
 Salcette Goa - 403 705  
 Phone : 0832-326 4142

### 1 INDORE

20, Navalakha Timber  
 Scheme (1st Floor), Lohamandi  
 Indore - 452 001  
 Phone : 0731-320 9486/408 8473  
 Fax : 0731-408 8473

### 1 MUMBAI

Plot No. C-8/2, TTC Industrial Area  
 Pawane MIDC  
 Thane Belapur Road  
 Navi Mumbai - 400 705  
 Phone : 022-3216 8090

### 1 AHMEDABAD

1-4, Tirupati Estate, Opp. Kaydee House  
 Nr. IBP Petrol Pump  
 Aslali Bye Pass N.H.No. 8  
 Aslali, Distt. Ahmedabad  
 Phone : 02718-261072/321800  
 Fax : 02718-261074

### 1 KOCHI

50/1195, Ponevazhi Road  
 Edappally North  
 Edappally  
 Kochi - 24  
 Phone : 0484-326 9969/280 0376  
 Fax : 0484-280 1880

### 1 KOZHIKODE

1/90 D & E, Davood Chambers  
 Butt Road, Chungam  
 P.O. West Hill  
 Kozhikode  
 Kerala - 673 005  
 Phone : 0495-326 8877/238 0455/238 0492  
 Fax : 0495-238 0492

### 1 BANGALORE

No. 114/16, Patel Puttiah Industrial Estate  
 Mysore Road  
 Bangalore - 560 026  
 Phone : 080-3293 5557/2675 2865/2675 2896  
 Fax : 080-2675 2865

### 1 JAIPUR

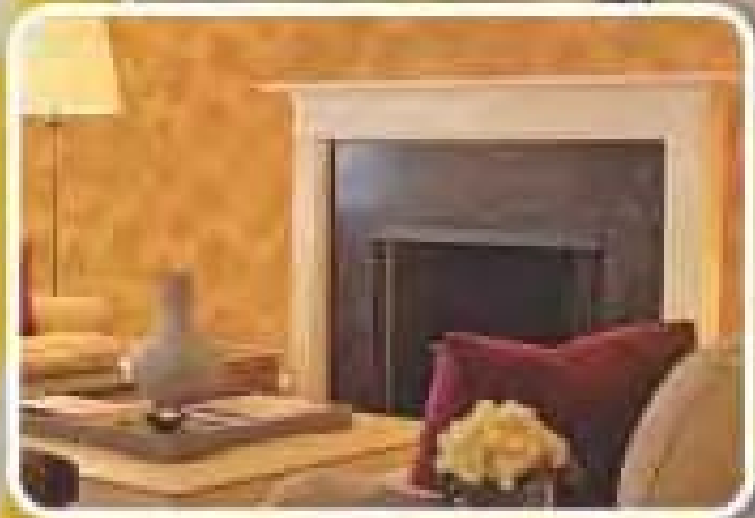
35-A, Tagore Nagar  
 Near D.C.M.  
 Ajmer Road  
 Jaipur - 302 024  
 Phone : 0141-235 3741/326 9963  
 Fax : 0141-235 6426

### 1 SECUNDERABAD

Plot No. 17-18, Bhel Colony  
 Rasoolpura  
 Secunderabad - 500 003  
 Andhra Pradesh  
 Phone : 040-2790 4495/3299 9779  
 Fax : 040-2790 4495

### 1 VADODARA

M/s Banker's Brothers  
 Estate No. 1  
 N.H.No. 8  
 AT & PO Padamla  
 Distt. Vadodara - 391 350  
 Phone : 0265-224 3170  
 Fax : 0265-224 3170



Metallica is a paint per excellence which is available in a range of shades including the ever popular gold and silver and allows you to create your own imaginative designs. No other paint can be so gorgeous and so elegant at the same time in such a perfect way. It makes your walls speak of a unique and distinctive style. So, if you are looking for the extraordinary, the chic, the rare, your search ends here.

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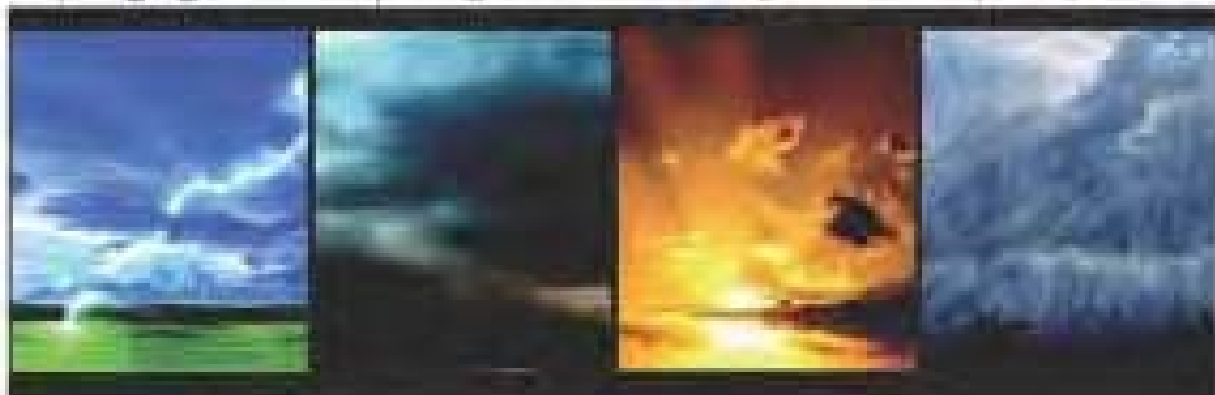


# fungus guard

# dust guard

# sun guard

# rain guard



WeatherCoat All Guard, a premium acrylic emulsion for exterior walls provides enhanced dirt, fungus and water resistance and protects your home against every critical weather element.





Illusions is an exclusive range of designer exterior and interior paint featuring breathtaking patterns and textures. With its unlimited palette of shades and designs, Illusions turns your walls into masterpieces.



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