

BERGER PAINTS BANGLADESH LIMITED





ANNUAL REPORT 2020-21

The design of Annual Report is about the bountiful colours of nature and the texture of the paint roller creating the captivating images. These colours come together to create a beautiful scenario in one's life and the paint roller blends them to perfection. It relates to the paints business and its implementation.



Vision

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

Mission

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





Our Spirit

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

Our Corporate Objective

Our aim is to add value to life, to outperform the peers in terms of longevity, customer service, revenue growth, earnings and cash generation.

We will be the employer of choice for all existing and future employees.





Our Strategy

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

Our Values

Respect: Show an attitude of courtesy, admiration or esteem
 Integrity: Act consistently with Berger's mission, being honest and transparent in what we do and say and accept responsibility for our collective and individual actions
 Commitment: Be sincere and steadfast to protect Berger's interest and achieve goals

Excellence: Never be satisfied with simply meeting expectations; always try to exceed them significantly





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The Company

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

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

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

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

With its strong distribution network, Berger has reached almost every corner of Bangladesh. The nationwide dealer network, supported by sales depots strategically located at Dhaka, Chattogram, Rajshahi, Khulna, Bogura, Sylhet, Cumilla, Mymensingh, Barishal, Rangpur, Feni and Brahmanbaria has enabled them to strategically cater to all parts of the country.

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

As part of the company's endeavor for excellence and better service, Berger has expanded its operations to manufacture coil coatings through its joint venture with Becker Industrial Coatings Holding AB, Sweden named- Berger Becker Bangladesh Limited. Berger Fosroc Limited is another joint venture with global leader Fosroc International Limited to cater world-class construction chemicals to Bangladesh. Berger Paints Bangladesh Ltd. and Chogoku Marine Paints Ltd of Japan have entered into an agreement for manufacture of marine and related industrial paints in Bangladesh. Berger is the first Bangladeshi company to manufacture such world-class marine paint products in the country.

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



Locations

REGISTERED & CORPORATE OFFICE

Berger House, House No. 8, Road No. 2 Sector No. 3, Uttara Model Town, Dhaka-1230 Phone: +88-02-48953665 (Hunting), Fax: +88-02-48951350 E-mail: info@bergerbd.com, Web Site: www.bergerbd.com

FACTORIES & PLANTS

Dhaka Factory

102, Mouja-Taksur, Nabinagar, Savar, Dhaka Phone: +88-02-7791964, +88-02-7791620 Fax: +88-02-7791894, E-mail: dhakafactory@bergerbd.com

Chattogram Factory

27-D, FIDC Road, Kalurghat Heavy Industrial Area, Chattogram-4212 Phone: +88-031-670472, Fax: +88-031-671639 E-mail: chittagongfactory@bergerbd.com

Emulsion Plant

102, Mouja-Taksur, Nabinagar, Savar, Dhaka Phone: +88-02-7791964, Fax: +88-02-7791894

Powder Coating Plant

102, Mouja-Taksur, Nabinagar, Savar, Dhaka Phone: +88-02-7791964, Fax: +88-02-7791894

SALES OFFICES

Dhaka Sales Office (Central Region) 273-276, Tejgaon Industrial Area, Dhaka-1208 Phone: +88-02-8870232-43, Fax: +88-02-8870232 Email: dhksales@bergerbd.com

Dhaka Sales Office (South Region)

Paiti, Matuail, Demra, [Dhaka-Demra highway], Dhaka Phone: +88-02-7500525, 7502538, 7501049, 7501069 E-mail: dhksouth@bergerbd.com

Dhaka Sales Office (North Region)

Doyel Centre (4th Floor) 15 Sonargaon Janapath Road, Sector-13 Uttara, Dhaka-1230, Phone: 01321133549

Chattogram Sales Office

43/3, Chatteswari Road, GPO Box No. 353, Chattogram-4000 Phone: +88-031-615893-4, 622782, 620960, Fax: +88-031-620507 E-mail: chittagongsales@bergerbd.com

Barishal Sales Office

2157, South Shagordi, Hazi Bari Road, Barishal Phone: +88-0431-72030, E-mail: barisaldepot@bergerbd.com

Bogura Sales Office

House No. 2996/3, Ward-15, Tinmatha Railgate Dhaka-Rangpur Highway, Puran Bogura, Bogura-5800 Phone: +88-051-63319, 62999, 62567 E-mail:bogradepot@bergerbd.com

Brahmanbaria Sales Office

Harez Kazi Bari, Ghatura-1, Brahmanbaria Sadar Brahmanbaria-3400, Phone: +88-0851-61332, 0851-62686

Cumilla Sales Office

214, Ashrafpur, EPZ Road, Cumilla-3500 Phone: +88-081-63403, 72940, E-mail:comilladepot@bergerbd.com

Feni Sales Office

Holding No. 1031 [On Dhaka - Chattogram Highway, in front of BISIC Road] Ward No. 5, 2 no. Panchgachia Union, Bathania, Feni - 3900 Phone: 01844147450

Khulna Sales Office

17, old Jessore Ropad, Boyra, (opposite of Port School) Khulna-9000, Phone: 041-722262

Mymensingh Sales Office

291/2/2, Mashkanda BSCIC, Mymensingh Phone: 091-51754, 01938887561 E-mail:mymensinghdepot@bergerbd.com

Rajshahi Sales Office

Holding 1448, Ward 03, Colony- Jomshadipur, Motihar, Katakhali, Rajshahi Phone: 0721-773512, E-mail:rajshahidepot@bergerbd.com

Rangpur Sales Office

House-120, Road-1, New Adarshapara Ershad More, Rangpur Phone: 01711297836

Sylhet Sales Office

70, Antarango, Shahi Eidgah (Supply Road), Kazitulla, Sylhet-3100 Phone: 0821-711399, 283123, E-mail: sylhetdepot@bergerbd.com

Berger Experience Zone (Cox's Bazar)

Corenthian House, Holding No. 089, Kolatoli Road, Cox's Bazar, Contact : 01844147415

Berger Experience Zone (Dhanmondi)

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

Berger Experience Zone (Gulshan)

Concord Baksh Tower, Unit-1-A (1st Floor), Plot-11/A, Road-48, CWN, Gulshan-2, Dhaka-1212, Phone: 01938888775 E-mail: decor@bergerbd.com

Berger Experience Zone (Narayanganj)

Zobeda Monzil (Beside Rupayan Tower), 3/1 new Chashara, Jamtola, Narayanganj-1400, Phone: 01938887602

Berger Experience Zone (Uttara)

8, Garib E Newaz Avenue, Sector # 13, Uttara, Dhaka-1230 Phone: 01977294166 E-mail: decor uttara@bergerbd.com

SUBSIDIARY COMPANY

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

ASSOCIATE COMPANY

Berger Becker Bangladesh Ltd.

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

Berger Fosroc Ltd.

Berger House, House No. 8, Road No. 2 Sector No. 3, Uttara Model Town, Dhaka-1230 Phone: 02-48953665 (Hunting), Fax: 880-2-48951350





Board of Directors & Executive Management Team

Board of Directors

Mr. Gerald K. Adams Ms. Rupali Chowdhury Mr. Kuldip Singh Dhingra Mr. Anil Bhalla Mr. Jean-Claude Loutreuil Ms. Rishma Kaur Mr. Anis A. Khan Mr. Anis A. Khan Mr. Kanwardip Singh Dhingra Mr. Masud Khan Mr. Abhijit Roy Ms. Parveen Mahmud Mr. Sunil Sharma Mr. Sazzad Rahim Chowdhury

Executive management team

Ms. Rupali Chowdhury Mr. Sazzad Rahim Chowdhury Mr. Md Mohsin Habib Chowdhury Mr. A S M Obaidullah Mahmud Mr. Mohammad Nazim Uddin Helali Mr. Mushfegur Rahman Mr. Raguibul Alam Mr. Abul Kasem Mohammad Sadegue Nawaj Mr. Mohammad Abu Nader Al Mokaddes Mr. Anupam Paul Mr. H M Rakib Ullah Bashar Mr. Muhammad Kawsar Hasan Mr. Md Golam Mostofa Mr. Mohammad Azizul Hoque Mr. Syed Mizanur Rahman Mr. Mohammad Khasru Meah Mr. A M M Sajjad Mr. S M Tamjeed Hasan Mr. Md Faridul Alam Mr. Md Hasanuszzaman Mr. Md Razibur Rahman Mr. Nazrul Islam Mr. Md Ata I Muneer Mr. Sved Rashedul Alam Mr. Mohammad Shahadat Islam Mr. Sabuj Swapan Barua Mr. Md Masudul Hasan Mr. Golam Mohammad Moinuddin Mr. Md Abdus Sabur Khan Mr. Khandker Abu Jafar Sadigue Mr. Asif Mahmud Taiseer Mr. Shabbir Ahmad Mr. Faisal Ahmad Ms. Rahat Afroze Mr. Md Abu Imtiaz Chowdhury Mr. Shoab Mahmood Al Naoshad Mr. Md Mokhlechur Rahman Mr. Iftekhar Ahmed Ronnie Mr. A M M Fazlur Rashid Mr. Kakan Chandra Dev Mr. Jamil Ahmed

Non-Executive Chairman Managing Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Independent Director Non-Executive Director Director & Chief Financial Officer

Managing Director Director & Chief Financial Officer Sr General Manager Sales & Marketing General Manager R&D CEO JNBL General Manager HR & Admin General Manager Supply Chain General Manager Marketing General Manager IT General Manager Works - DF General Manager FPM & CFO Berger JVs General Manager Works - CF General Manager Treasury & Financial Accounting General Manager - Sales Trade HR BP Sales & Manufacturing Head Financial Planning & Monitoring Head Admin & Employee Relations - CF Sr Solution Architect Head Engineering - CF National Sales Manager, Non-decorative Head ERP Administration Divisional Sales Manager Divisional Sales Manager Head Vendor Dev and R&D Compliance - DF Head Financial Accounting Divisional Sales Manager Head Production - CF Head Production - DF Head VAT Company Secretary Head Treasury Management Head Projects Prolinks Experience Zone Divisional Sales Manager Head Organization Development Head Supply Planning & Purchase Head IT Infrastructure, Governance & Sec Head Special Coating & Chemicals Head Legal Affairs Head Channel Engagement Head Demand Supply Planning & CSD Head Compensation & HR Operations



Biography of the Directors



Mr. Gerald K. Adams Chairman since 2004

Ms. Rupali Chowdhury

of Orica Consumer Products (Australia and New Zealand); President and CEO of Box USA (USA); Chief Executive of Amcor Fibre Packaging (Australia); Vice President and Director, Business Development, of Kraft Foods, (Asia-Pacific); and consultant, the Boston Consulting Group (USA). He has also served as the interim Dean of the University of Adelaide Business School. He was educated at the Harvard Business School (MBA, 1979); and the University of Washington (BA, 1975). He is a Fellow of the Australian Institute of Company Directors. Mr. Adams was born in 1953 in the US and now resides in Australia.

Mr. Jerry Adams is a professional company director. His directorships include: Chairman, Berger Paints Bangladesh Ltd.; Chairman, Bolix SA [a building materials company in Poland]; Chairman, Jenson & Nicholson (Bangladesh) Limited; the University of Adelaide Business School Advisory Board. His previous executive roles include: Managing Director

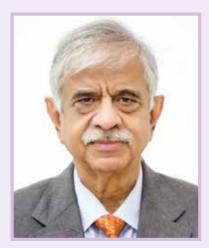
Managing Director since 2008

Ms. Rupali Chowdhury is an MBA from IBA, University of Dhaka, and completed her Graduation with Honors in Chemistry from the University of Chittagong. She started her career with the multinational pharmaceutical and chemical Company, Ciba Geigy (Bangladesh) Limited and was Brand Manager while leaving the company in 1990. Ms. Rupali Chowdhury joined Berger Paints Bangladesh Limited in 1990 as Planning Manager and during her tenure she worked for various departments such as marketing, sales, supply chain and systems under different supervisory capacities. She became the Managing Director of the Company on 1 January 2008. She is also Chairman and Managing Director of Jenson & Nicholson (Bangladesh) Limited, a 100% subsidiary of Berger Paints Bangladesh Limited; and Director of Berger Becker Bangladesh Limited (a joint venture between Berger Paints Bangladesh Limited and Becker Industrial Coatings Holding AB, Sweden) and Berger Fosroc Limited (a joint venture between Berger Paints Bangladesh Limited and Fosroc International Limited, UK). She is the President of Foreign Investors' Chamber of Commerce & Industries (FICCI) for third term. She is a Member of the Advisory Board of UNICEF Bangladesh and former President of Bangladesh Paints Manufacturers Association. She is Independent Director of Linde Bangladesh Limited and Bata Shoe Company (Bangladesh) Limited.



Mr. Kuldip Singh Dhingra Director since 2018

Mr. Kuldip Singh Dhingra is a Science Graduate from Delhi University and a distinguished alumnus awardee of his alma mater. He is the fourth generation of his family which has been in Paints business since 1898 and has personally over fifty years of experience in paints and related industries. He is an eminent industrialist and since twenty five years is the Chairman of the Board of Directors of Berger Paints India Ltd which is amongst the largest paint producers globally, with multinational presence through wholly owned subsidiaries in Poland, Nepal, Russia, UK, France and Ukraine.



Mr. Anil Bhalla Director Since 1994

Mr. Anil Bhalla was born in India in 1946. He graduated in Economics (Hons) from the University of Delhi and is a Fellow Chartered Accountant. He is the managing partner of JC Bhalla & Co., a reputed Chartered Accountants firm of India. He has over four decades of experience in professional services in both India and abroad. He has a wide range of experience in auditing, joint venture consultancy, tax consultancy, strategic business consultancy, business valuations, and mergers & acquisitions. He was a Member of the Northern India Regional Council of the Institute of Chartered Accountants of India (ICAI) from 1976 to 1979 and Chairman from 1978 to 1979. He has served ICAI as member of different Committees namely Company Law, Expert advisory and Auditing and Assurance Standards Board. He was an Executive Committee member of the Income Tax Appellate Tribunal Bar Association of Delhi. He was President of the Institute of Internal Auditors, Florida, USA Delhi Chapter. He is also a member of the Audit Committee and Nomination & Remuneration Committee of Berger Paints Bangladesh Limited.



Mr. Jean-Claude Loutreuil Director since 1998

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



Ms. Rishma Kaur Director since 2013

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



Mr. Kanwardip Singh Dhingra Director since 2016

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



Mr. Abhijit Roy Director since 2017

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



Mr. Anis A. Khan Independent Director since 2016

Mr. Anis A. Khan, a Fellow of the Institute of Bankers, Bangladesh is former Managing Director & CEO of Mutual Trust Bank Limited. Previously, he headed IDLC Finance Limited for six years. He served for 21 years with the then Grindlays Bank plc, ANZ Grindlays Bank and Standard Chartered Bank both at home and abroad. He has sound knowledge in banking operations, corporate and investment banking, merchant banking, stock brokerage services, leasing, factoring, legal and compliance, mergers and acquisitions etc. He is Advisor to the Board of Tyser Risk Management Bangladesh Ltd. He is an Adjunct Professor of Independent University Bangladesh. He is Senior Vice President of the Metropolitan Chamber of Commerce & Industry, Dhaka, Life Member of the SAARC Chamber of Commerce and Industry, Trustee of British Business Group and Director of the UK Bangladesh Catalysts of Commerce and Industry. He is Chairman of Valor of Bangladesh and Senior Vice President of Bangladesh Cancer Aid Trust. He also serves as Independent Director of Summit Power Ltd, Summit Alliance Port Ltd, Ananta Apparels Ltd and Trust Bank Ltd. He serves as Director of ACI Limited, ACI Motors Limited and Central Counterparty Bangladesh Limited. He was Chairman of the Association of Bankers, Bangladesh Limited and Primary Dealers Bangladesh Ltd. He received 'Business & Entrepreneur Excellence Award 2016' from UK Bangladesh Catalysts of Commerce & Industry. He has presented papers on the economy of Bangladesh at University of Harvard, Cambridge, Massachusetts, USA in 2015 and at Yale University in 2019. He is the Chairman of the Board Audit Committee and Nomination & Remuneration Committee of Berger Paints Bangladesh Ltd.







Mr. Masud Khan

Independent Director since 2017

Mr. Masud Khan is the Chairman of Unilever Consumer Care Ltd. and Chief Advisor of the Board of Crown Cement Group Bangladesh. He is a seasoned professional with 40 years' work experience in leading multinational and local companies in Bangladesh. He served LafargeHolcim Bangladesh as Chief Financial Officer for 18 years and British American Tobacco for 20 years. He speaks and writes articles on professional and industry issues in newspapers, electronic media and at educational institutions e.g. ICAB, ACCA and ICMA Bangladesh. He is a lecturer in the ICAB for the past four decades. He did his Bachelor of Commerce with Honours from St Xaviers' College under University of Kolkata. Thereafter, he qualified with distinction both as a Chartered as well as a Cost and Management Accountant from the Indian Institutes being a silver medalist at all India level in the Chartered Accountancy Examination in the year 1977. He is also an independent director of Marico Bangladesh Ltd. Singer Bangladesh Ltd., Community Bank Ltd. and Viyellatex Ltd. He is a member of the Audit Committee of Berger Paints Bangladesh Ltd.

Ms. Parveen Mahmud

Independent Director since 2019

Ms. Parveen Mahmud is the Chairperson, Underprivileged Children Education Program (UCEP) – Bangladesh. She has diverse experiences in board leadership in different positions with national and international development agencies, corporates and as practicing accountant. She is the Founding Managing Director of Grameen Telecom Trust. She was a partner in ACNABIN & Co., Chartered Accountants. She is the first woman President of ICAB and also, the first female board member of the South Asian Federation of Accountants. She sits in numerous Boards including BRAC International, Transparency International Bangladesh, Centre for Policy Dialogue, Bishwo Shahittyo Kendro, PKSF, RDRS, Ghashful, Manusher Jonnyo Foundation, DAM Foundation for Economic Development, Cider Int. School, Chittagong and Grameenphone Ltd. She is an Independent Director of Marico Bangladesh Limited and Apex Footwear Ltd. She was the Chairperson of MIDAS, Acid Survivor's Foundation and Shasha Denims Ltd. She is a Melvin Jones Fellow and the President, Lions Club of Chittagong Parijat Elite, Lions Clubs International, District 315-B4, Bangladesh. She is a member of the Audit Committee of Berger Paints Bangladesh Limited

Mr. Sunil Sharma

Director since June 2020

Mr. Sunil Sharma was born in November 1951 at Delhi, India. He graduated in Economics Honours from Shri Ram College of Commerce, Delhi University in 1972 and then did his MBA from Faculty of Management Studies, Delhi University passing out in 1974. He has spent over 46years in the Paint Industry, starting with Goodlass Nerolac Paints and the last 30 years have been with Berger group. He retired as President, British Paints (SBU of Berger Paints India Ltd) in November 2014 and is on the Board of Berger Becker Coatings, India since inception of the Company in 1997.



Mr. Sazzad Rahim Chowdhury

Director & Chief Financial Officer since August 2020

Mr. Sazzad Rahim Chowdhury is a Fellow Chartered Accountant with almost three decades of professional experience leading finance function of multinational companies in diverse industries. Prior to joining Berger Paints Bangladesh Limited, he served Novartis Bangladesh Limited for six years as Finance Director & Company Secretary and CFO for Distribution Markets Sri Lanka & Maldives. He was Chief Financial Officer of Citycell (a joint venture of Singapore Telecom and Pacific Bangladesh Telecom Ltd.). He also served different finance leadership positions at British American Tobacco Bangladesh Limited; Unilever Bangladesh Limited and KAFCO. He joined Berger Paints in June 2019 as Chief Financial Officer and became Director in August 2020. He is also Director of Jenson & Nicholson (Bangladesh) Limited, Berger Becker Bangladesh Limited and Berger Fosroc Limited.



Mr. Khandker Abu Jafar Sadique

Company Secretary since 2015

Mr. is an Associate Member of the Institute of Chartered Secretaries of Bangladesh and holds BBA (Management Studies) and MBA (Strategic & International Management) from the University of Dhaka. He is also a member of Dhaka Taxes Bar Association. He has fourteen years of experience in company secretariat. He joined Berger Paints in 2007 and gradually elevated to the present position. Besides company secretariat, he is also responsible for corporate taxation and serves as Company Secretary of subsidiary and associates of Berger Paints Bangladesh Ltd.: Jenson & Nicholson (Bangladesh) Ltd., Berger Becker Bangladesh Limited and Berger Fosroc Limited. He is a member of Corporate Laws Review Sub-Committee of the Institute of Chartered Secretaries of Bangladesh.



Mr. Sheikh Aminur Islam

Head - Business Process, Risk and Compliance since 2021

Mr. Sheikh Aminur Islam is the Head of Internal Audit and Compliance (HIAC) designated as Head -Business Process, Risk & Compliance (BPRC) at Berger Paints Bangladesh Limited. He is an Associate Chartered Accountant (ACA) and also has certification as Income Tax Practitioner and Lead Auditor of Quality Management System. He holds BBA and MBA from the University of Dhaka. He has 12 years of extensive professional experience in manufacturing company, agricultural company and audit firm. He joined Berger in November 2013 as Officer - Risk & Compliance and gradually elevated to the present position. Before joining Berger, he served Getco Agri Technologies Limited and Hoda Vasi Chowdhury & Co., Chartered Accountants. His areas of expertise include risk based internal audit, financial control, financial accounting, receivable management, payable management, inventory management and ISO and OHSAS management.



Notice

The 48th Annual General Meeting

Notice is hereby given to all Members of Berger Paints Bangladesh Limited that the 48th Annual General Meeting of the Members of the Company will be held on Wednesday, October 06, 2021 at 10.00 a.m. using **digital platform** to transact the following businesses:

Agenda

1. Reports and Financial Statements

To receive, consider and adopt the Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 31 March 2021.

2. Dividends

To declare dividend for the year ended 31 March 2021 as recommended by the Board of Directors.

3. Election of Directors

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

4. Appointment of Auditors

a) To appoint Auditors of the Company for the term until the conclusion of the next Annual General Meeting and to fix their remuneration.b) To appoint the Compliance Auditor for the year 2021-22.

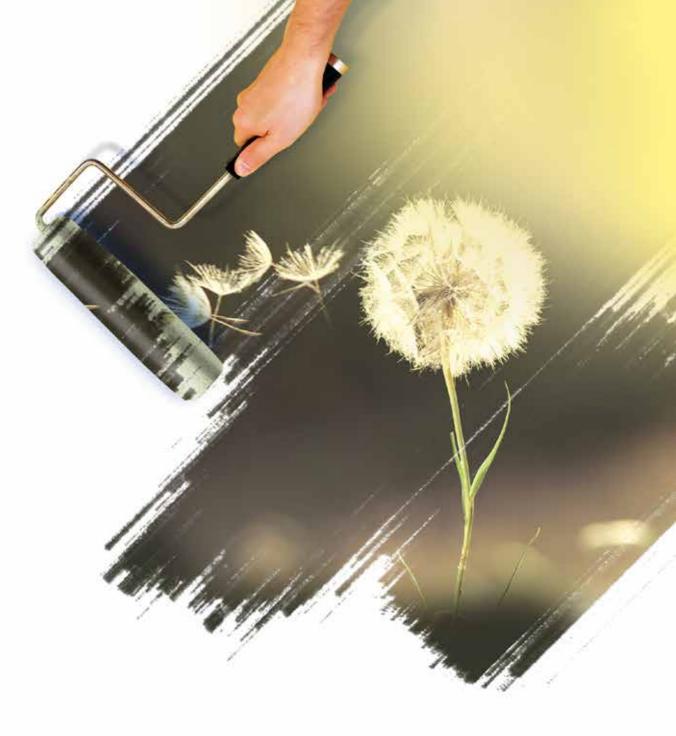
By order of the Board of Directors

Khandker Abu Jafar Sadique, ACS Company Secretary

Dhaka, 12 September 2021

NOTES:

- a) The Shareholders whose names appear in the Members/Depository Register on the Record Date i.e. 16 August 2021 shall be eligible to attend the AGM of the Company and to receive the Dividend.
- b) The detailed login process and link of the online portal to attend the meeting will be communicated to the shareholders through email in due course and will be available at the company's website www.bergerbd.com
- c) A member eligible to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. Proxy form must be affixed with requisite revenue stamp and must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting.
- d) Only the Shareholders or their validly appointed proxies shall be allowed to have access to the registration process to attend the meeting.
- e) The Notice of the Annual General Meeting, Annual Report and Proxy Form are available at the Company's website www.bergerbd.com and will be sent to the registered email addresses of the shareholders. Shareholders may collect hard copies of the Annual Report from the Company's registered office by submitting a written request.



Directors' Report

The Directors are pleased to present their 48th report of the Company along with the Audited Financial Statements and Auditors' Report for the year ended March 31, 2021.

Industry outlook and possible future developments in the industry

The economy of Bangladesh has been going through a challenging time since the beginning of 2020 as the country was under lock-down for several months. Both manufacturing and selling activities were very risky. The situation gradually improved at the later part of the year, with ease of lockdown, clarity about treatment, and systematic vaccination program launched by the government.

Bangladesh has an impressive track record for growth and development, aspiring to be a middle-income country. As a result of industrialization, the product offerings of Bangladesh paint market is diversifying from Decorative Paints towards specialized coatings and industrial paints to cater to the changes in demand structure. The paint market is currently facing very soft demand due to the lockdown measures undertaken to contain the spread of Corona virus. Recently an inflation of raw materials of paints has been observed. The situation has been aggravated by supply chain disruptions caused by shipping crisis. Paints companies may face unprecedented challenges due to these macro-economic pressures.

Revenue and profitability

The Company achieved 2.8% revenue growth and around 6% volume growth in the year ended March 31, 2021. The company gained market share in 2020-2021. Almost two months of the first quarter of the year was under lockdown due to COVID-19 pandemic. We applaud the whole-hearted efforts of the employees of the company for such an achievement during the unprecedented crisis in the country. We are also thankful all stakeholders for supporting this remarkable achievement of the company.

At the backdrop of 2.8% revenue growth, the company achieved 12.3% growth in income before tax. During the period, cost of sales reduced from 61.5% to 60.2% of net sales. The company made all-out efforts to optimize cost while remaining competitive in the market. Despite higher sales in 2020-21, total expenses both in absolute value and as a percentage of net sales reduced from previous year, resulting higher profitability in 2020-21.

Expansion of distribution reach in the semi-urban and rural market along with innovative marketing strategies will be continued to maintain the leadership position in the market.

New products and initiatives

A number of new products and initiatives were undertaken in 2020-21 to fulfill the diversified customer needs and explore new frontiers.

To enhance the personal hygiene sector of the nation during coronavirus (COVID-19) pandemic, Berger Paints Bangladesh has expanded its business and launched Berger Mr. Expert Advanced Hand Sanitizer. Berger Mr. Expert Advanced Hand Sanitizer is a waterless sanitizer that instantly kills 99.99% of numerous harmful germs, without requiring soap or water.

Berger has relaunched Berger Breathe Easy with a new feature and a new look. Introducing Breathe Easy ViraCare, its Silver lon technology assures the killing of 99% infection-causing viruses and bacteria on the painted surface, providing a germ-free and hygienic environment. Certified by Green Label Singapore, this environmentally preferred paint is Odor Free and has a Low VOC content.

Berger Paints has launched a new service called 'Berger Expert Sanitization Service' to meet the growing need for disinfection. Berger Expert Sanitization Service is committed to ensure the safety of stakeholders and the society. With the recent pandemic, sanitization is required to ensure hygiene and protection by providing a clean, germ-free environment and preventing the spread of COVID-19. Eco-friendly sanitizing agents and advanced machineries are used to ensure all spaces and surfaces are disinfected and 99% germs are eradicated.

Berger Paints Bangladesh Limited has launched Magico Antimicrobial PU Paint recently. The paint is manufactured with unique technology, which helps it fight viruses, bacteria, and other contaminated particles. This is the first time any organization in Bangladesh has brought a Polyurethene (PU) coating with antimicrobial properties. Even though the paint is specially formulated for industrial coating segment, this transparent coating can be applied on different substrates including metals, aluminum, plastics, wood, copper, glass, and concrete.

Berger Easy Clean has been relaunched with improved formulation and attractive new packaging. In this new formulation, Easy Clean is reinforced with Recron Micro Fibers to ensure stronger paint film and enhanced washability, faster roller/brush applicability, resistance against air borne dirt and oil penetration, excellent substrate penetration and topcoat adhesion, physical barrier to salt migration, excellent alkali and efflorescence resistance, easy traceability on exposure of UV light.

Berger Paints and Chugoku Marine Paints, Japan have teamed up to offer high performance marine coatings and related industrial paints, bringing the best quality international products in Bangladesh. The product ranges offered under collaboration include universal high build epoxy primers, epoxy tie coats, synthetic resin-based single component tie coats, hydrolysis type and self-polishing type antifouling, epoxy topcoat, alkyd topcoat, polyurethane topcoat, high build alkyd primer, high heat resistant paint, and other improved materials. Sea-going vessels, export vessels, class vessels, and other riverine vessels require these superior standard of coatings for long-lasting protection. Berger is the licensed manufacturer of these products of Chugoku Marine Paints, Japan.

Berger Paints has recently introduced Texbond White Paste and Texbond Wettex (premium and economy) in its Textile Chemical portfolio. White paste is used for enhancing the brightness of fabric and Wettex products are used for textile fabric pre-treatment process.

Berger Paints Bangladesh Limited has recently obtained RoHS certification for its complete offerings of powder coating products. The RoHS certification, which is provided by the authorities in UK, confirms that all powder coating products from BPBL are free from hazardous heavy materials.

As a pioneering drive, Berger Paints and PPG Coatings (M) Sdn.Bhd.SEA have established the "Berger PPG Auto Refinish Training Center" at Tejgaon Sales Office of Berger Paints in Dhaka which consists of most advanced auto-refinishing booth and world class training facility for automobile painters in Bangladesh. This initiative will help the local car body shops, garages and all concerned persons to improve their technical knowledge.

Berger has recently introduced Jensolin Water Based Sports Coating, which is very effective for sports grounds. It is a very fast drying, high opacity, heavy duty flexible coating with resistance to shock & abrasion. This paint is skid resistant and it has excellent weather durability. It has excellent adhesion on concreate and asphalt as well as on wet surfaces.

Berger Paints has relaunched Berger AutoCoat Primer Surfacer UnderCoat. This is an undercoat made of alkyd resin with improved formulation. It is an air drying paint which can be used as surfacer and in putty preparation. It makes the surface smooth and provides long lasting finish. The product can be used on all metal, steel and ferrous structures where alkyd enamels will be used. It is an excellent product for vehicles and automobile industries. The product is fast drying, gives very smooth finish, ensures brighter outlook and crack-free.

Risks and concerns

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

Macro Economy

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

External factors

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

Changes in income tax and value added tax

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

Changes in environmental, health and safety laws and regulations

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

Exchange rate fluctuation

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

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

standard at its plants in conformity with environment related regulation. There is no threat to the sustainability of the business. Financial performance

The Directors take pleasure in reporting the Financial Results of the Company for the year ended March 31, 2021 and recommend the following:

	For the year en	For the year ended 31 March		
In Thousands Taka	2021	2020		
Net Sales	16,669,802	16,219,044		
Cost of Sales	(10,037,440)	(9,978,398)		
Gross Profit	6,632,362	6,240,646		
Income Before Tax	3,472,362	3,092,467		
Current Tax Expenses	(964,614)	(814,470)		
Deferred Tax Expenses	41,040	14,451		
Net Profit After Tax	2,548,788	2,292,448		
Add: Other comprehensive income, net of tax	1,969	-		
Add: Retained Earning brought forward from previous year	6,876,231	5,951,929		
Amount Available for Distribution	9,426,987	8,244,378		
Dividend Proposed	(1,739,171)	(1,368,147)		
Transfer to un-appropriated profit	7,687,817	6,876,231		
Basic Earnings Per Share (Taka)	54.96	49.43		
Net Operating Cash Flow Per Share (Taka)	71.64	77.65		
Net Asset Value Per Share (Taka)	213.26	187.77		
Gross Profit Margin (%)	39.79	38.48		
Net Profit After Tax Margin (%)	15.29	14.13		

Dividend

The Company has invested a substantial amount for expansion of capacity as well as diversification of products and businesses. However, the Directors are pleased to recommend 375% cash dividend i.e. Tk. 37.50 for every Ordinary Share of Tk. 10 held on Record Date for the year 2020-2021.

The company has the policy to recommend/declare dividend out of the profits for the year for which the dividend is to be paid and undistributed profits of the previous financial years. While deciding the amount of profit to be distributed among the shareholders and amount of profit to be retained in business, the Board of Directors considers various external and internal factors such as future investment plan, the company's expected performance in the future and economic condition of the country. Apart from the above factors, the Board also considers dividend payment history of the company

Corporate social responsibility

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

The global spread of coronavirus pandemic has immensely affected millions of daily-wage earners of the country, including painters. To aid the painters and dealers during this crisis, Berger Paints Bangladesh has come forward with a number of initiatives.

Berger Paints Bangladesh has recently provided Personal Protective Equipment, around 125,000 pieces of masks, 25,000 pieces of hand sanitizers and 30,000 pieces of gloves to different stakeholders including 6,000 painters across the country. The company has also provided emergency fund assistance of Tk. 2 crore to 17,500 painters. Additionally, Berger Paints Bangladesh has collaborated with Digital Health Services – Tonic, to bring digital health services for the valued members (painters) of the 'Shomporko Club'. Under the package, club members are entitled to Tk 100,000 cashback in case of death or partial disability, hospitalization benefit of Tk 100,000, 24-hours doctor consultation, and up to 50% discount from over 1,000 partner outlets. Berger Paints Bangladesh has also increased the frequency of payment against the entitlement of 'in-can token' benefit of around 40,000 painters through their verified mobile banking during COVID-19.

Since 2009, Berger has been providing financial and other material aids to around 10-12 different organizations working for the development of autistic and differently challenged children in Bangladesh. Annual art competition and art exhibition for specially challenged children are also being arranged.

In 2020, the silver jubilee of Berger Young Painters' Art Competition (BYPAC) was celebrated to encourage young artistic talents. Awards were given to students of Faculty of Fine Arts, University of Dhaka. Eight students who have achieved highest CGPA in the B.F.A. Honors program were the recipients of the awards, among them one student was awarded "Berger Student of the Year" based on creative work of Art.

A program was organized to award the meritorious children of dealers of 'Berger Club Supreme' and painters of 'Berger Shomporko Club', who have achieved G.P.A. 5 in S.S.C. and H.S.C. examinations in 2020.

The company has distributed blankets and winter clothes among the poor people at different corners of the country. Berger Paints had made a one off donation to UNICEF for emergency response to the fire in Rohinga camps.

Berger is working on skill development of the painters of Bangladesh through Painter Training Institute registered under the National Skills Development Authority under the Prime Minister's Office of the Government of Bangladesh. The company also facilitates interns of different academic backgrounds to let them gain firsthand knowledge and experience of the corporate world, and thus groom the potential leaders of the society.

Contribution to national exchequer

During the period, the Company has contributed Tk. 5,092,781 thousand to the National Exchequer as Customs Duty, Income Tax, Value Added Tax and Supplementary Duty.

Subsidiary company

Jenson & Nicholson (Bangladesh) Limited is a wholly owned subsidiary of the Berger Paints Bangladesh Limited. The company is involved with production and marketing of tin-containers and printing of tin sheets since 1995 in its factory at 70, East Nasirabad Industrial Area, Chittagong. The statement of the holding company's interest in the subsidiary company Jenson & Nicholson (Bangladesh) Limited as specified in sub section 1 of section 186 of The Companies Act 1994 is attached to the Annual Report and Financial Statements of the Company.

Awards and recognitions

Once again, Berger Paints Bangladesh Limited has been awarded for 'Top VAT Payer' for year 2018-2019 under manufacturing category.

Berger Paints Bangladesh Limited also received 'ICMAB Best Corporate Award 2019' in the category of multinational manufacturing industries for its sales & financial performance, contribution to national exchequer, HR management, corporate governance, shareholders' return, investment growth and CSR activities.

Berger Paints has been awarded the 'Best Paint Brand' in Paint category for 10th time consecutively by Bangladesh Brand Forum (BBF) in partnership with Nielsen Bangladesh. Best Brand Award is based on a global model (Winning BrandsTM) done through a direct consumer survey of 7600 consumers across the country.

Berger Paints has received Bangladesh Supply Chain Excellence Award (BSCEA) for the 3rd consecutive year for robust implementation of Integrated Sourcing process (Cloud based) and Berger Aastha towards Agile Customer Service.

Election of directors

- a) In the meeting of the Board of Directors of the Company held on August 12, 2020 Mr. Sazzad Rahim Chowdhury, Director and nominee of J&N Investments (Asia) Limited, was appointed as an additional director in pursuance of the power conferred upon the Board by Article 111 of the Articles of Association of the Company. As required by section 91(1)(b) of the Companies Act 1994 Mr. Chowdhury is proposed as a candidate for election as a Director. As required by section 93 of the Companies Act 1994 Mr. Chowdhury has given consent to act as a Director of the Company. Mr. Sazzad Rahim Chowdhury, being the nominee of J&N Investments (Asia) Limited, which is holding 95% shares in the Company, may be elected as a Director.
- b) The directors retiring by rotation under Article 121 and 122 are Mr. Gerald K Adams, Ms. Rishma Kaur and Mr. Kanwardip Singh Dhingra who, being eligible, offered themselves for re-election.

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

Appointment of auditors

As per the Companies Act 1994, the auditors of the Company, A Qasem & Co, Chartered Accountants, shall retire at this Annual General Meeting. As per BSEC Order No. SEC/CMRRCD/2009-193/104/Admin dated 27 July 2011, an audit firm cannot be engaged as external auditors of the same Company for more than three consecutive years. A Qasem & Co, Chartered Accountants has been the statutory auditors of the Company since 2018-2019. In compliance with the BSEC order, we are required to appoint new external auditors for the Company. Hoda Vasi Chowdhury & Co, Chartered Accountants, has offered willingness to be appointed as statutory auditors of the company. As per recommendation of the Audit Committee, the Board of Directors recommends their appointment at the existing fee for the year 2021 and continuation till the next Annual General Meeting.

Messrs. MABS & J Partners has conducted the audit of corporate governance compliance report and issued certificate for the year ended 31 March 2021. Being eligible, they have expressed their interest for reappointment to conduct the audit for the year ended 31 March 2022. As per condition 9(2) of the notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued by Bangladesh Securities and Exchange Commission, the shareholders are to appoint the professional issuing certificate on compliance of corporate governance code. The Board of Directors recommends their reappointment.

Corporate governance

The Status Report along with relevant disclosures and declarations required to be presented by the Company in pursuance of the notification no. BSEC/ CMRRCD/2006-158/207/Admin/80 of 3 June 2018 issued by Bangladesh Securities and Exchange Commission is attached as Annexure 1, 2, 3, 4 and 5 of this report.

Human resource

The company credits human resources for its long term success. During the COVID-19 pandemic, a number of steps were taken to ensure the wellbeing of the employees. Distribution of Personal Protective Equipment and hand sanitizers, establishment of wash stations, redesign workplace to reduce personal contact, appointment of Health Consultant (male and female) with 24x7 availability, virtual session on mental health/stress management, keeping resources (Oxygen concentrator, Oximeter) for emergency support, thermal screen at entrance, disinfection at workplace and vehicles, Token of Care healthy food gifts after COVID recovery, Central Health monitoring for any symptomatic or confirmed COVID Cases etc. are some of these steps taken by the company.

As in the past, the Company continued to experience industrial peace and harmony throughout the year. The Company pursues policy for training and development program both locally and abroad to enhance and update the skills and knowledge of its human resources. During the pandemic and lockdown, the company continued to train the human resources using digital platform. During the most challenging and uncertain period in the early stage of pandemic, the company did not retrench any human resource; rather it continued to disburse all benefits due to the employees and other stakeholders in a timely manner.

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

Management appreciation

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

On behalf of the Board,

Gerald K. Adams Chairman July 19, 2021

Management Discussion and Analysis

Global and national economy

The world economy is passing through the most unprecedented slowdown due to COVID-19 pandemic since the beginning of 2020. Many countries have experienced economic contraction. According to World Bank, the world economy contracted by 4.3% in 2020 and is expected to grow by 4% in 2021 if 2nd wave of Covid-19 does not create serious disruption. Overall global economic output is likely to remain more than 5% below its prepandemic trend, with slower expansion till 2025. A number of vaccines for COVID-19 were available within a year of the pandemic and a significant portion of the population has been vaccinated in the developed countries within a short time. Life is gradually coming to normal in those countries. With expansion of vaccination in developing countries including Bangladesh, COVID is likely to subdue in near future. As a result, local and global demand will gradually reach to the level of pre-COVID period.

Bangladesh has been able to maintain 6.5%-7% growth rate for a decade. According to the Budget Speech for FY 2021-22, 5.2% GDP growth was achieved in 2020-21, as opposed to 8.2% target for the year. Prolonged lockdown throughout the country due to COVID-19 pandemic is the main reason for decline of GDP growth rate. The government has set 7.2% target for the 2021-22 fiscal, which is challenging as COVID-19 pandemic returns in 2021 and economic activities are limited during extended lockdown to reduce infection. The country's resilience shown through record growth in remittance receipts, foreign exchange reserve and sustained export growth of readymade garments and new export items are likely to fuel future economic growth.

Operations of Berger Paints Bangladesh Ltd.

Berger Paints Bangladesh Ltd. has been operating in the country for almost fifty years. For the last two decades, the company has strengthened its position to become the market leader in paint industry of Bangladesh. Robust brand positioning by offering wide variety of high quality products for all the segments of the paint industry has been the key to this success. Berger Paints is committed to bringing innovative products to its consumers that are safe for their health and environmentally friendly. The company has two factories and fourteen sales offices to ensure extensive nationwide distribution of the company's products. Jenson & Nicholson (Bangladesh) Limited, a wholly owned subsidiary, enables the company to procure packing materials at competitive price.

Product range of Berger includes decorative coatings, high build industrial coatings, marine coatings, powder coatings & pretreatment chemicals, adhesives, wood coatings, vehicle refinishes, textile emulsions, construction chemicals, coil coatings, printing ink and paint application tools & accessories. Berger Paints is the first company in Bangladesh to offer a wide range of designer painting schemes for wall through Berger illusions. Recently launched products include WeatherCoat Touch Putty, WeatherCoat Bio Wash, Berger Xpress Sealer and Texbond Wetting Agent.

From January 2019, Berger Paints has taken the initiative of establishing Berger Experience Zones. The objective of this initiative is to create one-stop centers where customers can get all painting solutions and experience the wide range of offerings of Berger. Currently, 31 Berger Experience Zones are operating throughout the country.

Berger Paints Bangladesh Ltd. and Chogoku Marine Paints, Ltd (CMP) of Japan have entered into an agreement for cooperation and collaboration in the field of marine and related industrial paints in Bangladesh. The agreement envisages joint efforts in producing, marketing and purchasing marine and related industrial paints in Bangladesh. Berger is the first Bangladeshi company to manufacture such world-class marine paint products in the country. Berger has gradually diversified to sustain its growth in almost all the product segments.

Jenson & Nicholson (Bangladesh) Limited is gradually expanding its product portfolio outside paints industry. The company is now supplying food-grade and non-food-grade metal containers for leading manufacturers in Bangladesh.

Berger Paints has entered into joint ventures with globally leading companies to form Berger Becker Bangladesh Limited and Berger Fosroc Limited to offer world-class coil coatings and construction chemicals to the Bangladeshi market. Berger Becker Bangladesh Limited is manufacturing coil coatings in their own building. Berger Fosroc Limited is also expected to start producing construction chemicals in their own factory in the near future. Both the joint ventures have been able to achieve business growth throughout the pandemic.

The company's performance in 2020-21

a) Accounting policies and estimation for preparation of financial statements:

The company has consistently followed the accounting and financial reporting standards that are applicable to it. These financial statements presented for the approval have been prepared and the disclosures of information are made in accordance with the International Financial Reporting Standards (IFRS), the Companies Act 1994 and the Bangladesh Securities and Exchange Rules 1987 as much as practicable. The statement of financial position and statement of profit or loss and other comprehensive income have been prepared according to International Accounting Standards (IAS) 1 Presentation of Financial Statements on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and statement of cash flows is prepared according to IAS 7 Statement of Cash Flows and has been presented under direct method as required by the Bangladesh Securities and Exchange Rules 1987. The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

b) Changes in accounting policies and estimation

There was no change in accounting policies and estimation during the period. The financial statements have been prepared on a historical cost basis.

As per listing regulations of Dhaka and Chittagong Stock Exchange, the accounting standards adopted by the Institute of Chartered Accountants of Bangladesh are mandatory for all listed companies.

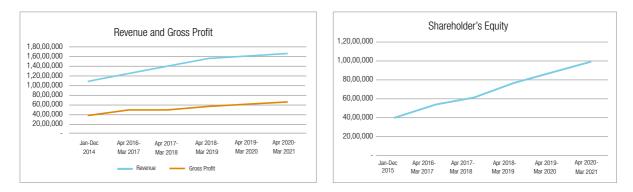
The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the framework for preparation and presentation of financial statements. Financial statements have been prepared and presented in compliance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

c) Comparative analysis of financial performance

Berger Paints Bangladesh Limited has shown consistent growth in revenue and profitability. The key financial results of the company for current year along with preceding five years are presented below:

					n Thousands Taka
Jan-Dec 2015	Apr 2016- Mar 2017	Apr 2017- Mar 2018	Apr 2018- Mar 2019	Apr 2019- Mar 2020	Apr 2020- Mar 2021
1,09,03,051	1,24,69,613	1,41,76,256	1,56,29,479	1,62,19,044	1,66,69,802
38,90,387	49,53,192	50,46,900	57,22,137	62,40,646	66,32,362
19,33,454	24,54,008	22,53,564	26,49,490	30,92,467	34,72,362
14,25,955	17,76,673	16,69,930	19,57,827	22,92,448	25,48,788
40,38,513	53,66,735	60,80,657	75,75,155	87,08,157	98,90,766
63,39,060	84,37,826	89,80,428	1,07,61,587	1,29,29,511	1,53,00,038
39,49,727	50,87,352	54,62,783	65,83,908	77,21,912	94,68,201
21,31,089	25,73,140	26,62,782	29,44,023	34,83,507	47,30,285
1.85	1.98	2.05	2.24	2.22	2.00
	2015 1,09,03,051 38,90,387 19,33,454 14,25,955 40,38,513 63,39,060 39,49,727 21,31,089	2015Mar 20171,09,03,0511,24,69,61338,90,38749,53,19219,33,45424,54,00814,25,95517,76,67340,38,51353,66,73563,39,06084,37,82639,49,72750,87,35221,31,08925,73,140	2015Mar 2017Mar 20181,09,03,0511,24,69,6131,41,76,25638,90,38749,53,19250,46,90019,33,45424,54,00822,53,56414,25,95517,76,67316,69,93040,38,51353,66,73560,80,65763,39,06084,37,82689,80,42839,49,72750,87,35254,62,78321,31,08925,73,14026,62,782	2015Mar 2017Mar 2018Mar 20191,09,03,0511,24,69,6131,41,76,2561,56,29,47938,90,38749,53,19250,46,90057,22,13719,33,45424,54,00822,53,56426,49,49014,25,95517,76,67316,69,93019,57,82740,38,51353,66,73560,80,65775,75,15563,39,06084,37,82689,80,4281,07,61,58739,49,72750,87,35254,62,78365,83,90821,31,08925,73,14026,62,78229,44,023	Jan-Dec 2015Apr 2016- Mar 2017Apr 2017- Mar 2018Apr 2018- Mar 2019Apr 2019- Mar 20201,09,03,0511,24,69,6131,41,76,2561,56,29,4791,62,19,04438,90,38749,53,19250,46,90057,22,13762,40,64619,33,45424,54,00822,53,56426,49,49030,92,46714,25,95517,76,67316,69,93019,57,82722,92,44840,38,51353,66,73560,80,65775,75,15587,08,15763,39,06084,37,82689,80,4281,07,61,5871,29,29,51139,49,72750,87,35254,62,78365,83,90877,21,91221,31,08925,73,14026,62,78229,44,02334,83,507

** The company changed the accounting year from January-December to April-March in 2016. Therefore, the Financial Statements for 15 months covering January 2016 to March 2017 were presented at the AGM of 2017. For convenience of comparison, the financial performance of 12 months have been presented here.



During the year ended 31 March 2021, net profit growth was 11.2% whereas net revenue was 2.8%. This was the result of continuous efforts to optimize cost while gaining market share. Due to stringent efforts to control cost in the uncertain times, total expense of 2020-21 period reduced to 18.6% of net sales compared to 19.6% of previous year. At the year-end, cash and cash equivalents increased by 21.5% i.e. BDT 726,807 thousand compared to previous year.

The Company will continue with the best efforts to achieve better performance in coming years.

d) Risks and concerns related to the financial statements:

The company follows a number of accounting and financial reporting of standards and practices for addressing financial reporting risks. The Chief Financial Officer and the Managing Director are required to issues certificate about the accuracy of the financial statements. Moreover, the annual and quarterly financial statements are thoroughly reviewed by the Audit Committee before circulation to the shareholders and regulators. Thus the management has ensured sufficient internal control to mitigate addressing financial reporting risks.

Future plan

As notified to the shareholders earlier, Bangladesh Economic Zone Authority (BEZA) has allotted an industrial plot at Mirsarai & Feni Economic Zones to Berger Paints Bangladesh Ltd. The company has taken possession of the plot. This land will help the company optimize manufacturing process and support the growing demand for paints in Bangladesh market.

Rupali Chowdhury Managing Director July 19, 2021

The Directors also report that:

- a) The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- b) Proper books of accounts as required by law have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) The minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;
- g) There are no significant doubts upon the company's ability to continue as a going concern.
- h) The company does not have significant deviations from the last year's operating results.
- i) Segment-wise performance during the year is discussed in note 2.31 of the Audited Financial Statements.
- j) Details of related party transactions have been presented in note 42 of the Audited Financial Statements.
- k) The company did not have any extraordinary gain or loss during the period in consideration.
- The company did not make any public issue during the year. The proceeds of IPO in 2005 were utilized in the manner specified in the prospectus. The financial results of the company did not deteriorate after the company went for IPO.
- m) There was no significant variance between Quarterly Financial Performance and Annual Financial Statements during the year. Other significant
- n) No bonus share or stock dividend has been or shall be declared as interim dividend;
- o) The remuneration to the directors including independent directors have been disclosed in notes 27 and 39 of the Audited Financial Statements.
- p) Key operating and financial data of preceding 5 (five) years have been summarized in Annexure 3.
- q) The number of Board meetings held during the year and attendance by each director has been disclosed in Annexure 4.
- r) The pattern of shareholding as required by the BSEC notification BSEC/CMRRCD/2006-158/207/Admin/80 of 3 June 2018 has been disclosed in Annexure 5.
- s) Required information about director being appointed/re-appointed has been presented in 'Biography of Directors' section of the Annual Report.
- t) The 'Management Discussion and Analysis' required by condition 1(5)(xxv) of BSEC notification BSEC/CMRRCD/2006-158/207/Admin/80 of 3 June 2018 is integral part of this report

CORPORATE GOVERNANCE COMPLIANCE STATUS

[As per condition No. 1(5)(xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD /2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition	dition o. Title	Complian √Put (Put) appropriat		nn) Remarks	
NO.		Complied	Not Complied	(if any)	
1.0	Board of Directors				
1(1)	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	\checkmark			
1.2	Independent Directors:				
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	\checkmark			
1(2)(b)(i)	"Independent Director" means a director- who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	\checkmark			
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter- in-law shall be considered as family members;	V			
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	\checkmark			
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	\checkmark			
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	\checkmark			
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	\checkmark			
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	V			
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	\checkmark			
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	V			
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	\checkmark			
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	\checkmark			



MABS & J Partners

Chartered Accountants

Condition	ndition No.	Compliance Status (Put √ in the appropriate column)		Remarks
No.		Complied	Not Complied	(if any)
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	\checkmark		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per Companies Act, 1994.	V		
1.3	Qualification of Independent Director.			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	\checkmark		
1(3)(b)(i)	Independent director shall have following qualifications: Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			Not Applicable
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	V		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or			Not Applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			Not Applicable
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	V		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	\checkmark		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such approval requirec
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive O	fficer.		
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	V		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	\checkmark		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	\checkmark		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	\checkmark		



Condition	Title	Compliance Status (Put √ in the appropriate column)		Remarks	
No.		Complied	Not Complied	(if any)	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such situation arose	
1.5	The Directors' Report to Shareholders				
1 (5)(i)	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994): An industry outlook and possible future developments in the industry;	\checkmark			
1(5)(ii)	The segment-wise or product-wise performance;			Disclosed in Annexure 1 of Director's Report and not 2.31 of Audited FS 2020-21	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	\checkmark			
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	\checkmark			
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	\checkmark			
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;			Disclosed in Annexure 1 of Director's Report and not 42 of Audited FS 2020-21	
1 (5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not Applicable	
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			Not Applicable	
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	\checkmark			
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	\checkmark			
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	\checkmark			
1 (5) (xii)	A statement that proper books of account of the issuer company have been maintained;	\checkmark			
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	\checkmark			
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	\checkmark			
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	\checkmark			



Condition	Title	Compliance Status (Put √ in the appropriate column)		Remarks
No.		Complied	Not Complied	(if any)
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;			
1 (5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	\checkmark		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	\checkmark		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	V		Disclosed in Annexure 3 of Directors' Report
1(5)(xx)	x) An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			The company has declared 375% cash dividend for the year ended 31 March 2021
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	\checkmark		
1 (5)(xxii)	The total number of Board meetings held during the year and attendance by each director;			Disclosed in Annexure 4 of Directors' Report
1.5(xxiii)(a)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by: Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	V		Disclosed in Annexure 5 of Directors' Report
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	V		Disclosed in Annexure 5 of Directors' Report
1.5(xxiii)(c)	:) Executives; and			Disclosed in Annexure 5 of Directors' Report
1(5)(xxiii)(d)	d) Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);			Disclosed in Annexure 5 of Directors' Report
1(5)(xxiv)(a)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: A brief resume of the director;	V		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	\checkmark		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	\checkmark		



Condition No.	Title		ce Status in the te column)	Remarks (if any)
NU.		Complied Not Complied		(ii aliy)
1(5)(xxv)(a)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on: Accounting policies and estimation for preparation of financial statements;	V		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	\checkmark		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	\checkmark		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	\checkmark		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	\checkmark		
1 (5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	V		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	\checkmark		
1 (5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	V		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. ${\rm 9}$	\checkmark		
1(6)	Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	V		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	\checkmark		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	V		
2.0	Governance of Board of Directors of Subsidiary Company		I	
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	\checkmark		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	V		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	\checkmark		



Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks
		Complied	(if any)	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	\checkmark		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	\checkmark		
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Hea and Company Secretary (CS).	d of Internal /	Audit and Cor	mpliance (HIAC)
3(1)(a)	Appointment: The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	V		Head Business Process, Risk & Compliance is the HIAC of the company.
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	V		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	\checkmark		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	\checkmark		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			As per recom- mendation of NRC and ap- proval of Board HIAC was promoted and transferred to fil a vacant position and new HIAC was appointed simultaneously. The information was properly disseminated.
3(2)	Requirement to attend Board of Directors' Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	V		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Office	r (CFO)		
3(3)(a)(i)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	V		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	\checkmark		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	\checkmark		



Condition No.	Title			Remarks
NU.		Complied	Not Complied	(if any)
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	\checkmark		
4.0	Board of Directors' Committee.			
4(i)	For ensuring good governance in the company, the Board shall have at least following sub-committees: Audit Committee; and	V		
4(ii)	Nomination and Remuneration Committee.	\checkmark		
5.0	Audit Committee			
5(1)(a)	Responsibility to the Board of Directors: The company shall have an Audit Committee as a sub-committee of the Board;	V		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	V		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	\checkmark		
5(2)(a)	Constitution of the Audit Committee: The Audit Committee shall be composed of at least 3 (three) members;	\checkmark		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	V		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	V		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such vacancy arose
5(2)(e)	The company secretary shall act as the secretary of the Committee;	\checkmark		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	\checkmark		
5(3)(a)	Chairperson of the Audit Committee: The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	V		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such situation arose
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	V		



Condition	Title	Complian (Put √ appropriat		Remarks	
No.		Complied Not Complied		(if any)	
5(4)(a)	Meeting of the Audit Committee: The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;				
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	\checkmark			
5(5)(a)	Role of Audit Committee The Audit Committee shall: Oversee the financial reporting process;	V			
5(5)(b)	Monitor choice of accounting policies and principles;	\checkmark			
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	\checkmark			
5(5)(d)	Oversee hiring and performance of external auditors;	\checkmark			
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	\checkmark			
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	\checkmark			
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	\checkmark			
5(5)(h)	Review the adequacy of internal audit function;	\checkmark			
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	\checkmark			
5(5)(j)	Review statement of all related party transactions submitted by the management;	\checkmark			
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	V			
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	V			
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not Applicable	
5.6	Reporting of the Audit Committee				
5(6)(a)(i)	Reporting to the Board of Directors: The Audit Committee shall report on its activities to the Board;	\checkmark			



Condition	Title		ce Status in the te column)	Remarks
No.		Complied	Not Complied	(if any)
5(6)(a)(ii)(a)	The Audit Committee shall immediately report to the Board on the following findings, if any: Report on conflicts of interests;			No such incidence arose
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such incidence arose
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such incidence arose
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such incidence arose
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such incidence arose
5(7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	V		
6(1)(a)	Nomination and Remuneration Committee (NRC). Responsibility to the Board of Directors: The company shall have a Nomination and Remuneration Committee (NRC) as a sub- committee of the Board;	V		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	V		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	\checkmark		
6(2)(a)	Constitution of the NRC: The Committee shall comprise of at least three members including an independent director;	\checkmark		
6(2)(b)	All members of the Committee shall be non-executive directors;	\checkmark		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	\checkmark		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	\checkmark		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such vacancy arose
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such appointment/ co-opt required
6(2)(g)	The company secretary shall act as the secretary of the Committee;	\checkmark		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	\checkmark		



Condition	Title			Remarks
No.		Complied	Not Complied	(if any)
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	V		
6(3)(a)	Chairperson of the NRC: The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	\checkmark		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such situation arose
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	V		
6(4)(a)	Meeting of the NRC: The NRC shall conduct at least one meeting in a financial year;	\checkmark		Two meetings were held
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such situation arose
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	\checkmark		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	\checkmark		
6(5)(a)	Role of the NRC: NRC shall be independent and responsible or accountable to the Board and to the Shareholders	V		
6(5)(b)(i)(a)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following: The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	V		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	\checkmark		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	\checkmark		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	\checkmark		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	V		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	V		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	\checkmark		



Condition No.	Title	Compliance Status (Put √ in the appropriate column)CompliedNot Complied		Remarks
				(if any)
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			
7.0	External or Statutory Auditors		· ·	
7(1)(i)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:- Appraisal or valuation services or fairness opinions;			
7(1)(ii)	Financial information systems design and implementation;	\checkmark		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	\checkmark		
7(1)(iv)	Broker-dealer services;	\checkmark		
7(1)(v)	Actuarial services;	\checkmark		
7(1)(vi)	Internal audit services or special audit services;	\checkmark		
7(1)(vii)	Any service that the Audit Committee determines;	\checkmark		
7(1)(viii)	Audit or certification services on compliance of corporate governance; and	\checkmark		
7(1)(ix)	Any other service that creates conflict of interest.			
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.			
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	V		
8.0	Maintaining a website by the Company.			
8(1)	The company shall have an official website linked with the website of the stock exchange.	\checkmark		
8(2)	The company shall keep the website functional from the date of listing.	\checkmark		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	\checkmark		
9.0	Reporting and Compliance of Corporate Governance.			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.			
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	\checkmark		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	\checkmark		



Annexure-3

Financial Performance For the year ended 31 March 2021 along with last five years

						n Thousands Taka
Particulars	Jan-Dec 2015	Apr 2016- Mar 2017	Apr 2017- Mar 2018	Apr 2018- Mar 2019	Apr 2019- Mar 2020	Apr 2020- Mar 2021
Revenue	1,09,03,051	1,24,69,613	1,41,76,256	1,56,29,479	1,62,19,044	1,66,69,802
Gross Profit	38,90,387	49,53,192	50,46,900	57,22,137	62,40,646	66,32,362
Income Before Tax	19,33,454	24,54,008	22,53,564	26,49,490	30,92,467	34,72,362
Net profit for the year	14,25,955	17,76,673	16,69,930	19,57,827	22,92,448	25,48,788
Shareholders Equity	40,38,513	53,66,735	60,80,657	75,75,155	87,08,157	98,90,766
Total Assets	63,39,060	84,37,826	89,80,428	1,07,61,587	1,29,29,511	1,53,00,038
Total Current Assets	39,49,727	50,87,352	54,62,783	65,83,908	77,21,912	94,68,201
Total Current Liabilities	21,31,089	25,73,140	26,62,782	29,44,023	34,83,507	47,30,285
Current Ratio (Time)	1.85	1.98	2.05	2.24	2.22	2.00

The company changed the accounting year from January-December to April-March in 2016. Therefore, the Financial Statements for 15 months covering January 2016 to March 2017 were presented at the AGM of 2017. For convenience of comparison, the financial performance of 12 months have been presented here.

Annexure 4

Attendance at Board Meetings

The number of Board Meetings and the attendance of Directors from 1 April 2020 to 31 March 2021:

Name of Director	Meetings held	Attended
Mr. Gerald K. Adams, Non-Executive Chairman	4	4
Ms. Rupali Chowdhury, Managing Director	4	4
Mr. Kuldip Singh Dhingra, Non-Executive Director	4	2
Mr. Anil Bhalla, Non-Executive Director	4	3
Mr. Jean-Claude Loutreuil, Non-Executive Director	4	3
Ms. Rishma Kaur, Non-Executive Director	4	4
Mr. Anis A. Khan, Non-Executive Independent Director	4	4
Mr. Kanwardip Singh Dhingra, Non-Executive Director	4	4
Mr. Masud Khan, Non-Executive Independent Director	4	4
Mr. Abhijit Roy, Non-Executive Director	4	3
Ms. Parveen Mahmud, Non-Executive Independent Director	4	4
Mr. Abdul Khalek, Non-Executive Director *	4	3
Mr. Sunil Sharma, Non-Executive Director	4	4
Mr. Sazzad Rahim Chowdhury, Director & CFO **	4	3

Leave of absence was granted to directors who could not attend the meeting due to preoccupation.

* Mr. Abdul Khalek ceased to be a Director with effect from 29 October 2020 due to withdrawal of nomination.

** Mr. Sazzad Rahim Chowdhury joined the Board of Directors on 12 August 2020.

Pattern of Shareholding As at 31 March 2021

Categories	Name	Shares
Shareholders holding 10% or more shares (Parent)	J & N Investments (Asia) Ltd., UK	44,058,740
Chairman	Mr. Gerald K. Adams	Nil
Managing Director	Ms. Rupali Chowdhury	Nil
Nominee Director	Mr. Kuldip Singh Dhingra	Nil
Nominee Director	Mr. Anil Bhalla	Nil
Nominee Director	Mr. Jean-Claude Loutreuil	Nil
Nominee Director	Ms. Rishma Kaur	Nil
Nominee Director	Mr. Kanwardip Singh Dhingra	Nil
Nominee Director	Mr. Abhijit Roy	Nil
ndependent Director	Mr. Anis A. Khan*	Nil
ndependent Director	Mr. Masud Khan	Nil
ndependent Director	Ms. Parveen Mahmud	Nil
Nominee Director	Mr. Sunil Sharma	Nil
Nominee Director & Chief Financial Officer	Mr. Sazzad Rahim Chowdhury	Nil
Head of Internal Audit & Compliance	Mr. Sheikh Aminur Islam	Nil
Company Secretary	Mr. Khandker Abu Jafar Sadique	Nil
Executives:		
GM- Research & Development	Dr. A. S. M. Obaidullah Mahmud	315
Senior GM- Sales & Marketing	Mr. Md. Mohsin Habib Chowdhury	Nil
CEO JNBL	Mr. Mohammad Nazimuddin Helali	Nil
GM- Human Resource & Administration	Mr. Mushfequr Rahman	Nil
GM- Supply Chain	Mr. Raquibul Alam	Nil

* Spouse of Mr. Anis A. Khan holds 100 shares. The spouses and minor children of other persons did not hold any share of the Company on 31 March 2021.

Classification of Shareholders

	Type of	31 March 2021		
Shareholding range share holders		Number of shares	% of share holding	Number of shareholders
Less than 501 shares	G. Public& Inst	288,752	0.62	3,665
501 to 5,000 shares	G. Public& Inst	393,843	0.85	262
5,001 to 10,000 shares	G. Public& Inst	97,297	0.21	14
10,001 to 20,000 shares	G. Public& Inst	134,752	0.29	9
20,001 to 30,000 shares	Institution	244,424	0.53	10
30,001 to 40,000 shares	Institution	106,259	0.23	3
40,001 to 50,000 shares	Institution	271,412	0.59	6
50,001 to 100,000 shares	Institution	337,753	0.73	5
100,001 to 1,000,000 shares	Institution	444,648	0.96	1
Over 1,000,000 shares	Group	44,058,740	95.00	1
Total		46,377,880	100.00	3,976

Annexure 5

Audit Committee	
Mr. Anis A. Khan, Non-Executive Independent Director	Chairman
Mr. Masud Khan, Non-Executive Independent Director	Member
Ms. Parveen Mahmud, Non-Executive Independent Director	Member
Mr. Anil Bhalla, Non-Executive Director	Member
Ms. Rishma Kaur, Non-Executive Director	Member
Mr. Kanwardip Singh Dhingra, Non-Executive Director	Member
Mr. Khandker Abu Jafar Sadique, Company Secretary	Secretary

Nomination and Remuneration Committee

Mr. Anis A. Khan, Non-Executive Independent Director	Chairman
Mr. Anil Bhalla, Non-Executive Director	Member
Ms. Rishma Kaur, Non-Executive Director	Member
Mr. Kanwardip Singh Dhingra, Non-Executive Director	Member
Mr. Khandker Abu Jafar Sadique, Company Secretary	Secretary

Management Committee

Ms. Rupali Chowdhury	Chairman
Mr. Sazzad Rahim Chowdhury	Member
Mr. Md. Mohsin Habib Chowdhury	Member
Mr. Mohammad Nazimuddin Helali	Member
Mr. H. M. Rakib Ullah Bashar	Member
Dr. A. S. M. Obaidullah Mahmud	Member
Mr. Mohammad Abu Nader Al Mokaddes	Member
Mr. Raquibul Alam	Member
Mr. Anupam Paul	Member
Mr. Abul Kasem Md. Sadeque Nawaj	Member
Mr. Muhammad Kawsar Hasan	Member
Mr. Mohammad Azizul Hoque	Member
Mr. Md. Golam Mostofa	Member



BERGER PAINTS BANGLADESH LIMITED

Corporate Office: Berger House, Plot-8, Road-2, Sector-3, Uttara Model Town, Dhaka-1230 Phone: 02-48953665-70 (Hunting), E-mail: info@bergerbd.com, Website: www.bergerbd.com



Declaration by CEO and CFO

Date: 19 July 2021

The Board of Directors Berger Paints Bangladesh Limited Berger House, House 8, Road 2 Sector 3, Uttara, Dhaka

Subject: Declaration on Financial Statements for the year ended on 31 March 2021

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD /2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Berger Paints Bangladesh Limited for the year ended on 31 March 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

(i) We have reviewed the financial statements for the year ended on March 31, 2021 and that to the best of our knowledge and belief:

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

(b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Rupali Chowdhury

Managing Director





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Audit Committee Report for the year ended March 31, 2021

The Audit Committee of Berger Paints Bangladesh Limited is pleased to confirm that the following activities have been carried out from April 1, 2020 to March 31, 2021:

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

During the period the audit committee held four meetings. Attendance of the members at those meetings during April 2020 – March 2021 period are as follows:

Member of Committee		18 June 2020	12 August 2020	29 October 2020	26 January 2021
Mr. Anis A. Khan, Chairman	Independent Director	\checkmark	\checkmark	\checkmark	\checkmark
Mr. Masud Khan, Member, r	Independent Director	\checkmark	\checkmark	\checkmark	\checkmark
Ms. Parveen Mahmud, Member	Independent Director	\checkmark	\checkmark	\checkmark	\checkmark
Mr. Anil Bhalla, Member	Nominated Director	\checkmark	\checkmark	\checkmark	\checkmark
Ms. Rishma Kaur, Member	Nominated Director	\checkmark	\checkmark	\checkmark	\checkmark
Mr. Kanwardip Singh Dhingra, Memberr	Nominated Director	\checkmark	\checkmark	\checkmark	\checkmark

Managing Director Ms. Rupali Chowdhury and Director & CFO Mr. Sazzad Rahim Chowdhury attended the meetings on invitation.

In pursuance with Corporate Governance Code issued on 03 June 2018, the Audit Committee also reviewed the internal audit reports, the interim and annual financial statements and the financial performance of Berger Paints Bangladesh Limited as well as its subsidiary company Jenson & Nicholson (Bangladesh) Limited for the year ended March 31, 2021. The Audit Committee has also reviewed the Management Discussion & Analysis included in the Annual Report and the related party transactions as detailed in note 42 to the financial statements. The committee has had discussions with the auditor for review of the annual financial statements and also reviewed the Audit Management Letter submitted by them.

There was no change in accounting policies and estimation during the period. The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the framework for preparation and presentation of financial statements. Financial statements have been prepared and presented in compliance with IAS 1 Presentation of Financial Statements. The previous period's figures were re-arranged according to the same accounting principles. Compared to the previous period, there were no significant change in the accounting and valuation policies affecting the financial position and performance of the Company.

The Committee has also overseen the hiring and performance of external auditors. The auditors, A. Qasem & Co., Chartered Accountants have completed their third term of service and are not eligible for reappointment under section 210 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission's Order No. SEC/CMRRCD/2009-193/104/Admin/ dated July 27, 2011. The audit committee has reviewed the expression of interest received from interested chartered accountant firms and recommends to appoint Messrs Hoda Vasi Chowdhury & Co., Chartered Accountants at the ensuing annual general meeting at the existing fee.

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

On behalf of the Audit Committee

Mun

Anis A. Khan Chairman July 19, 2021

Nomination and Remuneration Committee Report for the year ended March 31, 2021

The Nomination and Remuneration Committee (NRC) of Berger Paints Bangladesh Limited is pleased to present the report for the year ended March 31, 2021.

The Board of Directors of Berger Paints Bangladesh Limited has established the NRC on October 30, 2018 in line with Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD /2006-158/207/Admin/80 dated 3 June 2018. The committee comprises of the following members:

Mr. Anis A. Khan, Non-Executive Independent Director	Chairman
Mr. Anil Bhalla, Non-Executive Director	Member
Ms. Rishma Kaur, Non-Executive Director	Member
Mr. Kanwardip Singh Dhingra, Non-Executive Director	Member

The Company Secretary is the Secretary of the Committee.

During the April 1, 2020 – March 31, 2021 period the NRC held two meetings on June 18, 2020 and August 12, 2020. All the members of the NRC were present at the meetings. In addition to the routine business, the committee reviewed the following appointments/reappointments during the period:

- a) Reappointment of Ms. Rupali Chowdhury as Managing Director
- b) Appointment of Mr. Sunil Sharma as Director
- c) Appointment of Mr. Sazzad Rahim Chowdhury as Director
- d) Appointment of Mr. Md. Golam Mostofa as General Manager Treasury & Financial Accounting
- e) Appointment of Mr. Sheikh Aminur Islam as Head Business Process, Risk & Compliance

Nomination and Remuneration policy and evaluation criteria of the company:

Berger Paints Bangladesh Limited views nomination of suitable persons by paying a competitive remuneration package, as well as proper evaluation through unbiased standard procedures as the factors for the company's long term success. The company follows a transparent selection process for recruitment of potential candidates on the basis of their profiles. The company lays great emphasis on four values through unbiased standard procedures as the factors for the company lays great emphasis on four values throughout the recruitment and evaluation process: Respect, Integrity, Commitment and Excellence. The prospective candidates are evaluated through in-house assessors, and if required, external experts are engaged. The company also takes security clearance of all candidates before their employment. Annual objectives setting in concurrence with the superiors and half-yearly performance review is also done meticulously. The performance is evaluated based on a matrix that equally emphasizes behavioral and functional aspects of performance. For nomination, remuneration and evaluation of Directors and top level employees, the NRC recommends the prospective candidates so that the qualifications and experience are best suited for the position.

On behalf of the Nomination and Remuneration Committee,

Mu

Anis A. Khan Chairman June 30, 2021

Report to the Shareholders of Berger Paints Bangladesh Limited on compliance on the Corporate Governance Code

[Certificate as per condition No. 1(5)(xxvii)]

We have examined the compliance status to the Corporate Governance Code by Berger Paints Bangladesh Limited for the year ended on 31 March 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is satisfactory.

Nasir U Ahmed, FCA, FCS, ACMA (UK) Senior Partner MABS & J Partners Chartered Accountants

Place: Dhaka Dated: 25 July 2021



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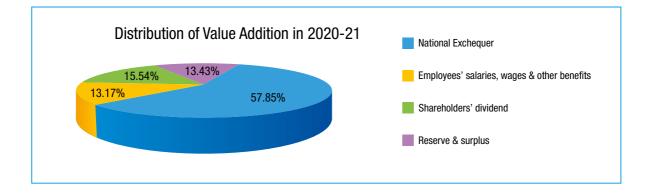
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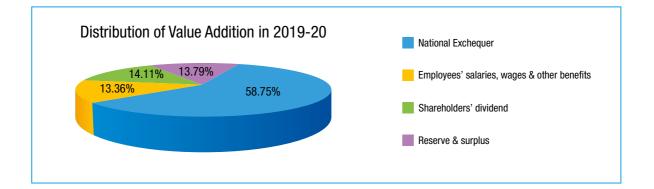
21, Purana Paltan Line (4th & 7th Floor) Dhaka-1000, Bangladesh Phone : +880-2-58315469/58315471 Fax : +880-2-48320936 E-mail : info@mabsj.com Web : www.mabsj.com

Value Added Statement

For the year ended 31 March 2021

				Taka in '000
	2020-2021		2019-2020	
	Amount	%	Amount	%
Turnover (Net of rebate and other discount)	20,270,685 19,851,510		19,851,510	
Less: Purchase of materials & Services	11,467,927		11,632,570	
Value added	8,802,758 100.00 8,21		8,218,940	100.00
Applications:				
National Exchequer	5,092,781	57.85	4,828,804	58.75
Employees' salaries, wages & other benefits	1,159,220	13.17	1,097,688	13.36
Shareholders' dividend	1,368,147	15.54	1,159,447	14.11
Reserve & surplus	1,182,610	13.43	1,133,001	13.79
	8,802,758	100.00	8,218,940	100.00







Auditors' Report and Audited Financial Statements





Independent Auditor's Report To the Shareholders of Berger Paints Bangladesh Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Berger Paints Bangladesh Limited (the Company) which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 31 March 2021. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

SL	Key Audit Matter	How our audit addressed the key audit matter			
1	Revenue recognition (Refer to Note 2.21 (accounting policy) and note 24 to these Financial Statements)				
	The Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the net consideration, which the Company expects to receive for those goods from customers. In determining the sales price, the Company considers the effect of rebates and discounts (variable consideration). During the year ended March 31, 2021 the Company has recognised revenues of BDT 16,669,802 thousand.	Our audit procedures included the following: 1) We read the Company's revenue recognition policy and assessed its compliance in terms of IFRS 15 'Revenue from contracts with customers'; 2) Performed sample tests of individual sales transactions and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, we tested recognition of revenue based on underlying sales invoices, sales orders and other related documents;			
	The terms of sales agreements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that requires judgement in determining sales revenues.	3) We selected a sample of invoices on which rebates and discounts were given and obtained the rebates and discount schemes approved by the management. We noted the accounting of rebates and discounts by the Company for the selected sample;			
	Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.	 Selected samples of sales transactions made pre and post year end, agreed the date of transfer of control for the selected sample by testing underlying documents including customers confirmation; and 			
		5) Assessed the relevant disclosures made within the financial statements.			

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SL	SL Key Audit Matter How our audit addressed the key audit matter		
2	Assessment of the appropriateness of the allowance for doubtful debt (Refer to Note 2.24 (accounting policy) and Note 9 these Financial Statements)		
	Trade receivables comprises 11% of total assets in the state- ment of financial position. The appropriateness of the allowance for doubtful debt is subjective due to the high degree of judgment applied by management in determining the impairment provision. Due to the COVID 19 conditions currently all over the world as well Bangladesh, it continues to put pressure on customers' ability to repay their outstanding account balances. Management of the Company is continuously reviewing and assessing the need for keeping incremental amount in bad and doubtful debts under ECL method considering its busi- ness model. Based on assessment, management has made necessary provision for bad and doubtful debts under ECL model to impair company's trade receivables.	 Our audit procedures included the following: 1) Evaluated the debtor's impairment methodology applied in the current year to the requirements of IFRS 9: Financial Instruments; 2) Analysed the methodology by comparing the prior year provision to the actual current year write downs; 3) Assessed key ratios which include cash collections, days outstanding, and delinquencies; 4) We considered changes in account strategy and assessed the impact on the allowance for doubtful debts; and 5) Assessed any changes in the economy and the impact on the collectability of trade receivables. 	
	Due to the significance of trade receivables and the related estimation uncertainty this is considered a key audit matter.		

Other information included in the Company's March 31, 2021 Annual Report

Other information consists of the information included in the Company's March 31, 2021 Annual Report other than the financial statements and our auditor's report thereon. We obtained Director's Report, Management Discussion and Analysis, six years financial information, and Corporate Governance report prior to the date of our auditor's report, and we expect to obtain the remaining reports of the Annual Report after the date of our auditor's report. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.







Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a
 material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we
 conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements
 or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's
 report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- iii) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and

iv) the expenditure incurred was for the purposes of the Company's business.

A. Qasem & Co.

Chartered Accountants RJSC Firm Registration No.: PF 1015

Morales

Mohammad Motaleb Hossain FCA Partner Enrolment Number: 0950

DVC: 2108030950AS945783

Dhaka, 19 July 2021



Berger Paints Bangladesh Limited Statement of Financial Position

In Thousands Taka Property, plant and equipment Capital work-in-progress Right-of-use assets Intangible assets Term deposit Investment - at cost Total non-current assets Inventories	Note (s)	As at 31 Ma 2021 4,310,486 639,820 572,586 51,003 5,573,895 100,000 157,943 5,831,837	2020 3,865,251 563,035 629,221 56,749 5,114,256 - 93,343 5,207,599
Capital work-in-progress Right-of-use assets Intangible assets Term deposit Investment - at cost Total non-current assets	4 5 6 11 7	639,820 572,586 51,003 5,573,895 100,000 157,943	563,035 629,221 56,749 5,114,256
Capital work-in-progress Right-of-use assets Intangible assets Term deposit Investment - at cost Total non-current assets	4 5 6 11 7	639,820 572,586 51,003 5,573,895 100,000 157,943	563,035 629,221 56,749 5,114,256
Right-of-use assets Intangible assets Term deposit Investment - at cost Total non-current assets	5 6 11 7	572,586 51,003 5,573,895 100,000 157,943	629,221 56,749 5,114,256 - 93,343
Term deposit Investment - at cost Total non-current assets	6 11 7	51,003 5,573,895 100,000 157,943	56,749 5,114,256 - 93,343
Term deposit Investment - at cost Total non-current assets	11 7	5,573,895 100,000 157,943	5,114,256 93,343
Investment - at cost Total non-current assets	7	100,000 157,943	93,343
Investment - at cost Total non-current assets	7	157,943	
Investment - at cost Total non-current assets	7	157,943	
Total non-current assets			
Inventories	8		
Inventories	8		
	0	3,125,809	2,287,580
Trade and other receivables	9	1,712,435	1,619,002
Advances, deposits and prepayments	10	338,164	252,080
Cash and cash equivalents	12	4,099,907	3,373,100
Inter - company receivables	13	191,885	190,150
Total current assets		9,468,201	7,721,912
Total assets		15,300,038	12,929,511
Share capital	14	463,779	463,779
Retained earnings	15	9,426,987	8,244,378
Equity attributable to the Company's equity holders	_	9,890,766	8,708,157
Deferred tax liabilities	16	187,490	227,958
Lease obligations - non current portion	5	491,497	509,889
Total non-current liabilities		678,987	737,847
Loose abligations august partian	5	70 400	01.010
Lease obligations - current portion	5 17	76,420 4,008,948	61,816 2,797,815
Trade and other payables Provision for royalty	17	4,006,946 296,768	2,797,610
Provision for current tax	10	338,522	200,397 325,941
Provision for employees' retirement gratuity	20	(2,540)	2,566
Unclaimed dividend	20	12,020	9,825
Liability for unclaimed IPO application money	21	147	9,020
Total current liabilities		4,730,285	3,483,507
Total liabilities		5,409,272	4,221,354
Total equity and liabilities		15,300,038	12,929,511
Contingent liabilities	23	1,292,471	767,550
Net asset value per share (Taka)	41	213.26	187.77

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

As per our report of same date.

A. Qasem & Co. Chartered Accountants RJSC Firm Registration No.: PF 1015

Motales

Mohammad Motaleb Hossain FCA Partner Enrolment Number: 0950 DVC: 2108030950AS945783 Dhaka, 19 July 2021

-l. C,

Rupali Chowdhury, Managing Director



Sazzad Rahim Chowdhury, Director & Chief Financial Officer



Khandker Abu Jafar Sadique, Company Secretary

Berger Paints Bangladesh Limited

Statement of profit or loss and other comprehensive income

		For the Year Ended 31 March		
In Thousands Taka	Note (s)	2021	2020	
Revenue-net	24	16,669,802	16,219,044	
Cost of sales	25	(10,037,440)	(9,978,398	
Gross profit	20	6,632,362	6,240,646	
Selling, distribution and warehousing expenses	26	(2,641,166)	(2,731,866	
Administrative and general expenses	27	(525,711)	(524,106	
Other operating expenses	28	(106,763)	(106,738	
Other operating income	29	176,347	178,329	
		(3,097,293)	(3,184,381)	
Operating income		3,535,069	3,056,265	
Finance costs	30	(36,439)	(3,048	
Investment income	31	139,955	194,309	
Net finance income		103,516	191,261	
Other non-operating income	32	16,533	7,317	
Income before WPPF and tax		3,655,118	3,254,843	
Workers' profit participation and welfare fund		(182,756)	(162,376	
Income before tax		3,472,362	3,092,467	
Current tax expenses	19	(964,614)	(814,470	
Deferred tax income	16.1	41,040	14,451	
Income tax expenses	19.3	(923,574)	(800,019	
Net profit for the year		2,548,788	2,292,448	
Other Comprehensive Income				
Actuarial gain/(loss) on defined benefit plan		2,540		
Deferred tax impact on defined benefit plan		(572)		
Total Other Comprehensive Income		1,969		
Total comprehensive income		2,550,757	2,292,448	
Basic earnings per share (Taka)	40	54.96	49.43	
Diluted earnings per share (Taka)	40	54.96	49.43	

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

As per our report of same date.

A. Qasem & Co. Chartered Accountants RJSC Firm Registration No.: PF 1015

Motales

Mohammad Motaleb Hossain FCA Partner Enrolment Number: 0950 DVC: 2108030950AS945783 Dhaka, 19 July 2021

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Rupali Chowdhury, Managing Director

Sazzad Rahim Chowdhury, Director & Chief Financial Officer



Khandker Abu Jafar Sadique, Company Secretary

Berger Paints Bangladesh Limited Statement of Changes in Equity

For the year ended 31 March 2021

In Thousands Taka

Particulars	Share capital	Retained earnings	Total equity
Balance as at 01 April 2020	463,779	8,244,378	8,708,157
Distribution of cash dividend	-	(1,368,147)	(1,368,147)
Total comprehensive income			
Net profit for the year	-	2,548,788	2,548,788
Other comprehensive income, net of tax		1,969	1,969
Balance as at 31 March 2021	463,779	9,426,987	9,890,766

Particulars	Share capital	Retained earnings	Total equity
Balance as at 01 April 2019	463,779	7,111,376	7,575,155
Distribution of cash dividend	-	(1,159,447)	(1,159,447)
Total comprehensive income			
Net profit for the year	-	2,292,448	2,292,448
Other comprehensive income, net of tax		-	-
Balance as at 31 March 2020	463,779	8,244,378	8,708,157
Note(s)	14.2	15	

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

Berger Paints Bangladesh Limited Statement of Cash Flows

For the year ended 31 March 2021

		For the Year Ended 31 March	
In Thousands Taka	Note (s)	2021	2020
Cash flows from operating activities (A)			
Cash received from customers		16,560,236	16,280,267
Cash received from other operating income		176,347	178,329
Investment (Finance) income	31	133,745	177,608
Cash paid to suppliers and employees		(12,560,720)	(12,320,577)
Interest paid on lease obligations		(35,212)	(33,594)
Income tax paid	19	(952,032)	(680,739)
Net cash flows from operating activities	40	3,322,364	3,601,294
Cash flows from investing activities (B)			
Acquisition of property, plant and equipment, intangible assets and right-of-use assets	3, 4, 5 & 6	(1,032,634)	(911,853)
Other non-operating income	32	3,484	-
Investment in BFL	7.1	(64,600)	-
Investment (Finance) expenses		(701)	(3,636)
Dividend received	31	22,344	-
Term investment	11	(100,000)	-
Proceeds from disposal of assets	3.3	13,807	10,665
Net cash used in investing activities		(1,158,300)	(904,824)
Cash flows from financing activities (C)			
Dividend paid	21	(1,365,953)	(1,555,052)
Payment of lease liabilities		(70,778)	(62,286)
Net cash used in financing activities		(1,436,731)	(1,617,338)
Increase / (decrease) in cash and cash equivalents (D) = $(A+B+C)$		727,333	1,079,132
Exchange (gain)/loss (E)		(526)	588
Opening cash and cash equivalents (F)		3,373,100	2,293,380
Closing net cash and cash equivalents (D+E+F)		4,099,907	3,373,100

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

Berger Paints Bangladesh Limited

Notes to the Financial Statements

As at and for the year ended 31 March 2021

1 Company profile and overview of its operational activities

1.1 Legal form of the Company

"Berger Paints Bangladesh Limited (the Company) was incorporated under the Companies Act, 1994 on 6 June 1973 as a 'Private' company, limited by shares. Subsequently, the Company was converted to 'Public' company limited by shares through Extraordinary General Meeting held on 21 June 2005. The company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) of Bangladesh from 27 December 2005 and 21 December 2005 respectively."

1.2 Address of the registered and corporate office

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

1.3 Description of the companies and nature of business

Berger Paints Bangladesh Limited

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

Jenson & Nicholson (Bangladesh) Limited

Berger Paints Bangladesh Limited owns 100% shares of Jenson & Nicholson (Bangladesh) Limited – J&N (B) L. The Company was incorporated under the Companies Act, 1994 as a 'Private' limited company on 25 January 1990 having its registered office at 43/3 Chattaeswari Road, Chittagong. The Corporate office of the company is located at Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka 1230. The principal activities of the Company until 12 August 1995 were trading and indenting. It started commercial production and marketing of tin-containers and printing of tin sheets from 12 August 1995 and 01 September 1997 respectively in its factory at 70, East Nasirabad Industrial Area, Chittagong - 4209.

Berger Becker Bangladesh Limited

Berger Paints Bangladesh Limited also owns 49% shares of Berger Becker Bangladesh Limited – (BBBL). BBBL was incorporated on 20 December 2011 as a Joint Venture of Becker Industrial Coatings Holding AB, Sweden and Berger Paints Bangladesh Limited. Registered office and Corporate office of the company are located at Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka 1230. The company commenced commercial production of Coil Coating with effect from 11 September 2012 in its factory located at Building No - 03, Plot No - 102, Mouza -Taksur, Nabinagar, Savar, Dhaka -1340.

Berger Fosroc Limited

Berger Paints Bangladesh Limited also owns 50% shares of Berger Fosroc Limited – (BFL). Berger Fosroc Limited was incorporated on 19 April 2018 as a Private Limited Company under the Companies Act, 1994. This is a joint venture between Berger Paints Bangladesh Limited and Fosroc International Limited, United Kingdom. The address of the Company's registered office is Berger House, House - 8, Road - 2, Sector - 3, Uttara Model Town, Dhaka 1230. The company commenced its operation through trading with effect from 12 September 2018.

2 Summary of significant accounting policies

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

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws in Bangladesh.

The title and format of these financial statements follow the requirements of IFRS which are to some extent different from the requirement of the Companies Act 1994. However, such differences are not material and in the view of management, IFRS titles and format give better presentation to the shareholders.

Authorization for issue

These financial statements have been authorized for issue by the Board of Directors of the Company on 19 July 2021.

2.1 Basis of preparation and presentation of the financial statements

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

2.2 COVID-19 impact to preparation of financial statements

The global outbreak of Corona Virus (COVID-19) has reached Bangladesh in mid-March 2020. There was movement restrictions in part of the accounting period, but did not have significant impact on the company's performance. As the outbreak continues to evolve, it is challenging at this juncture, to predict the full extent and duration of its impact on business and economy. Consequently, these circumstances may present entities with challenges when preparing financial statements as per IFRS. In this report, the company has assessed the impact of COVID-19 upon different aspects of the business. The guideline issued by the ICAB "POTENTIAL COVID-19 IMPACT ON FINANCIAL REPORTING AND AUDITING", IAS 10 and other relevant standards are considered while preparing this report.

COVID-19 impact in business and revenue perspective, collection and risk receivable perspective has been analyzed. Funding status and cash availability to continue the operation have also been analyzed. The impact and related compliance issue are presented below:

i. Going concern assessment

IAS 1 Presentation of Financial Statements requires management, when preparing financial statements, to make an assessment of an entity's ability to continue as a going concern.

In 2020-21, the company has gone through the challenges of COVID-19 and achieved sales and profitability growth over the previous year. The company expects to continue this growth trend in future years. Even after considering the current crisis situation the forecasted sales for the year ended 31 March 2022 is higher than the current year sales. It indicates that the company will be able to maintain strong market share in next year, even better than the current year.

ii. Events after the reporting period

The financial statements for the year ended 31 March 2021 has not been directly impacted due to COVID- 19. Most of the activities (financial and non-financial) have already been completed and no subsequent impact has been done yet, e.g. revenue is recognized properly, inventory is received and recorded on time and other transactions are made by complying the matching concept and cut-off test.

iii. Fair value measurement

As per IFRS 13, the fair value measurement matrix is presented below:

a. The asset or liability: A fair value measurement is for a particular asset or liability. There- fore, when measuring fair value an entity shall take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.	b. The transaction: A fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:
Such characteristics include, for example, the following: (i) the condition and location of the asset; and (ii) restrictions, if any, on the sale or use of the asset.	 (i) in the principal market for the asset or liability; or (ii) in the absence of a principal market, in the most advantageous market for the asset or liability.
c. The price: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.	d. Market participants: An entity shall measure the fair value of an asset or a liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Considering the above criteria and nature of our companies business; the assets, liability and none of transactions will be impacted for COVID-19.

iv. Impairment assessment

An impairment loss is the amount by which the carrying amount of an assets or cash-generating unit exceeds its recoverable amount.

An asset is impaired when an entity is not able to recover its carrying value, either by using it or selling it.

The company has completed the impairment test and considering the nature and effectiveness of company's assets, nothing will be impacted due to COVID-19.

2.3 Basis of measurement

These financial statements have been prepared on historical cost basis except for inventories which are measured at lower of cost and net realizable value.

2.4 Principal accounting policies

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

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

2.5 Application of standards

The following IASs and IFRSs are applicable for the preparation of financial statements for the period under review.

- IAS 1 Presentation of financial statements
- IAS 2 Inventories
- IAS 7 Statement of cash flows
- IAS 8 Accounting policies, changes in accounting estimates and errors
- IAS 10 Events after the reporting period
- IAS 12 Income taxes
- IAS 16 Property, plant and equipment
- IAS 19 Employee benefits
- IAS 21 The effects of changes in foreign exchange rates
- IAS 23 Borrowing costs
- IAS 24 Related party disclosures

- IAS 28 Investments in associates
- IAS 33 Earnings per share
- IAS 36 Impairment of assets
- IAS 37 Provisions, contingent liabilities and contingent assets
- IAS 38 Intangible assets
- IFRS 3 Business combinations
- IFRS 7 Financial Instruments, disclosures
- IFRS 8 Operating segments
- IFRS 9 Financial Instruments
- IFRS 10 Consolidated financial statements
- IFRS 15 Revenue from Contract with Customers
- IFRS 16 Leases

2.6 Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

- Note : 3.1 Depreciation
- Note : 5.1 Amortization
- Note : 9 Trade and other receivables
- Note : 17 Trade and other payables
- Note : 19 Provision for current tax
- Note : 20 Provision for employees retirement gratuity

2.7 Reporting period

The reporting period of the company covers the period from 01 April to 31 March and is followed consistently.

2.8 Going concern

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

2.9 Functional and presentational currency and level of precision

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

2.10 Previous period's figures and phrases

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

2.11 Property, plant and equipment

i. Recognition and measurement

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

ii. Subsequent costs

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

iii. Depreciation of property, plant & equipment

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

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

The depreciation rate(s) are as follows:

Category of property, plant and equipment	Rate (%)
Long lease hold land:	
Chittagong factory	2
Corporate office - Dhaka	1
Buildings – on freehold and leasehold lands	2
Buildings – other construction	10
Plant and machinery	10
Factory and laboratory equipment	20
Other machinery & equipment	12.5
Office equipment	15
Furniture, fixtures and fittings	12.5
Computer	20
Motor vehicles	20 & 25
Loose tools	50

iv. Gain or loss on disposal

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of profit or loss and other comprehensive income.

2.12 Capital work-in-progress

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

2.13 Lease

As a lessee, the Company applies IFRS 16 from 1 April 2019, to all contracts entered into before 1 April 2019 and presented continuously in this financial statements. To apply IFRS 16, the Company uses the modified retrospective approach.

i. IFRS 16: Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 April 2019. Although early adoption was permitted, the Company has not early adopted IFRS 16 in preparing these financial statements.

The most significant impact identified is that, the Company will recognize new assets and liabilities for its operating leases of warehouses. In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

ii. Definition of a lease

Previously, the Company determined at contract inception whether an arrangement is or contains a lease under IFRIC 4. Under IFRS 16, the Company assesses whether a contract is or contains a lease based on the definition of a lease.

On transition to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease.

As a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under IFRS 16, the Company recognizes right-of-use assets and lease liabilities for all applicable leases.

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate. Right-of-use assets are measured at their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the opportunity cost rate at the date of initial application.

Application of Leases

The Company has applied IFRS 16 using the modified retrospective approach.

2.14 Intangible assets

Intangible assets includes Software and Trademarks

i. Recognition and measurement

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

a. it is probable that future economic benefits that are attributable to the asset will flow to the entity; and b. the cost of the asset can be measured reliably.

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

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and day to day maintenance charge if any are charged to profit or loss and other comprehensive income as incurred.

Internally generated intangible assets (excluding capitalized development costs) are recognized as expenses in the statement of profit or loss and other comprehensive income for the period in which the expenditure is incurred.

ii. Subsequent costs

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

iii. Amortization

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

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

Rate (%)
20
10 -20

Amortization methods and useful life is reviewed at each year-end and adjusted, if appropriate.

iv. Derecognition

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

2.15 Inventories

i. Recognition and measurement

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

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

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

ii. Inventory write off

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

iii. Goods in transit (GIT)

Goods in transit (GIT) has been recognized at cost of materials boarded by suppliers at the port of shipment against LCs.

2.16 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

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

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

i. Investment in associate

Investment in associate is recognized initially at cost.

ii. Trade and other receivables

Trade and other receivables have been recognized based on the invoice value.

iii. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank including short term deposits which are held and available for use by the Company without any restriction. There is an insignificant risk of change in value of the same. Operational overdraft that is repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of the cash flows.

b. Financial liabilities

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

i. Trade and other payables

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

ii. Interest-bearing borrowings

Interest-bearing borrowings comprise short term loan and operational overdraft.

2.17 Advances, deposits and prepayments

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

2.18 Provisions, contingent liabilities and contingent assets

i. Provisions

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

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

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

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

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

ii. Contingent liabilities and contingent assets

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

2.19 Employee benefits

i. Defined benefit plan (Employees' retirement Gratuity Fund)

The Company established Gratuity Fund through Board of Directors resolution # 2(a) of 21 June 2005. The Fund was approved by the National Board of Revenue through order # 6(12)/KAMAPRO/2006/601 of 19 October 2006. During the year Tk 31,765 thousand provision were made for all permanent employees on the payroll of the Company and transferred Tk 34,331 thousand to the Fund during the year. The receivable amounting Tk 2,540 thousand resulting from Actuarial Valuation of the Fund as at 31 March 2021 was subsequently adjusted from the Gratuity Fund.

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

ii. Defined contribution plan (Staff Provident Fund)

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

Notification of Financial Reporting Council (FRC) on distribution of forfeited amount among members of provident fund dated 7 July 2020 has been complied with. During the period Tk 644 thousand has been recovered from BPBL Employees' Providend Fund and recognized in other non-operating income (note-32).

iii. Workers' profit participation and welfare fund

Provision for workers' profit participation and welfare fund has been made @ 5% of profit as per provision of the Bangladesh Labour Act 2006 (Amended in 2013) and payable to these Funds and Bangladesh Sramik Kallyan Foundation.

2.20 Taxation

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

i. Current tax:

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rates used for the reporting periods are as follows:

Year	Tax Rate
31-Mar-21	22.50%
31-Mar-20	25.00%

ii. Deferred tax:

Deferred tax has been recognized in accordance with IAS 12. Deferred tax is provided using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purpose. Deferred tax is determined at the rate of 22.50% (31 March 2020: 25.00%).

a. Deferred tax assets

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

b. Deferred tax liabilities

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

2.21 Revenue recognition

Policy applicable from 1 April 2020

Revenue is recognized when invoice for products are made and the significant risk and reward of ownership are transferred to the customers, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the control of the goods, and the amount of revenue can be measured reliably. As per IFRS 15 Revenue from Contract with Customers, Value Added Tax (VAT), Supplementary Duty (SD), Turnover Commission and other variable considerations e.g. trade discounts, early settlement discount and volume rebates and discounts are excluded from revenue.

Policy applicable before 1 April 2020

Rearranged to conform to current year's revenue recognition policy adoption. Specific policies regarding the recognition of revenue are as follows:

i. Revenue from sales of goods

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

a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods and customer obtains control of the goods; b) it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur

c) the amount of revenue can be measured reliably; and

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

ii. Rendering of services

Under IFRS 15, the total consideration in the service contracts is allocated to all services based on their stand-alone prices. The stand-alone prices are determined based on the list prices at which the Group sells the services in separate transactions.

• service (or a bundle of services) that is distinct-customer can get the benefit from the good or service either on its own or together with readily available resources.

• a series of distinct services that are substantially the same and that have the same pattern of transfers to the customer-promise to transfer the service is separately identifiable from other promise in the contract.

iii. Income derived from color bank operation

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

iv. Income derived from management services

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

- a) the amount of revenue can be measured reliably;
- b) it is probable that the economic benefits associated with the transaction will flow to the entity;
- c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and

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

v. Income derived from dividend

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

vi. Income derived from interest

Finance income comprises interest income on fixed deposits, Short Notice Deposit (SND) and amounts due from related parties. Interest income is recognized in statement of profit or loss when it accrues, using the effective interest rate method and considering the time proportion basis.

Finance costs comprises interest expense on operational overdraft, LTR, term loan and short term borrowings. All finance expenses are recognized in the statement of profit or loss.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis.

2.22 Borrowing costs

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

2.23 Repairs, upkeep and maintenance charges

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

2.24 Bad and doubtful debts

Bad debts provision has been recognised as per IFRS 9, based on the assessment of risk base receivables.

2.25 Advertising and promotional expenses

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

2.26 Foreign currency transaction

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

2.27 Related party transactions

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

2.28 Event after the reporting period

Events after the reporting period that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Material events after the reporting period that are not adjusting events are disclosed by way of note.

2.29 Comparatives and reclassification

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

2.30 Earnings per share (EPS)

The Company presents basic and diluted (when dilution is applicable) earnings per share (EPS) in accordance with IAS 33 Earning Per Share.

i. Basic earnings per share (BEPS)

This has been calculated by dividing the profit or loss attributable to the ordinary share holders with the weighted average number of ordinary shares outstanding at the end of the year, adjusted for the effect of change in number of shares for bonus issue.

ii. Diluted earning per share (DEPS)

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant years.

iii. Weighted average number of ordinary shares

The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighted factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been is issue. This means that they have been issued at the start of the year presented as the comparative figures.

2.31 Information about segments

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and return. A segment is a distinguishable component of the entity that engaged in providing products or services within a particular economic environment. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating decision maker. The entity regards its Board of Directors as its Chief Operating decision maker, as the Board is responsible for allocating resources, assesses performance, and makes strategic decision.

The entity is primarily engaged in manufacturing and sale of paints, varnishes and coatings. This forms the focus of the Company's internal reporting system. While the Company has clearly differentiated brands, segmentation within a wide portfolio of brands is not part of the regular internally reported financial information to the Chief Operating decision maker. Therefore, it is not possible to segment the Company's results by brand without a high degree of estimation.

	As at 31 M	larch
In Thousands Taka	2021	2020
Property, plant and equipment - notes 2.5, 2.11, 3.1 and 3.3		
At cost		
Opening balance	6,886,689	6,335,581
Addition during the year	938,940	606,359
Disposal during the year - note 3.3	(50,294)	(55,251
Closing balance	7,775,335	6,886,689
Accumulated depreciation		
Opening balance	3,021,438	2,557,128
Charged for the year - note 3.1	492,948	516,213
Adjustment on disposal during the year - note 3.3	(49,537)	(51,903
Closing balance	3,464,849	3,021,438
Written down value as at 31 March	4,310,486	3,865,251
Nate: Cabadula of property plant and equipment and depreciation therean is present	a dia Aragona A	

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

3.1 Segregation of depreciation amount to manufacturing, selling and administrative units - notes 2.5, 2.11 (iii) and 3

	Selling, distribution and warehousing expenses - note 26	168,782	170,096
	Administrative and general expenses - note 27	43,772 492.948	50,538 516,213
		+32,340	510,213
3.2	Fully depreciated items - cost thereof	1,789,224	1,512,943

3.3 Following items were disposed off during the year - note 32

Particulars	Cost (note 3)	Acc. Dep (note 3)	WDV	Sale proceeds	Mode of sale
Plant and machinery	1,398	1,398	-	102	Quotation
Office equipment	368	366	2	10	Quotation
Factory and laboratory equipment	795	795	-	12	Quotation
Computer	637	550	87	63	Quotation
Furniture & fixtures	351	351	-	18	Quotation
Motor vehicles	46,597	45,929	669	12,695	Quotation & Policy
Loose tools	148	148	-	907	Quotation
Total as at 31 March 2021	50,294	49,536	758	13,807	
Total as at 31 March 2020	55,251	51,903	3,348	10,665	

3

		As at 31 March		
	In Thousands Taka	2021	2020	
	Capital work in progress - notes 2.12 and 4.1			
		563,035	227,760	
	Opening balance	421,968	917,97 ⁻	
	Addition during the year			
	Transferred to property, plant and equipment	(345,182)	(582,696	
	Closing balance	639,820	563,03	
1	Details of capital work in progress - note 4			
	Land	12,774	175,102	
	Building	351,580	167,90	
	Plant & Machinery	142,068	60,06	
	Factory & Lab Equipment	109,479	140,69	
	Software	22,097	13,88	
	Others	1,822	5,38	
	Total	639,820	563,03	
	Lease			
	Right-of-use assets			
	At cost			
	Opening balance	743,954		
	Addition during the year	63,970	743,95	
	Closing balance	807,924	743,95	
	Accumulated amortization			
	Opening balance	114,733		
	*Charged for the year - note 5.1	120,605	114,73	
	Closing balance	235,338	114,73	
	Written down value as at 31 March	572,586	629,22	
	Lease liabilities			
	Lease liabilities - non-current portion	491,497	509,88	
	Lease liabilities - current portion	76,420	61,81	
	Balance as at 31 March	567,917	571,70	

*Actual payment of rent on lease assets during 2020-2021 is Tk 148,655 thousand.

		As at 31 March	
	In Thousands Taka	2021	2020
5.1	Segregation of amortization		
	Manufacturing overhead - note 25.3	11,868	6,271
	Selling, distribution and warehousing expenses - note 26	102,553	102,957
	Administrative and general expenses - note 27	6,184	5,505
	Total	120,605	114,733

6 Intangible assets - notes 2.5, 2.14 and 6.1

Particulars	Software	Trade marks	Total	Total
At cost				
Opening balance	232,050	2,285	234,335	225,751
Addition during the year	21,832	-	21,832	8,584
Closing balance	253,882	2,285	256,167	234,335
Accumulated amortization				
Opening balance	176,503	1,083	177,586	147,628
Charged during the year - note 6.1	27,363	215	27,578	29,958
Closing balance	203,866	1,299	205,165	177,586
Carrying amount	50,016	986	51,003	56,749

6.1 Segregation of amortization amount to selling and administrative units - notes 2.5, 2.14 (iii) and 6

Selling, distribution and warehousing expenses - note 26	215	215
Administrative and general expenses - note 27	27,363	29,743
	27,578	29,958

7 Investments - at cost

7.1 Make-up:

Jenson & Nicholson (Bangladesh) Limited - note 7.2	50,100	50,100
Berger Becker Bangladesh Limited - note 7.3	39,200	39,200
Berger Fosroc Limited - note 7.4	68,643	4,043
Total	157,943	93,343

7.2 The Company owns 100% paid-up ordinary share capital of Tk 50,100 thousand (501,000 shares of Taka 100 each) of J&N (B) L, which is a wholly owned and managed subsidiary of the Company.

7.3 The Company owns 49% paid-up ordinary share capital of Tk 39,200 thousand (3,920,000 shares of Tk 10 each) of Berger Becker Bangladesh Limited (BBBL), which is a joint venture with Becker Industrial Coatings Holding AB, Sweden.

7.4 The Companyowns 50% paid-up ordinary share capitali.e.Tk 68,643 thousand (686,425 shares of Tk 100 each) of Berger Fosroc Limited (BFL), which is a joint venture with Fosroc International Limited, United Kingdom. During the period, the company subscribed to 646,000 ordinary shares of BFL.

		As at 31 March	
	In Thousands Taka	2021	2020
8	Inventories - notes 2.15 and 25		
	Raw materials	1,434,440	920,496
	Semi - finished products	154,226	94,756
	Packing materials	53,512	42,860
	note - 25.1	1,642,179	1,058,112
	Finished goods - notes 25 and 25.4		
	Own manufactured items	647,902	633,374
	Imported items	60,519	81,304
		708,421	714,678
	Store, consumables and promotional items		
	Stores and consumables	48,946	46,850
	Promotional items	25,180	24,430
		74,126	71,280
	Inventories in transit - GIT - note 2.15 (iii)	701,084	443,510
		3,125,809	2,287,580
9	Trade and other receivables - notes 2.5, 2.16 a (ii) and 34 (iii)		
9.1	Trade receivables		
	Unsecured - note 9.2	1,793,237	1,662,483
	General provision for bad and doubtful debts - notes 2.24 and 16	(94,084)	(72,897)
	Considered to be good	1,699,153	1,589,586
	Other receivables- notes 9.3	13,282	29,416
		1,712,435	1,619,002
9.2	Maturity wise presentation of trade receivable-unsecured:		
	Outstanding over 360 days	117,406	72,897
	Outstanding 181 days to 360 days	62,872	60,320
	Outstanding upto 180 days	1,612,959	1,529,266
	note 9.1	1,793,237	1,662,483
9.3	Other receivables include interest accrued on investments - note 9.1	13,282	29,416

		As at 31 March	
	In Thousands Taka	2021	2020
10	Advances, deposits and prepayments - note 2.17		
	Advances - note 10.1	256,870	170,218
	Security deposits	43,461	38,996
	Prepayments for insurance and others	37,834	42,866
		338,164	252,080
10.1	Advances		
	Advance to employees - note 10.1.1	80,977	76,522
	Advance to suppliers and others - note 10.1.2	175,892	93,696
		256,870	170,218
10.1.1	Advance to employees - note 10.1		
	House building loan	72,778	70,863
	Other advance	8,199	5,659
		80,977	76,522
10.1.2	Advance to suppliers and others - note 10.1	00.050	40.000
	Goods and services	93,956	12,932
	Supplementary duty	-	2,157
	Outsource and others	81,936	78,607
		175,892	93,696
11	Term deposit - Govt Securities		
	Investment in government securities		
	More than one year	100,000	-
		100,000	-
12	Cash and cash equivalents - note 2.16 a (iii)		
	Term deposit accounts (FDR)	2,501,238	2,351,237
	Current and collection accounts	551,984	547,353
	Short term deposit accounts (STD) - notes 31 and 34 (ii) (a)		
	Operational account	1,012,238	441,933
	IPO and Dividend account	14,570	12,374
		1,026,808	454,307
	Foreign currency current accounts - notes 2.26 and 34 (ii)(a)	16,960	14,343
	Cash in hand	2,918	5,860
	Cash and cash equivalents	4,099,907	3,373,100

		As at 31	March
	In Thousands Taka	2021	2020
13	Inter- company receivables - note 41		
	Due from / (to) J&N (B) L	157,074	145,548
	Due from / (to) BBBL	7,143	8,885
	Due from / (to) BFL	27,668	35,717
		191,885	190,150
14	Share capital		
14.1	Authorized share capital		
	100,000,000 ordinary shares of Taka 10 each	1,000,000	1,000,000
14.2	Issued, subscribed and paid-up share capital		
	46,377,880 ordinary shares of Taka 10 each	463,779	463,779

The Company became public listed through initial public offer (IPO) as per consent letter of Bangladesh Securities and Exchange Commission ref SEC/CI/IPO-71/2005/168 dated 10 October 2005.

14.3 Composition of shareholding

Shareholders	Number of share	% of share holding	Value	Value
J & N Investments (Asia) Limited - Group	44,058,740	95.00	440,587	440,587
Institutions & General public	108,143	0.23	1,081	4,759
Foreign shareholders	44,166,883	95.23	441,669	445,347
Institutions (financial & others)	1,469,310	3.17	14,693	11,953
General public	741,687	1.60	7,417	6,479
Bangladeshi shareholders	2,210,997	4.77	22,110	18,432
Total	46,377,880	100.00	463,779	463,779

14.4 Classification of shareholders by range

	Turno of			31 March 2020	
Shareholding range	Type of share holders	Number of shares	% of share holding	Number of shareholders	Number of shareholders
Less than 501 shares	G. Public& Inst	288,752	0.62	3,665	4,396
501 to 5,000 shares	G. Public& Inst	393,843	0.85	262	265
5,001 to 10,000 shares	G. Public& Inst	97,297	0.21	14	10
10,001 to 20,000 shares	G. Public& Inst	134,752	0.29	9	13
20,001 to 30,000 shares	Institution	244,424	0.53	10	4
30,001 to 40,000 shares	Institution	106,259	0.23	3	1
40,001 to 50,000 shares	Institution	271,412	0.59	6	1
50,001 to 100,000 shares	Institution	337,753	0.73	5	5
100,001 to 1,000,000 shares	Institution	444,648	0.96	1	2
Over 1,000,000 shares	Group	44,058,740	95.00	1	1
Total		46,377,880	100.00	3,976	4,698

14.5 Market price per share

15

16.1

Tradad stock systemas	Last trade date		In Taka		
Traded stock exchanges	2021	2020	2021	2020	
Dhaka Stock Exchange	31-Mar-21	25-Mar-20	1,754.70	1,308.60	
Chittagong Stock Exchange	23-Mar-21	23-Mar-20	1,719.20	1,305.00	

	As at 31 March			
In Thousands Taka	2021	2020		
Retained earnings				
Opening balance	8,244,378	7,111,376		
Net profit for the year	2,548,788	2,292,448		
	10,793,166	9,403,825		
Distribution of dividend - note 21	(1,368,147)	(1,159,447)		
Actuarial gain/(loss) on gratuity valuation, net of tax	1,969	-		
Closing balance	9,426,987	8,244,378		

16 Deferred tax liabilities - notes 2.20 (ii) and 16.1

	Carrying amount	Tax base	Taxable/ (deductible)	Taxable/ (deductible)
Property, plant and equipment	2,737,792	1,817,629	920,163	987,295
Right-of-use (ROU) Asset	572,586	-	572,586	
Lease obligation	(567,917)	-	(567,917)	
Provision for bad debts	(94,084)	-	(94,084)	(72,897
Provision for employee benefit plan	2,540	-	2,540	(2,566
Net temporary difference	2,650,917	1,817,629	833,288	911,83
Effective tax rate	22.5%	25%		
Deferred tax liabilities as at 31 March	187,490	227,95		
Deferred tax income				
Opening balance			227,958	242,409
Closing balance			187,490	227,958
Deferred tax income			(40,468)	(14,451
Deferred tax on actuarial gain directly attributa	572			
Deferred tax income recognized directly in pro	fit or loss and other compre	hensive income	(41,040)	(14,451

		As at 31 March	
	In Thousands Taka	2021	2020
7	Trade and other payables - notes 2.5, 2.16 (b) (i) and 34 (i)		
7.1	The make-up		
	For revenue expenses - note 17.2	2,088,022	1,310,681
	For trading supplies - note 34 (ii) (a)	1,528,919	1,184,218
	For other finance - note 17.3	306,972	203,327
	For capital expenditure	22,069	20,163
		3,945,981	2,718,389
	Workers' profits participation and welfare funds - note 2.19 (iii)	62,967	79,426
		4,008,948	2,797,815
7.2	For revenue expenses - note 17.1		
	Accrued charges	1,903,788	1,250,207
	Provision for turnover rebate	179,751	56,397
	Training and consultancy fee	4,483	4,077
		2,088,022	1,310,68
7.3	Creditors for other finance pate 17.1		
1.3	Creditors for other finance - note 17.1	47.047	E4 OCC
	Clearing account	47,247	54,068
	Security deposits	45,781	18,876
	Tax deduction at source	38,050	24,524
	Staff income tax	6,958	5,628
	VAT, Supplementary duty and others	168,935	100,23
		306,972	203,327
8	Provision for royalty		
	Opening balance	285,397	309,863
	Addition for the year - notes 28, 34(ii)(a), 36.1 and 42	104,248	104,058
	Adjusted during the year	(297)	
		389,348	413,921
	Payment during the year	(92,580)	(128,524
	Closing balance	296,768	285,397

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

Name of the trade marks provider	Name of the product		
J&N Investments (Asia) Limited	Robbialac, Colorizer, Apexior 1 & 3 and Protection	98,879	100,660
Chugoku Marine Paints Ltd	Seven marine paint products	2,905	3,398
Berger Paints India Limited	Products as per License & Royalty Agreement	2,464	-
		104,248	104,058

As per the agreement between J & N Investments (Asia) Limited and Berger Paints Bangladesh Limited, an amount is required to be paid as Royalty @ 1.00% on net sales of the products under the technical categories Robbialac, Colorizer, Apexior 1 & 3 and Protection for using the trademarks owned by J & N Investments (Asia) Limited. The agreement was renewed for five years from 1 January 2017 to 31 December 2021.

As per the agreement between Chugoku Marine Paints Limited and Berger Paints Bangladesh Limited, an amount is required to be paid as Royalty @ 3.00% on net sales of the products under the agreement for use of trademarks and technical know-how owned by Chugoku Marine Paints Ltd. The agreement is effective for three years from 1 January 2020.

As per the agreements dated 1 October 2020 and 1 November 2020 signed between Berger Paints India Limited and Berger Paints Bangladesh Limited, an Initial Lump Sum Royalty Fee amounting USD 29,000 is payable to Berger Paints India Limited.

		As at 31	March
	In Thousands Taka	2021	2020
19	Provision for current tax - notes 2.5 and 2.20 (i)		
	Opening balance	325,941	192,210
	Provision made for the year	964,614	814,470
		1,290,555	1,006,680
	Tax deducted at source and paid in advance - note 19.1	(952,033)	(680,739)
	Closing balance	338,522	325,941
19.1	Breakup of tax deducted at source and paid in advance - note 19		
	Tax deducted at source	428,905	371,167
	Tax paid in advance	523,128	309,572
		952,033	680,739

19.2 Assessment of Tax

The assessment of the company's tax returns till the financial year 2019-2020 (corresponding assessment year 2020-21) have been completed. There is no pending tax liability of the company.

	202	20-2021	2019-2020		
Reconciliation of effective tax rate	Percentage	BDT '000	Percentage	BDT '000	
Profit before tax		3,472,362		3,092,467	
Tax on PBT excluding dividend income	22.50%	776,254	25.00%	773,117	
Tax on dividend income	20.00%	4,469		-	
	22.48%	780,723		773,117	
Tax effect of:					
Provision for non-deductible expenses	5.37%	186,470	1.22%	42,421	
Export rebate	-0.07%	(2,579)	-0.03%	(1,068)	
	27.78%	964,614	26.34%	814,470	
Deferred tax (income)/expense (note 16.1)	-1.18%	(41,040)	-0.42%	(14,451)	
Income tax expenses	26.60%	923,574	25.92%	800,019	

Provision made for the year 31,765 31,398 Actuatial (gaih)/loss on actuatial valuation (2,540)			As at 31	I March
Opening belance 2,566 30,056 Provision made for the year 31,765 31,398 Actuarial (gain)/loss on actuarial valuation (2,540)		In Thousands Taka	2021	2,020
Opening balance 2.566 30.069 Provision made for the year 31.765 31.398 Actuarial (gain)/loss on actuaral valuation (2,540)				
Provision made for the year 31,765 31,398 Actuarial (gah)/boss on actuarial valuation (2,540) (2,540) Transferred to gratuity fund (34,331) (68,931) Closing balance (note 20.1 and 20.5) (2,540) 2,566 20.1 Surplus/(deficit) of defined benefit obligation and fair value of plan assets (365,970) Defined benefit obligation (rote 20.2) (365,970) (365,970) Fair value of plan assets (rote 20.3) 388,510 (32,940) Net surplus/(deficit) 2,540 (32,940) Opening balance 32,9,600 (33,760) Current service costis 32,710 (33,760) Interest on the DBO 19,420 (12,000) Defined Benefits Obligation (DBO) (12,000) (12,000) Defined Benefits Dobligation at 31 March 2021 365,970 (12,000) Defined Benefits Obligation at 31 March 2021 365,970 (12,000) Defined Benefits paid (12,000) (12,000) (12,000) Interest incorne on plan assets 329,600 (12,000) (12,000) Benefits paid (20	Provision for employees' retirement gratuity - notes 2.5, 2.19 (i) and 16		
Actuarial (gain)/bas on actuarial valuation (2,540) Image: Transferred to gratuly fund (34,331) Closing balance (rote 20.1 and 20.5) (2,540) 20.1 Surplus/(deficit) of defined benefit obligation and fair value of plan assets Defined benefit obligation (rote 20.2) (365,970) Fair value of plan assets (rote 20.3) 368,510 Net surplus/(deficit) 2,540 20.2 Movement in Defined Benefits Obligation (DBO) 2,540 Opening balance 329,600 Current service costs 32,710 Interest on the DBO 19,420 Actuarial (gain)/bas experienced (3,760) Benefits Obligation at 31 March 2021 365,970 20.3 Movement in Fair Value of Assets Opening balance 329,600 Current service costs 32,710 Interest norme on plan assets 20,385 Opening balance 329,600 Interest norme on plan assets 20,385 Opening balance 329,600 Interest income on plan assets 20,385 Opening balance 329,600 Interest income on plan assets 20,385		Opening balance	2,566	30,099
Image: second		Provision made for the year	31,765	31,398
Transferred to gratuity fund(34,331)(68,931)Closing balance (note 20.1 and 20.5)(2,540)2,56620.1Surplus/(deficit) of defined benefit obligation and fair value of plan assets Defined benefit obligation (note 20.2) Fair value of plan assets (note 20.3) Net surplus/(deficit)(365,970)20.2Movement in Defined Benefits Obligation (DBO) Opening balance Current service costs329,600Opening balance Current service costs322,710Interest on the DBO Actuarial (gain)/koss-experienced(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets Opening balance329,600Opering balance Interest in come on plan assets20,365Employer contributions Benefits paid31,765Cost Benefits paid(12,000)Cost Interest income on plan assets20,365Employer contributions Benefits paid31,765Fair Value of Assets at 31 March 2021368,51020.4Fair Value of Planned Assets Investment in Teasany Bonds Interest accrued thereon247,800Interest accrued thereon Liability to seperated member Cash at bank247,800		Actuarial (gain)/loss on actuarial valuation	(2,540)	-
Cosing balance (note 20.1 and 20.5) (2,540) 2,566 20.1 Surplus/(deficit) of defined benefit obligation and fair value of plan assets Defined benefit obligation (note 20.2) (365,970)			31,791	61,497
20.1Surplus/(deficit) of defined benefit obligation and fair value of plan assets Defined benefit obligation (note 20.2) Fair value of plan assets (note 20.3)(365,970) 368,51020.2Movement in Defined Benefits Obligation (DBO) 		Transferred to gratuity fund	(34,331)	(58,931)
Defined benefit obligation (note 20.2)(365,970)Fair value of plan assets (note 20.3)368,510Net surplus/(deficit)2,54020.2Movement in Defined Benefits Obligation (DBO)2,540Opening balance329,600Current service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets20,365Opening balance329,600-Interest in come on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Contract at 1 March 2021368,51020.4Fair Value of Planned Assets247,800Investment in Treasury Bonds247,800-Interest accrued thereon4,671-Lability to seperated member(2,453)-Cash at bank118,492-		Closing balance (note 20.1 and 20.5)	(2,540)	2,566
Defined benefit obligation (note 20.2)(365,970)Fair value of plan assets (note 20.3)368,510Net surplus/(deficit)2,54020.2Movement in Defined Benefits Obligation (DBO)2,540Opening balance329,600Current service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets20,365Opening balance329,600-Interest income on plan assets20,365-Employer contributions31,765-Return on plan assets greater/(lesser) than discount rate(1,220)-Employer contributions31,765-Return on plan assets at 31 March 2021368,510-20.4Fair Value of Planned Assets247,800-Investment in Treasury Bonds247,800-Investment in Treasury Bonds247,800-Interest accrued thereon4,671-Liability to seperated member(2,453)-Cash at bank118,492-				
Fair value of plan assets (note 20.3)368,510Net surplus/(deficit)2,54020.2Movement in Defined Benefits Obligation (DBO)329,600Opening balance322,710Current service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets20,365Opening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Enefits paid(12,000)Fair Value of Planned Assets247,800Investment in Teasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492	20.1			
Net surplus/(deficit)2,54020.2Movement in Defined Benefits Obligation (DBO) Opening balance329,600Ourrent service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets329,600Opening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,200)Benefits paid(12,000)Fair Value of Planned Assets247,800Investment in Treasury Bonds247,800Interest accrued thereon4,671Lability to seperated member(2,453)Cash at bank118,492			· · · · ·	-
20.2Movement in Defined Benefits Obligation (DBO)Opening balance329,600Current service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of AssetsOpening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,200)Benefits Paid(12,000)20.4Fair Value of AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492				-
Opening balance329,600Current service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets20,365Opening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets20,365Investment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492		Net surplus/(deficit)	2,540	-
Opening balance329,600Current service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets20,365Opening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Environ plan assets at 31 March 2021368,51020.4Fair Value of AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492	20.2	Movement in Defined Benefits Obligation (DBO)		
Current service costs32,710Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of AssetsOpening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,200)Benefits paid(12,000)Fair Value of Assets(12,000)Benefits paid(12,000)Fair Value of Planned Assets368,510Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492			329.600	-
Interest on the DBO19,420Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of AssetsOpening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,200)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,510Powerment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492				-
Actuarial (gain)/loss-experienced(3,760)Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of AssetsOpening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,51020.4Fair Value of Planned AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492				-
Benefits paid(12,000)Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of AssetsOpening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(12,000)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,51020.4Fair Value of Planned AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492				-
Defined Benefits Obligation at 31 March 2021365,97020.3Movement in Fair Value of Assets Opening balance Interest income on plan assets329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets368,510Investment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492				-
Opening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,510Colspan="2">Colspan="2"Col				-
Opening balance329,600Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,510Colspan="2">Colspan="2"Col				
Interest income on plan assets20,365Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,510Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2"Investment in Treasury BondsInterest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492	20.3	Movement in Fair Value of Assets		
Employer contributions31,765Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,51020.4Fair Value of Planned AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492		Opening balance	329,600	-
Return on plan assets greater/(lesser) than discount rate(1,220)Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,51020.4 Fair Value of Planned AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492		Interest income on plan assets	20,365	-
Benefits paid(12,000)Fair Value of Assets at 31 March 2021368,51020.4Fair Value of Planned AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492		Employer contributions	31,765	-
Fair Value of Assets at 31 March 2021368,51020.4Fair Value of Planned AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492		Return on plan assets greater/(lesser) than discount rate	(1,220)	-
20.4Fair Value of Planned AssetsInvestment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492		Benefits paid	(12,000)	-
Investment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492		Fair Value of Assets at 31 March 2021	368,510	-
Investment in Treasury Bonds247,800Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492	20.4	Fair Value of Diagnod Accests		
Interest accrued thereon4,671Liability to seperated member(2,453)Cash at bank118,492	20.4		047 000	
Liability to seperated member(2,453)Cash at bank118,492				-
Cash at bank 118,492				-
				-
		Uadii al Ualik	<u> </u>	-

	As at 3	1 March
	2021	2020
s Cost		
	32,715	-
ability / (asset)	(950)	-
in OCI	(2,540)	-
	29,225	-
1 OCI		
xperience	3,760	-
than discount rate	(1,220)	-
	2,540	-
d in profit or loss and OCI	31,765	-
	s Cost iability / (asset) in OCI n OCI experience i than discount rate ed in profit or loss and OCI	2021 s Cost iability / (asset) (950) in OCI (2,540) 29,225 n OCI experience 3,760 than discount rate (1,220) 2,540

Comparative figures for notes 20.1, 20.2, 20.3, 20.4 and 20.5 were not presented since Actuarial Valuation on 31.03.2020 was not conducted.

20.6 Significant characteristics of plan

- (i) Plan sponsor : Berger Paints Bangladesh Limited
- (ii) Nature of benefits : Final salary defined benefit plan
- (iii) Risks associated with the plan : Plan sponsor bears all the risks associated with the plan
- (iv) Vesting criteria : 5 years of continuous service
- (v) Applicable salary : Last drawn monthly basic salary
- (vi) Maximum limit of benefit paid : No upper limit on benefit
- (vii) Basis of gratuity : Accrued benefit
- (viii) Normal retirement age : 60 years
- (ix) Benefit calculation: Two months basic (latest) pay for each completed year or major part of a year of their respective services.

21	Unclaimed dividend / payable		
	Opening balance	9,825	405,430
	Distribution of dividend - note 15	1,368,147	1,159,447
		1,377,972	1,564,877
	Payment during the year	(1,365,953)	(1,555,052)
	Closing balance	12,020	9,825
22	Liability for unclaimed IPO application money		
	Opening balance	147	147
	Refunded during the year	-	-
	Closing balance	147	147

		As at 31 March			
In Thousands Taka			20)21	2020
Contingent liabilities - note 2.18 (ii)				
Contingent liabilities of the Company t guarantee to third parties as presenter	hat relate to issue of lette	er of credit and bank			
i Letter of Credit					
Commercial Bank of Ceylon PLC				280,090	116,992
Standard Chartered Bank				35,245	62,319
Citi Bank NA				39,397	39,560
Eastern Bank Limited				118,434	90,477
Woori Bank				460,548	174,052
BRAC Bank Limited					
				59,713	435
For raw material				993,427	483,835
For capital expenditure				86,841	71,512
				1,080,268	555,347
ii Bank guarantee					
				70 500	
	Standard Chartered Bank for BBBL			73,500	73,50
The Hongkong and Shanghai Banking	g Corporation Limited for	BFL		137,000	137,000
Others				1,703	1,703
Bank guarantee				212,203 1,292,471	212,203
				1,232,471	101,550
Revenue - notes 2.21 (i), 2.29 and In Thousands Taka	d 25.4		For the year en	dod 21 March	
III IIIUusaiius iaka		202		202	20
	Unit	Quantity	Taka	Quantity	Taka
			· · · · · ·		
Own manufactured items - Paints					
Liquid	KL	88,120	19,534,109	83,457	19,595,036
Non-liquid	MT	35,021	2,923,268	31,768	2,836,72
			22,457,377		22,431,76
Imported items - Paints & others					
Liquid	KL	90	95,063	103	108,70
Non-liquid	MT	154	58,618	214	70,59
Others	Pcs		35,014		42,13
			188,695		221,43
			22,646,072		22,653,193
Discounts & Rebates			(2,375,387)		0 001 600
Value added tax - VAT			(2,944,620)		(2,801,683 (3,023,116
Supplementary duty - SD			(2,944,620) (656,263)		(3,023,116) (609,350)
Supplementally utily - SD			(000,203)		(609,350 (6,434,149
			10.010.210		10,404,149
			16,669,802		16,219,044

		For the year ended 3	
_	In Thousands Taka	2021	2020
5	Cost of sales		
	Opening stock of finished goods - notes 8 and 25.4		
	Own manufactured items	633,374	624,438
_	Imported items	81,304	102,770
_		714,678	727,208
_	Purchases - imported - note 25.4	120,546	145,804
_		835,224	873,012
	Cost of production		
	Cost of production	0.005.107	0.040.045
	Material consumed - notes 25.1, 25.5 and 25.6	8,895,187	8,849,345
-	Manufacturing overheads - note 25.3	1,015,450	970,719
-		9,910,637	9,820,064
-	Cost of finished goods available for sale	10,745,861	10,693,076
	Closing stock of finished goods - notes 8 and 25.4		
	Own manufactured items	(647,902)	(633,374)
	Imported items	(60,519)	(81,304)
-		(708,421)	(714,678)
_	Cost of sales	10,037,440	9,978,398
_			
5.1	Materials consumed		
	Opening stock - note 8		
	Raw materials	920,496	737,143
	Semi - finished products	94,756	141,726
_	Packing materials	42,860	41,194
_		1,058,112	920,063
	Purchase for the year - note 25.2		
	Raw materials	7,878,348	7,395,629
	Packing materials	1,600,905	1,591,765
-		9,479,253	8,987,394
-		10,537,365	9,907,457
-	Closing stock - note 8		-,,
	Raw materials	(1,434,440)	(920,496)
	Semi - finished products	(154,226)	(94,756)
	Packing materials	(53,512)	(42,860)
-		(1,642,178)	(1,058,112)
-	Notes - 25, 25.5 and 25.6	8,895,187	8,849,345

		For the year ended	131 March
_	In Thousands Taka	2021	2020
25.2	Materials purchase - cost and direct charges - note 25.1		
	Raw materials		
	Imported	7,289,306	6,674,134
_	Indigenous	589,042	721,495
_		7,878,348	7,395,629
_	Packing materials - indigenous	1,600,905	1,591,765
_		9,479,253	8,987,394
25.3	Manufacturing overheads - note 25		
	Salary and wages *	379,661	353,537
	Welfare expenses	13,811	15,440
	Third party and casuals	45,529	35,076
	Depreciation and amortization - note 3.1 and 5.1	292,262	301,850
			76,224
	Fuel, water and power	74,810	
	Repairs and maintenance - note 2.23	42,506	40,034
	Raw materials shifting charges	19,721	14,380
	Stores and spares consumed	13,453	13,949
		7,075	5,242
	Training and recruitment expenses	1,712	6,488
	Security and cleaning service	6,713	8,212
	Third party production charges	68,095	59,177
	Outsourcing employee cost	13,485	12,051
	Entertainment	1,229	1,170
	Other overhead	13,886	10,942
	Travelling and conveyance	1,202	4,138
	Production incentive	6,345	3,914
	Research, development and experimental costs	8,598	2,015
	Process development	1,127	2,581
	Rent, rates and other taxes	3,468	3,413
_	L/C and bank charges	762	886
		1,015,450	970,719

* The amount has been arrived after crediting Tk 1,200 thousand (2019-20: Tk 1,200 thousand) from JNBL, Tk 1,512 thousand (2019-20: Tk 897 thousand) from BBL and Tk 1,860 thousand (2019-20: Tk 2,034 thousand) from BFL being realization of management charges - notes 7.2, 7.3 and 7.4.

·		•	ing Stock		ng Stock		uring the year	Purchase/F	Production
Figures in Thousands	Unit	Qty	Taka	Qty	Taka	Qty	Taka	Qty	Taka
Own manufactured items	- Paints & c	others							
Liquid	Ltr	4,714	525,293	4,379	529,711	88,120	19,534,108	87,784	
Non-Liquid	KG	1,703	108,081	1,660	118,191	35,021	2,923,268	34,979	
			633,374		647,902		22,457,376		
Imported items - Paints &	others								
Liquid	Ltr	42	33,145	28	22,261	90	95,063	76	55,607
Non-Liquid	KG	79	22,382	61	14,875	154	58,618	136	40,039
Others	Pcs	265	25,777	241	23,383	457	35,014	433	24,901
			81,304		60,519		188,695		120,540
For the year ended 31 March 2	021	Taka	714,677		708,421		22,646,071		120,546
For the year ended 31 March 2	020	Taka	727,208		714,677		22,653,193		198,109
		Notes	25 & 8				24		25 & 8
Analysis of materials cons									
Figures in Thousands	Figures in Thousands		For the year ended 31 March					he year ended 31 March 2020	
			Qty - KG		Taka		Qty - KG	Ta	ka
Raw materials									
Resin			1,31	9	229,8	323	1,263		242,482
Pigments			10,45	7	2,272,7	756	9,881		2,165,11
Extenders and white cements	3		55	0	57,6	690	417		47,61
Solvents and oils			61,19	0	1,067,7	794	57,325		1,198,867
Additives and chemicals			79,41	3	3,676,8	372	74,143		3,605,174
			152,93	0	7,304,9	934	143,030	-	7,259,246
Packing materials					1,590,2	253		-	1,590,099
					8,895,	87		8	3,849,345

25.4 Particulars in respect of stocks, sales and purchases/production of finished goods

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

	For the year ender	d 31 March 2021	For the year ende	d 31 March 2020
Figures in Thousands	Taka	%	Taka	%
Imports	6,719,499	92	6,535,693	90
Indigenous	585,435	8	723,553	10
note 25.5	7,304,934	100	7,259,246	100
Check - consumption				
Raw materials	7,304,934	82	7,259,246	82
Packing materials	1,590,253	18	1,590,099	18
notes 25, 25.1 and 25.5	8,895,187	100	8,849,345	100

_	For the year ended 31 March		
In Thousands Taka	2021	2020	
Selling, distribution and warehousing expenses			
Advertising expenses - note 2.25	355,913	429,882	
Promotional expenses	664,333	733,30	
Salary and wages *	473,681	447,18	
Third party and casuals	111,401	95,91	
Welfare expenses	13,353	14,69	
Training and recruitment expenses	2,486	7,70	
Security and cleaning service	27,536	20,70	
Outsourcing employee cost	52,863	48,32	
Production incentive	1,935	1,32	
Other overhead	25,107	20,98	
Uner overneau	1,728,608	1,820,02	
Distribution and warehousing expenses	1,720,000	1,020,02	
Transportation and handling charges **	252,550	247,05	
Repairs and maintenance - note 2.23	19,128	23,14	
Rent, rates and fees	8,185	11,34	
Electricity, water and gas	11,999	12,39	
Insurance	4,321	3,27	
	296,183	297,22	
Selling expenses			
Paint delivery expenses	209,699	194,30	
Salesmen travelling	59,738	65,15	
Postage and telecommunication	9,896	9,65	
Rent, rates and fees	9,320	11,81	
Product demonstration	8,248	8,43	
Entertainment	6,368	7,62	
Sales incentive	5,750	6,85	
General survey and studies	3,500	3,50	
Bad debts - note 2.24	25,745	25,23	
Color Bank operational expenses - notes 2.21 (iii) and 29	3,598	3,55	
Illusion expense - note 29	2,142	2,03	
Others	754	31	
	344,758	338,49	
Depreciation and amortization - notes 3.1, 5.1 and 6.1	271,550	273,26	
Cost of free issue	67	2,85	
	271,617	276,12	
	2,641,166	2,731,86	
* This amount has been arrived after crediting Tk 252 thousand (2019-20: Tk 149 thousand) from BBBL and Tk 310 thousand (2019-20: Tk 339 thousand) from BFL being earning of management fees - notes 7.3 & 7.4.			
** This amount has been arrived at after netting recoveries from carrying contractor as loss in transit.	692	96	

		For the year ended 31 March		
	In Thousands Taka	2021	2020	
27	Administrative and general expenses			
	Salary and wages *	305,878	296,968	
	Welfare expenses	6,413	7,672	
	Third party and casuals	2,493	1,189	
	Training and recruitment expenses	3,803	9,253	
	Employee engagement	8,676	4,911	
	Security and cleaning service	6,115	5,477	
	Outsourcing employee cost	4,875	3,345	
	Production incentive	392	315	
	Postage and telecommunication	7,949	8,579	
	Depreciation and amortization - notes 3.1, 5.1 and 6.1	77,320	85,786	
	Travelling, haultage and passage	1,291	5,943	
	Repairs and maintenance - note 2.23	32,659	23,676	
	Share department expenses	2,557	3,191	
	Bank charges	9,977	7,569	
	Vehicle expenses	8,799	11,956	
	Electricity, fuel and water	6,317	5,635	
	Printing and stationery	5,622	6,176	
	Rates and fees	2,732	3,352	
	Subscription and donation	722	640	
	CSR activity	8,016	8,917	
	Entertainment	6,608	6,811	
	Corporate affairs department's expenses	490	608	
	Insurance	461	358	
	Legal and professional charges	10,220	10,930	
	Auditors' remuneration	1,827	1,349	
	Newspaper and periodicals	141	392	
	Directors fees	735	473	
	Process development	-	47	
	Other overhead	2,623	2,588	
		525,711	524,106	
	* The amount has been arrived after crediting Tk 1,800 thousand (2019-20: Tk 1,800 thousand) from JN(B)L, Tk 3,275 thousand (2019-20: Tk 1,942 thousand) from BBBL and Tk 4,030 thousand (2019-20: Tk 4,407 thousand) from BFL being realization of management charges - notes 7.2, 7.3 and 7.4.		,	
28	Other operating expenses			
	Royalty - notes 18 and 36.1	103,951	104,058	
	Training, consultancy and technical know how fees - note 36.1	2,812	2,680	
		106,763	106,738	

		For the year end	For the year ended 31 March		
	In Thousands Taka	2021	2020		
	Other appreting income				
)	Other operating income	785	713		
	Service charges from house building loans				
	Scrap sales and sundry recoveries	30,202	26,606		
	Color Bank operational income - notes 2.21 (ii) and 26	98,298	93,669		
	Insurance claim and other realizations	8,832	14,210		
	Income from illusion - note 26	18,638	25,110		
	Rental income from JNBL, BBBL & BFL - notes 7.2, 7.3, 7.4 and 13	9,369	6,834		
	Marketing service fee from BFL - note 7.4	10,223	11,187		
		176,347	178,329		
	Finance costs				
	Interest expense	35,913	3,636		
	Exchange (gain)/loss	526	(588)		
		36,439	3,048		
	Investment income				
	Dividend income	22,344	-		
	Term deposits, operational and other	109,958	189,867		
	Loan to subsidiary - J & N (Bangladesh) Limited - note 7.2	7,653	4,442		
		139,955	194,309		
	Other non-operating income				
	Income on sale of property, plant and equipment - note 3.3	13,049	7,317		
	Others *	3,484			
		16,533	7,317		

* Others include BDT 644 thousand related to forfeiture income from provident fund.

33 Capacity & production

33.1 Own manufacture

Figures in Thousands

		Installed capaci	ty - Single shift	Actual production -Multiple shifts as applicable		
Line of Business	Unit	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	
Liquid	LT	117,011	111,289	87,779	83,859	
Non-liquid	KG	45,826	41,035	34,978	31,939	

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

34 Financial risk management

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

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

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

i. Liquidity risk

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

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

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

In Thousands Taka

	As at 31 March 2021					
Financial liabilities	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months *		
Trade and other payables including unclaimed dividend and IPO application money - notes 17, 21 and 22	4,021,115	4,021,115	4,011,161	9,954		

	As at 31 March 2020					
Financial liabilities	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months *		
Trade and other payables including dividend payable and IPO application money - notes 18, 22 and 23	2,807,787	2,807,787	2,798,735	9,052		

* Only unclaimed dividend and IPO application money

ii. Market risk

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

a. Currency risk

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

The Company's exposures to foreign currency risk was as follows based on notional amounts (in thousand Taka)

	As at 31 March		
In Thousands Taka	2021	2020	
Foreign currency denominated assets			
Receivable from customers - Inland export	22,618	10,244	
Cash and cash equivalents - note 12	16,960	14,343	
Foreign currency denominated liabilities			
Trade payables - note 17.1	1,184,218	578,791	
Royalty - note 18	285,397	309,863	
The foreign exchange loss was Taka 526 thousand for the period ended 31 March 2021 and gain Taka 588 thousand was for the period ended 31 March 2020 - note 30.			
The company has applied the following significant foreign exchange rates:			
US Dollar	84.95	84.95	
EURO	100.99	95.74	
GBP	118.16	106.96	
b. Interest risk			
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.			
At the reporting date, the financial assets and financial liabilities are as follows:			
Financial instruments			
Financial assets			
Term deposit	100,000	-	
Cash and cash equivalents - note 12	4,099,907	3,373,100	
Financial liabilities	-	-	

iii. Credit risk:

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

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

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

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

		As at 31	March	
In Thousands Taka		2021	2020	
Local receivable - note 9		1,770,619	1,652,239	
Inland export receivable		22,618	10,244	
Trade receivable	Note - 9.1	1,793,237	1,662,483	
Accrued interest	Note- 9.1	13,282	29,416	
Inter-company receivable	Note- 13	191,885	190,150	
Other receivables:		205,167	219,566	

		For the year end	ded 31 March
	In Thousands Taka	2021	2020
35	Value of imports - at CIF basis		
	Raw materials	6,956,014	6,534,930
	Capital goods	211,064	256,653
	Stores and spares	10,214	6,703
		7,177,291	6,798,286
36	Transactions in equivalent foreign currency		
36.1	Expenses		
	Royalty - notes 18, 28 and 34 (ii) (a)	104,248	104,058
	Training and consultancy fee - note 28	2,812	2,680
	Foreign travel for Company's business	-	4,336
		107,060	111,074
36.2	Earnings		
	Inland export sales - note 24	89,304	49,307
37	Dividend remitted in terms of foreign currency to		
	J & N Investments (Asia) Limited - Net of TDS	1,169,760	1,387,850
	In number		
38	Expenditure incurred on employees		
	Salaries, wages and benefits - notes 25.3, 26 & 27 *		
	a. Employment throughout the year in receipt of remuneration aggregating Tk 36,000 or more per annum	566	550
	b. Employment for a part of the year and in receipt of remuneration aggregating Tk 3,000 or more per month	26	34
	c. Rest	-	-
		592	584

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

	For the year er	nded 31 March
In Thousands Taka	2021	2020

39 Remuneration of Directors, Executives, Managers & Officers - notes 25.3, 26, 27 and 38

39.1 Managerial remuneration for managers and officers only

Share-based payment	-	-
Other long-term benefit Termination benefit	-	-
Post employment benefit	-	-
Reimbursable expenses	63,681	65,211
Contributions to employees' benefit scheme - note 2.19	42,526	41,178
Salary, allowances and benefits	943,562	889,878

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

a. Rental:

Managing director is provided free-furnished accommodation and others are provided cash allowances.

- b. Residential telephone/cellphone mainly for the Company's business.
- c. Transportation:

Company's car with chauffeur or cash allowance for chauffeur.

39.3 Board meeting fee

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

40 Earnings per share (EPS) - Basic - note 2.30

The computation of EPS is given below:

	2,548,788	2,292,448
	3,322,364	3,601,294
	9,890,766	8,708,157
	46,377,880	46,377,880
	46,377,880	46,377,880
Taka	54.96	49.43
Taka	54.96	49.43
Taka	71.64	77.65
Taka	213.26	187.77
	Taka Taka	3,322,364 9,890,766 46,377,880 46,377,880 Taka 54.96 Taka 54.96 Taka

40.1 Diluted earning per share

No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during these years.

41 Cash flows from operating activities under indirect method

		For the year endec	131 March
In Thousands Taka	Note (s)	2021	2020
Net profit for the year		2,548,788	2,292,448
Tax expenses		923,574	800,019
Profit before tax		3,472,362	3,092,467
Non cash items:		0, 11 2,002	0,002,101
Depreciation		613,554	516,213
Amortization of intangible assets	6.1	27,578	29,958
Actuarial gain/(loss) on defined benefit plans	0.1	2,540	
		643,672	546,171
Operating and non operating items			
Investment (Finance) expenses	30	35,913	3,636
Dividend income		(22,344)	-
Other non-operating income		(3,484)	-
Income on sale of property, plant and equipment	3.3	(13,049)	(7,317)
Non operating expenses (income)		(2,964)	(3,681)
Changes in working capital			
Inventories	8	(838,228)	(262,371)
Trade and other receivables	9	(93,433)	44,522
Advances, deposits and prepayments	10	(86,084)	222,897
Inter - company receivables	13	(1,735)	(63,332)
Trade and other payables	17	1,209,227	791,541
Provision for royalty	18	11,371	(24,466)
Provision for employees' retirement gratuity	20	(5,106)	(27,533)
		196,012	681,258
Income tax paid	19	(952,033)	(680,739)
Exchange (gain)/loss		526	(588)
Interest paid on lease obligations		(35,212)	(33,594)
Net cash flows from operating activities		3,322,364	3,601,294

42 Related party transactions - notes 2.27, 7, 13 and 20

During the period under review, the Company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The names of the related parties, nature of these transactions and their closing balance have been set out below in accordance with the provision of IAS 24 Related Party Disclosures.

Name of the related party	Nature of relationship	Nature of transaction	Transactions	Receivable/ (payable)
Jenson & Nicholson (Bangladesh) Ltd.	Subsidiary	Material and Service	588,025	157,074
Berger Becker Bangladesh Limited	Associate	Service	27,414	7,143
Berger Fosroc Limited	Associate	Material and Service	214,457	27,668
BPBL Employees' Provident Fund	Post-employment plan	Contribution to Provident Fund	46,831	
BPBL Employees' Gratuity Fund	Post-employment plan	Contribution to Gratuity Fund	31,791	2,540
Total inter-company receivables			908,518	194,425
J&N Investments (Asia) Limited	Group	Royalty	98,881	(293,946)
Berger Paints India Limited	Fellow Subsidiary	Royalty & Tech. assistance fees	2,464	(5,100)
Total inter-company payables			101,344	(299,046)

As at and for the year ended 31 March 2021

As at and for the year ended 31 March 2020

Name of the related party	Nature of relationship	Nature of transaction	Transactions	Receivable/ (payable)
Jenson & Nicholson (Bangladesh) Ltd	Subsidiary	Material and Service	586,088	145,548
Berger Becker Bangladesh Limited	Associate	Service	5,008	8,885
Berger Fosroc Limited	Associate	Material and Service	154,307	76,793
BPBL Employees' Provident Fund	Post-employment plan	Contribution to Provident Fund	43,697	-
BPBL Employees' Gratuity Fund	Post-employment plan	Contribution to Gratuity Fund	31,398	(2,566)
Total inter-company receivables			820,498	228,660
J&N Investments (Asia) Limited	Group	Royalty	100,660	(285,397)
Berger Paints India Limited	Fellow Subsidiary	Technical assistance fees	-	(2,636)
Total inter-company payables			100,660	(288,033)

43 Events after the reporting period - note 2.28

Subsequent to the date of statement of financial position, the Board of Directors recommended 375% cash dividend at the Board meeting held on 19 July 2021. The dividend is subject to the approval by the shareholders in the Annual General Meeting scheduled on 6 October 2021.

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

Schedule of Property, plant and equipment and depreciation thereon

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		Cost	st			Accumulated depreciation	depreciation		Written down
Category of assets	Opening balance	Addition during the year	Disposal during the year	Closing balance	Opening balance	Addition during the year	Disposal during the year	Closing balance	value as at 31 March 2021
Land	987,526	503,397		1,490,923	7,667	1,991		9,658	1,481,265
Building	1,453,329	42,462		1,495,791	313,119	42,026		355,145	1,140,646
Plant and machinery	1,942,565	94,827	(1,398)	2,035,994	982,936	154,404	(1,398)	1,135,940	900,054
Office equipment	238,734	23,371	(368)	261,737	149,068	26,172	(366)	174,874	86,863
Factory and laboratory equipment	1,513,164	188,488	(262)	1,700,857	1,077,651	160,673	(262)	1,237,531	463,326
Computer	190,440	25,401	(637)	215,204	133,416	26,843	(220)	159,708	55,496
Furniture and fixtures	148,619	6,377	(351)	154,645	85,163	13,824	(351)	98,637	56,008
Motor vehicles	396,457	52,960	(46,597)	402,820	256,665	66,515	(45,929)	277,252	125,568
Loose tools	15,855	1,657	(148)	17,364	15,753	500	(148)	16,105	1,259
Total as at 31 March 2021	6,886,689	938,940	(50,294)	7,775,335	3,021,438	492,948	(49,537)	3,464,849	4,310,486
Total as at 31 March 2020	6,335,581	606,359	(55,251)	6,886,689	2,557,128	516,213	(51,903)	3.021.438	3.865.251

Annexure - A



Audited Financial Statements Consolidated)

Auditors' Report and Audited Financial Statements (Consolidated)





Independent Auditor's Report To the shareholders of Berger Paints Bangladesh Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Berger Paints Bangladesh Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

Sn	Key Audit Matter	How our audit addressed the key audit matter
1	Revenue recognition (Refer to Note 3.12 (accounting policy)	and note 24 to these Financial Statements)
	The Group recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the net consideration, which the Group expects to receive for those goods from customers. In determining the sales price, the Group considers the effect of rebates and discounts (variable consideration). During the year ended March 31, 2021 the Group has recognised revenues of BDT 16,877,369 thousand. The terms of sales agreements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that requires judgement in determining sales revenues.	 Our audit procedures included the following: 1) We read the Group's revenue recognition policy and assessed its compliance in terms of IFRS 15 'Revenue from contracts with customers'; 2) Performed sample tests of individual sales transactions and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, we tested recognition of revenue based on underlying sales invoices, sales orders and other related documents; 3) We selected a sample of invoices on which rebates and discounts were given and obtained the rebates and discount schemes approved by the management. We noted the accounting of rebates and discounts by the Group for the selected sample; 4) Selected samples of sales transactions made pre and post year end, agreed the date of transfer of control for the selected sample by testing underlying documents including customers confirmation; and 5) Assessed the relevant disclosures made within the financial statements.

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Sn	Key Audit Matter	How our audit addressed the key audit matter
2	Assessment of the appropriateness of the allowance for doubt these Financial Statements)	tful debt (Refer to Note 3.15 (accounting policy) and Note 11 to
	 Trade receivables comprises 11% of total assets in the consolidated statement of financial position. The appropriateness of the allowance for doubtful debt is subjective due to the high degree of judgment applied by management in determining the impairment provision. Due to the COVID 19 conditions currently all over the world as well Bangladesh, it continues to put pressure on customers' ability to repay their outstanding account balances. Management of the Group is continuously reviewing and assessing the need for keeping incremental amount in bad and doubtful debts under ECL method considering its business model. Based on assessment, management has made necessary provision for bad and doubtful debts under ECL model to impair Group's trade receivables. Due to the significance of trade receivables and the related estimation uncertainty this is considered a key audit matter. 	 Our audit procedures included the following: 1) Evaluated the debtor's impairment methodology applied in the current year to the requirements of IFRS 9: Financial Instruments; 2) Analysed the methodology by comparing the prior year provision to the actual current year write downs; 3) Assessed key ratios which include cash collections, days outstanding, and delinquencies; 4) We considered changes in account strategy and assessed the impact on the allowance for doubtful debts; and 5) Assessed any changes in the economy and the impact on the collectability of trade receivables.

Other information included in the Group's March 31, 2021 Annual Report

Other information consists of the information included in the Group's March 31, 2021 Annual Report other than the financial statements and our auditor's report thereon. We obtained Director's Report, Management Discussion and Analysis, six years financial information, and Corporate Governance report prior to the date of our auditor's report, and we expect to obtain the remaining reports of the Annual Report after the date of our auditor's report. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements of the Group, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



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As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit
 procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not
 detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional
 omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether
 a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we
 conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial
 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of
 our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Group so far as it appeared from our examination of these books;
- c) the consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Group's business.

A. Qasem & Co.

Chartered Accountants RJSC Firm Registration No.: PF 1015

Mohammad Motaleb Hossain FCA

Partner Enrolment Number: 0950

Dhaka, 19 July 2021



Berger Paints Bangladesh Limited Consolidated Statement of Financial Position

oursolidated statement of Financial Position		As at 31 M	arch
In Thousands Taka	Notes	2021	2020
Property, plant and equipment	4	4,955,188	4,516,605
Capital work-in-progress	5	755,258	612,927
Right-of-use assets	6	572,586	629,221
Intangible assets	7	54,503	60,126
	1	6,337,535	5,818,879
	_		
Term deposit	8	100,000	-
Investment in associate	9	343,333	239,977
Total non-current assets		6,780,868	6,058,856
Inventories	10	3,346,735	2,461,986
Trade and other receivables	10	1,818,884	1,708,287
Advances, deposits and prepayments	12	351,411	262,661
Cash and cash equivalents	13	4,125,304	3,392,544
Total current assets		9,642,334	7,825,478
Total assets		16,423,202	13,884,334
	14	100 770	400 770
Share capital	14	463,779	463,779
Retained earnings Equity attributable to the Company's equity holders	15	10,331,912 10,795,691	9,006,563 9,470,342
		10,795,691	9,470,342
Deferred tax liabilities	16	271,771	326,424
Lease liabilities- long term portion	6	491,497	509,889
Total non-current liabilities		763,268	836,313
Lease liabilities- Short term portion	6	76,420	61,816
Trade and other payables	17	4,115,051	2,876,969
Provision for royalty	18	296,768	285,397
Provision for current tax	19	348,989	326,393
Provision for employees' retirement gratuity	20	14,848	17,132
Dividend payable	21	12,020	9,825
Liability for unclaimed IPO application money	22	147	147
Total current liabilities		4,864,243	3,577,679
Total liabilities		5,627,511	4,413,992
Total equity and liabilities		16,423,202	13,884,334

The annexed notes 1 to 36 and Annexure-A form an integral part of these financial statements.

As per our report of same date.

A. Qasem & Co. Chartered Accountants RJSC Firm Registration No.: PF 1015

Morales

Mohammad Motaleb Hossain FCA Partner Enrolment Number: 0950 Dhaka, 19 July 2021

Rupali Chowdhury, Managing Director



Sazzad Rahim Chowdhury, Director & Chief Financial Officer



Khandker Abu Jafar Sadique, Company Secretary

Berger Paints Bangladesh Limited Consolidated statement of profit or loss and other comprehensive income

		For the year ended 31 March	
In Thousands Taka	Notes	2021	2020
Revenue	24	16,877,369	16,328,653
Cost of sales	24	(10,068,770)	(9,906,273)
Gross profit	20	6,808,599	6,422,380
F		-,	
Selling, distribution and warehousing expenses	26	(2,673,198)	(2,757,237)
Administrative and general expenses	27	(561,160)	(556,363)
Other operating expenses	28	(106,763)	(106,738)
Other operating income	29	213,308	206,391
Total operating expenses		(3,127,813)	(3,213,947)
Income from operation		3,680,786	3,208,433
	00		(0.050)
Finance cost	30	(36,515)	(3,058)
Investment income	31	132,302 95,787	189,867 186,809
		35,101	100,003
Other non-operating income	32	16,533	9,741
Share of profit of associate	9	38,756	37,984
		55,289	47,725
Profit before WPPF and Tax		3,831,862	3,442,967
Workers' profit participation and welfare fund (WPPF)		(189,776)	(169,716)
Net profit before tax		3,642,086	3,273,251
Current tax expense	19	(1,005,783)	(841,288)
Deferred tax (expense)/income	16	55,225	(9,886)
Income tax expenses		(950,558)	(851,174)
Net profit for the year		2,691,528	2,422,077
Other Comprehensive Income			
Actuarial gain/(loss) on defined benefit plan		2,540	_
Deferred tax impact on defined benefit plan		(572)	-
Total comprehensive income		2,693,496	2,422,077
Basic Earnings per share (EPS) - Taka	34	58.03	52.22

The annexed notes 1 to 36 and Annexure-A form an integral part of these financial statements.

As per our report of same date.

A. Qasem & Co. Chartered Accountants RJSC Firm Registration No.: PF 1015

Morales

Mohammad Motaleb Hossain FCA Partner Enrolment Number: 0950 Dhaka, 19 July 2021

1.C,

Rupali Chowdhury, Managing Director



Sazzad Rahim Chowdhury, Director & Chief Financial Officer



Khandker Abu Jafar Sadique, Company Secretary

Berger Paints Bangladesh Limited Consolidated Statement of Changes in Equity

For the year ended 31 March 2021

In Thousands Taka

Particulars	Share capital	Retained earnings	Total
Balance as at 01 April 2020	463,779	9,006,563	9,470,342
		(1.000.1.1 ⁻¹)	(1.000.1.17)
Distribution of cash dividend	-	(1,368,147)	(1,368,147)
Total comprehensive income			
Net profit for the year	-	2,691,528	2,691,528
Other comprehensive income, net of tax	-	1,968	1,968
Balance as at 31 March 2021	463,779	10,331,912	10,795,691

Particulars	Share capital	Retained earnings	Total
Balance as at 01 April 2019	463,779	7,743,933	8,207,712
Distribution of cash dividend	-	(1,159,447)	(1,159,447)
Total comprehensive income			
Net profit for the year	-	2,422,077	2,422,077
Other comprehensive income, net of tax	-	-	-
Balance as at 31 March 2020	463,779	9,006,563	9,470,342
Notes	14	15	

The annexed notes 1 to 36 and Annexure-A form an integral part of these financial statements.

Berger Paints Bangladesh Limited Consolidated Statement of Cash Flows

		For the year ended 31 March	
In Thousands Taka	Notes	2021	2020
Cash flows from operating activities			
Cash received from customers		16,740,847	16,361,362
Cash received from other operating income		212,782	206,979
Investment (Finance) income		135,883	153,373
Cash paid to suppliers and employees		(12,727,492)	(12,193,863)
Interest paid on lease obligations		(35,212)	(33,594)
Income tax paid	19	(983,187)	(695,788)
A. Net cash flows from operating activities		3,343,621	3,798,469
Cash flows from investing activities			
Acquisition of property, plant and equipment, intangible assets and right-of-use assets		(1,046,355)	(1,103,813)
Other non-operating income		3,484	-
Investment in BFL		(64,600)	-
Dividend income		22,344	-
Investment (Finance) expenses		(777)	(4,234)
Term investment	8	(100,000)	-
Proceeds from sale of property, plant and equipment		13,049	13,089
B. Net cash used in investing activities		(1,172,855)	(1,094,958)
Cash flows from financing activities			
Dividend paid	21	(1,365,952)	(1,555,052)
Payment of lease liabilities		(71,528)	(62,286)
C. Net cash used in financing activities		(1,437,480)	(1,617,338)
Net increase/(decrease) in cash and cash equivalent D=(A+B+C)		733,286	1,086,173
Exchange (gain)/loss (E)		(526)	588
Opening cash and cash equivalents (F)		3,392,544	2,305,783
Closing cash and cash equivalents (D+E+F)		4,125,304	3,392,544

The annexed notes 1 to 36 and Annexure-A form an integral part of these financial statements.

Berger Paints Bangladesh Limited Notes to the Consolidated Financial Statements

As at and for the year ended 31 March 2021

1 Company profile and overview of its operational activities

1.1 Company profile

Berger Paints Bangladesh Limited (the Company) was incorporated under the Companies Act, 1994 on 6 June 1973 as a 'Private' company, limited by shares. Subsequently, the Company was converted to 'Public' company limited by shares through Extraordinary General Meeting held on 21 June 2005. The company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) of Bangladesh from 27 December 2005 and 21 December 2005 respectively.

Berger Paints Bangladesh Limited owns 100% shares of Jenson & Nicholson (Bangladesh) Limited, 49% shares of Berger Becker Bangladesh Limited and 50% shares of Berger Fosroc Limited. The consolidated financial statements of the company as at and for the period ended 31 March 2021 comprise the company, its subsidiary and the Group's interest in associate as a jointly controlled entity.

1.2 Address of the registered and corporate office

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

1.3 Description of the companies and nature of business

Berger Paints Bangladesh Limited

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

Jenson & Nicholson (Bangladesh) Limited

Berger Paints Bangladesh Limited owns 100% shares of Jenson & Nicholson (Bangladesh) Limited – J&N (B) L. The Company was incorporated under the Companies Act, 1994 as a 'Private' limited company on 25 January 1990 having its registered office at 43/3 Chattaeswari Road, Chittagong. The Corporate office of the company is located at Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka 1230. The principal activities of the Company until 12 August 1995 were trading and indenting. It started commercial production and marketing of tin-containers and printing of tin sheets from 12 August 1995 and 01 September 1997 respectively in its factory at 70, East Nasirabad Industrial Area, Chittagong - 4209.

Berger Becker Bangladesh Limited

Berger Paints Bangladesh Limited also owns 49% shares of Berger Becker Bangladesh Limited – (BBBL). BBBL was incorporated on 20 December 2011 as a Joint Venture of Becker Industrial Coatings Holding AB, Sweden and Berger Paints Bangladesh Limited. Registered office and Corporate office of the company are located at Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka 1230. The company commenced commercial production of Coil Coating with effect from 11 September 2012 in its factory located at Building No - 03, Plot No - 102, Mouza -Taksur, Nabinagar, Savar, Dhaka -1340.

Berger Fosroc Limited

Berger Paints Bangladesh Limited also owns 50% shares of Berger Fosroc Limited – (BFL). Berger Fosroc Limited was incorporated on 19 April 2018 as a Private Limited Company under the Companies Act, 1994. This is a joint venture between Berger Paints Bangladesh Limited and Fosroc International Limited, United Kingdom. The address of the Company's registered office is Berger House, House - 8, Road - 2, Sector - 3, Uttara Model Town, Dhaka 1230. The company commenced its operation through trading with effect from 12 September 2018.

2 Summary of significant accounting policies

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

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws in Bangladesh.

The title and format of these consolidated financial statements follow the requirements of IFRS which are to some extent different from the requirement of the Companies Act 1994. However, such differences are not material and in the view of management, IFRS titles and format give better presentation to the shareholders.

Authorisation for issue

These consolidated financial statements have been authorized for issue by the Board of Directors of the Company on 19 July 2021.

2.1 Basis of preparation and presentation of the consolidated financial statements

The consolidated financial statements have been prepared and the disclosures of information are made in accordance with the International Financial Reporting Standards (IFRS), the Companies Act, 1994 and Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations. The consolidated statement of financial position and statement of profit or loss and other comprehensive income have been prepared according to International Accounting Standards (IAS) 1 Presentation of Financial Statements on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and consolidated statement of cash flows is prepared according to IAS 7 Statement of Cash Flows and has been presented under direct method as required by the Bangladesh Securities and Exchange Rules 1987.

2.2 COVID-19 impact to preparation of consolidated financial statements

The global outbreak of Corona Virus (COVID-19) has reached Bangladesh in mid-March 2020. There was movement restrictions in part of the accounting period, but did not have significant impact on the Group's performance. As the outbreak continues to evolve, it is challenging at this juncture, to predict the full extent and duration of its impact on business and economy. Consequently, these circumstances may present entities with challenges when preparing consolidated financial statements as per IFRS. In this report, the company has assessed the impact of COVID-19 upon different aspects of the business. The guideline issued by the ICAB "POTENTIAL COVID-19 IMPACT ON FINANCIAL REPORTING AND AUDITING", IAS 10 Events after the reporting period and other relevant standards are considered while preparing this report.

COVID-19 impact in business and revenue perspective, collection and risk receivable perspective has been analyzed. Funding status and cash availability to continue the operation have also been analyzed. The impact and related compliance issue are presented below:

i. Going concern assessment

IAS 1 Presentation of Financial Statements requires management, when preparing financial statements, to make an assessment of an entity's ability to continue as a going concern.

In 2020-21, the Group has gone through the challenges of COVID-19 and achieved sales and profitability growth over the previous year. The Group expects to continue this growth trend in future years. Even after considering the current crisis situation the revised forecasted sales for the year ended 31 March 2022 is higher than the current year sales. It indicates that the Group will be able to maintain strong market share in next year, even better than the current year.

ii. Events after the reporting period

The consolidated financial statements for the year ended 31 March 2021 has not been directly impacted due to COVID- 19. Most of the activities (financial and non-financial) have already been completed and no subsequent impact has been done yet, e.g. revenue is recognized properly, inventory is received and recorded on time and other transactions are made by complying the matching concept and cut-off test.

iii. Fair value measurement

As per IFRS 13, the fair value measurement matrix is presented below

 a. The asset or liability: A fair value measurement is for a particular asset or liability. Therefore, when measuring fair value an entity shall take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Such characteristics include, for example, the following: (i) the condition and location of the asset; and (ii) restrictions, if any, on the sale or use of the asset. 	 b. The transaction: A fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either: (i) in the principal market for the asset or liability; or (ii) in the absence of a principal market, in the most advantageous market for the asset or liability.
c. The price: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.	d. Market participants: An entity shall measure the fair value of an asset or a liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Considering the above criteria and nature of our companies business; the assets, liability and none of transactions will be impacted for COVID-19.

iv. Impairment assessment

An impairment loss is the amount by which the carrying amount of an assets or cash-generating unit exceeds its recoverable amount.

An asset is impaired when an entity is not able to recover its carrying value, either by using it or selling it.

The Group has completed the impairment test and considering the nature and effectiveness of Group's assets, nothing will be impacted due to COVID-19.

2.3 Basis of measurement

These consolidated financial statements have been prepared on historical cost basis except for inventories which are measured at lower of cost and net realisable value.

2.4 Principal accounting policies

The specific accounting policies have been selected and applied by the Group's management for significant transactions and events that have a material effect within the framework for preparation and presentation of financial statements. Consolidated financial statements have been prepared and presented in compliance with IAS 1, Presentation of Financial Statements. The previous period's figures were re-arranged according to the same accounting principles. Compared to the previous period, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Group.

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

2.5 Application of standards

The following IASs and IFRSs are applicable for the preparation of consolidated financial statements for the year under review.

- IAS 1 Presentation of Financial Statements
- IAS 2 Inventories
- IAS 7 Statement of Cash Flows
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS 10 Events After The Reporting Period
- IAS 12 Income Taxes
- IAS 16 Property, Plant and Equipment
- IAS 19 Employee Benefits
- IAS 21 The Effects of Changes in Foreign Exchange Rates
- IAS 23 Borrowing Costs
- IAS 24 Related Party Disclosures
- IAS 28 Investments in Associates
- IAS 33 Earnings Per Share
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets
- IAS 38 Intangible Assets
- IFRS 3 Business Combinations
- IFRS 9 Financial Instruments
- IFRS 7 Financial Instruments, disclosures
- IFRS 8 Operating Segments
- IFRS 10 Consolidated Financial Statements
- IFRS 15 Revenue from Contract with Customers
- IFRS 16 Leases

2.6 Use of estimates and judgments

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in Financial instruments (Note 33)

- Note : 4.1 Depreciation
- Note : 6.1 Depreciation on ROU assets
- Note : 10 Trade and other receivables
- Note : 17 Trade and other payables
- Note : 19 Provision for current tax
- Note : 20 Provision for employees retirement gratuity

2.7 Reporting period

The reporting period of the Group covers the period from 01 April to 31 March and is followed consistently.

2.8 Reporting and comparative figures and phases

Wherever considered necessary, previous Period's figures and phrases have been re-arranged to conform to the current Period presentation. The revised figures of the Group and Subsidiaries financial statements have been considered for preparation of consolidated financial statements.

2.9 Going concern

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

2.10 Functional and presentational currency and level of precision

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

3 Significant accounting policies

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

3.1 Consolidation of financial statements

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

i. Basis of consolidation

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

IFRS-10 "Consolidated Financial Statements" introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. An investor has power over an investee when the investor has existing rights that gives it the current ability to direct the relevant activities that significantly affect the investee's returns.

Power arises from rights. An investor is exposed, or has rights, to variable returns from its involvement with the investee when the investor's returns from its involvement have the potential to vary as a result of the investee's performance. An investor controls an investee if the investor not only has the power over the investee and exposure or rights to variable returns from its involvement with the investee, but also has the ability to use its power to affect the investor's return from its involvement with the investee.

] ii. Investment in Subsidiary

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

iii. Loss of control

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

iv. Investment in Associate

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

v. Intra-Group transactions

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

vi. Non-controlling interest

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

vii. Companies considered in consolidated financial statements.

Name of company	% of holding	Relationship with the Group
Jenson and Nicholson (Bangladesh) Limited	100	Subsidiary
Berger Becker Bangladesh Limited	49	Associate
Berger Fosroc Limited	50	Associate

3.2 Property, plant and equipment

i. Recognition and measurement

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

ii. Subsequent costs

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

iii. Depreciation of property, plant & equipment

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

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

The depreciation rate(s) are as follows:

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

iv. Gain or loss on disposal

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the consolidated statement of profit or loss and other comprehensive income.

3.3 Capital work-in-progress

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

3.4 Application of lease

As a lessee, the Group applied IFRS 16 from 1 April 2019, to all contracts entered into before 1 April 2019 and presented continuously in this consolidated financial statements. To apply IFRS 16, the Group uses the modified retrospective approach.

i) IFRS 16: Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation by using the modified retrospective approach to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 April 2019. Although early adoption is permitted, the Group has not early adopted IFRS 16 in preparing these financial statements.

The most significant impact identified is that, the Group will recognize new assets and liabilities for its operating leases of warehouses. In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

ii) Definition of a lease

Previously, the Group determined at contract inception whether an arrangement is or contains a lease under IFRIC 4. Under IFRS 16, the Group assesses whether a contract is or contains a lease based on the definition of a lease.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease.

As a lessee

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under IFRS 16, the Group recognizes right-of-use assets and lease liabilities for all applicable leases.

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate. Right-of-use assets are measured at their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the opportunity cost rate at the date of initial application.

3.5 Intangible assets

Intangible assets includes IT Software and Trademarks.

i. Recognition and measurement

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

a. it is probable that future economic benefits that are attributable to the asset will flow to the entity; and b. the cost of the asset can be measured reliably.

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

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and day to day maintenance charge if an are charged to profit or loss and other comprehensive income as incurred.

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

- a. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- b. ts intention to complete the intangible asset and use or sell it;
- c. its ability to use or sell the intangible asset;
- d. how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- e. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- f. its ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

Internally generated intangible assets (excluding capitalized development costs) are recognized as expenses in the consolidated statement of profit or loss and other comprehensive income for the period in which the expenditure is incurred.

ii. Subsequent costs

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

iii. Amortization

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

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

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

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

iv. Derecognition

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

3.6 Inventories

i. Recognition and measurement

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

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

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

ii. Inventory write off

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

iii. Goods in transit (GIT)

Goods in transit (GIT) has been recognized on FOB Basis.

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

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

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

i. Investment in associate

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

ii. Trade and other receivables

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

iii. Cash and cash equivalents

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

b. Financial liabilities

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

i. Trade and other payables

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

ii. Interest-bearing borrowings

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

3.8 Advances, deposits and prepayments

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

3.9 Provisions and contingent liabilities and assets

i. Provisions

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

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

a. When the Group has a present obligation as a result of past event;

b. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c. Reliable estimates can be made of the amount of the obligation.

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

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

ii. Contingent liabilities and assets

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

3.10 Employee benefits

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

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

ii. Defined contribution plan (Staff provident fund)

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

Notification of Financial Reporting Council (FRC) on provident fund dated 7 July 2020 has been properly complied with.

iii. Workers' profit participation and welfare fund

Provision for workers' profit participation and welfare fund has been made @ 5% of profit as per provision of the Bangladesh Labour Act 2006 (Amended in 2013) and payable to these Funds and Bangladesh Sramik Kallyan Foundation.

3.11 Taxation

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

i. Current tax:

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous year. The tax rates used for the reporting periods are as follows:

Year	Tax Rate			
	BPBL	JNBL		
31-Mar-21	22.50%	30%		
31-Mar-20	25% 35%			

ii. Deferred tax:

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

a. Deferred tax assets

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

b. Deferred tax liabilities

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

3.12 Revenue recognition

Policy applicable from 1 April 2020

Revenue is recognized when invoice for products are made and the significant risk and reward of ownership are transferred to the customers, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the control of the goods, and the amount of revenue can be measured reliably. As per IFRS 15 Revenue from Contract with Customers, Value Added Tax (VAT), Supplementary Duty (SD), Turnover Commission and other variable considerations e.g. trade discounts, early settlement discount and volume rebates and discounts are excluded from revenue.

Policy applicable before 1 April 2020

Rearranged to conform to current year's revenue recognition policy adoption.

Specific policies regarding the recognition of revenue are as follows:

i. Revenue from sales of goods

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

a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods and customer obtains control of the goods; b) it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

- c) the amount of revenue can be measured reliably; and
- d) it is probable that the economic benefits associated with the transaction will flow to the entity.

ii. Rendering of services

Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone prices. The stand-alone prices will be determined based on the list prices at which the Group sells the services in separate transactions.

-service (or a bundle of services) that is distinct-customer can get the benefit from the good or service either on its own or together with readily available resources.

-a series of distinct services that are substantially the same and that have the same pattern of transfers to the customer-promise to transfer the service is separately identifiable from other promise in the contract.

Determination of transaction price for revenue from sale of goods and rendering of services.

The Transaction price is the amount of consideration to which an entity to be entitled in exchange for transferring goods or services to a customer. The Transaction price excludes amounts collected on behalf of third parties e.g. certain sales taxes.

iii. Income derived from color bank operation

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

iv. Income derived from dividend

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

v. Income derived from interest

Finance income comprises interest income on fixed deposits, Short Notice Deposit (SND) and amounts due from related parties. Interest income is recognized in statement of profit or loss when it accrues, using the effective interest rate method and considering the time proportion Basis.

Finance costs comprises interest expense on operational overdraft, LTR, term loan and short term borrowings . All finance expenses are recognized in the statement of profit or loss.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis.

3.13 Borrowing costs

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

3.14 Repairs, upkeep and maintenance charges

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

3.15 Bad and doubtful debts

Bad debts provision has been recognised as per IFRS 9, based on the assessment of risk base receivable.

3.16 Advertising and promotional expenses

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

3.17 Foreign currency transaction

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

3.18 Related party transactions

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

3.19 Event after the reporting period

Events after the reporting period that provide additional information about the Group's position at the reporting date are reflected in the financial statements. Material events after the reporting period that are not adjusting events are disclosed by way of note.

3.20 Comparatives and reclassification

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

3.21 Earnings per share (EPS)

The Group presents Earnings Per Share (EPS) in accordance with IAS 33 Earning Per Share, which has been shown on the face of consolidated statement of profit or loss and other comprehensive income.

i. Basic Earnings per share (BEPS)

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

ii. Diluted earning per share (DEPS)

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

iii. Weighted average numbers of ordinary shares

The weighted numbers average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighted factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been is issue. This means that they have been issued at the start of the year presented as the comparative figures.

		As at 31 March	
	In Thousands Taka	2021	2020
4	Property, plant and equipment		
	At cost		
	Opening balance	7,885,399	7,059,965
	Addition during the year	1,012,100	889,843
	Disposal during the year	(50,294)	(64,409)
	Closing balance	8,847,205	7,885,399
	Accumulated depreciation		
	Opening balance	3,368,794	2,846,940
	Charged for the year	572,760	582,627
	Adjustment on disposal during the year	(49,537)	(60,773)
	Closing balance	3,892,017	3,368,794
	Written down value	4,955,188	4,516,605
	Note: Schedule of consolidated property, plant and equipment is presented in Annexure-A.		
4.1	Segregation of depreciation to manufacturing, selling and administrative unit		
	Manufacturing overhead	352,798	355,510
	Selling, distribution and warehousing expenses	168,782	170,096
	Administrative and general expenses	51,180	57,021
		572,760	582,627
5	Capital work-in-progress		
	Opening balance	612,927	368,886
	Addition during the year	530,041	1,001,543
	Transferred to property, plant and equipment	(387,710)	(757,502)
	Closing balance	755,258	612,927

	As at 31 M	As at 31 March	
In Thousands Taka	2021	2020	
Details of capital work-in-progress			
Land	12,774	175,102	
Building	427,487	167,90	
Plant and machinery	180,461	109,96	
Factory and lab equipment	109,477	140,69	
Software	23,237	13,88	
Other	1,822	5,38	
	755,258	612,92	
Lease			
Right-of-use assets			
At cost			
Opening balance	743,954		
Addition during the year	63,970	743,95	
Closing balance	807,924	743,95	
Accumulated amortization			
Opening balance	114,733		
Charged for the year	120,605	114,73	
Closing balance	235,338	114,73	
Written down value as at 31 March	572,586	629,22	
Lease liabilities			
Lease liabilities - non-current portion	491,497	509,88	
Lease liabilities - current portion	76,420	61,81	
Balance as at 31 March	567,917	571,70	
Segregation of amortization			
Manufacturing overhead	11,868	6,27	
Selling, distribution and warehousing expenses	102,553	102,95	
Administrative and general expenses	6,184	5,50	
Total	120,605	114,73	

				As at 31 Ma	rch
				2021	2020
Intangible assets	Software	Corporate membership	Trade marks	Total	Total
At cost					
Opening balance	236,510	3,300	2,285	242,095	233,51
Addition during the year	22,032	-	-	22,032	8,58
Closing balance	258,542	3,300	2,285	264,127	242,09
Accumulated amortizat	ion		_		
Opening balance	180,886	-	1,083	181,969	151,42
Charged for the year	27,440	-	215	27,655	30,54
Closing balance	208,326	-	1,298	209,624	181,9
Carrying amount	50,216	3,300	987	54,503	60,1
Segregation of amortiza Selling, distribution and wa Administrative and general	arehousing expenses			215 27,440 27,655	2 30,3 30,5
Term deposit	securities			100,000 100,000	
laure dan sed in second state				100,000	
Investment in associate Opening balance	,			239,977	201,9
Additional investment durir	na the vear			64,600	201,0
Share of profit of associate				38,756	37,9
Closing balance				343,333	239,9
Inventories					
Raw materials				1,541,072	995,0
Semi finished goods				216,676	148,6
Packing materials				53,512	42,8
				1,811,260	1,186,6
Own manufactured produc	rts			654,917	637,2
Imported products				60,519	81,3
Finished goods				715,436	718,5
Store and consumables				58,132	55,32
Promotional items				25,180	24,43
				83,312	79,75
Inventories in transit - GIT				736,727	477,03
				3,346,735	2,461,98

		As at 31 March		
	In Thousands Taka	2021	2020	
11	Trade and other receivables			
	Trade receivables-unsecured	1,864,875	1,707,16	
	Provision for bad and doubtful debt on unsecured trade receivables	(94,084)	(72,897	
	Considered to be good	1,770,791	1,634,26	
	Other receivables	13,282	29,41	
	Receivables with associate	34,811	44,60	
		1,818,884	1,708,28	
	Maturity wise presentation of trade receivables-unsecured:			
	Outstanding over 360 days	117,406	117,58	
	Outstanding 181 days to 360 days	62,872	60,32	
	Outstanding up to 180 days	1,684,597	1,529,26	
		1,864,875	1,707,16	
12	Advances, deposits and prepayments			
	Advance - note 12.1	265,073	175,07	
	Security deposits	45,699	42,63	
	Prepayments for Insurance and other	40,639	44,95	
		351,411	262,66	
12.1	Advance - note 12.1			
	Advance to employees - note 12.1.1	82,715	77,94	
	Advance to suppliers and others - note 12.1.2	182,358	97,12	
		265,073	175,07	
12.1.1	Advance to employees			
	House building loans	73,745	71,54	
	Others	8,970	6,39	
	Advances to employees	82,715	77,94	
12.1.2	Advance for goods and services			
	Goods and services	100,422	16,36	
	Supplementary Duty	-	2,15	
	Advance for rent	81,936	78,60	
	Advances for service and others	182,358	97,12	

	As at 31 Ma	As at 31 March	
	2021	2020	
Cash and cash equivalents			
Current accounts:			
Term deposit accounts (FDR)			
Three months	2,501,238	2,351,237	
	2,501,238	2,351,237	
Current and collection accounts	577,056	566,54	
Short term deposit accounts (STD) - notes 33			
Operational account	1,012,238	441,933	
IPO account	14,570	12,37	
	1,026,808	454,30	
Foreign currency current accounts - notes 33			
Operational account	16,960	14,34	
Cash in hand	3,242	6,11	
Cash and cash equivalents	4,125,304	3,392,54	

14 Share capital

14.1	Authorized share capital		
	100,000,000 ordinary shares of Taka 10 each	1,000,000	1,000,000
14.2	Issued, subscribed and paid-up share capital		
	46,377,880 ordinary shares of Taka 10 each	463,779	463,779

The Company became public listed through initial public offer (IPO) as per consent letter of Bangladesh Securities and Exchange Commission ref SEC/CI/IPO-71/2005/168 dated 10 October 2005.

14.3 Composition of shareholding

Shareholders	Number of share	% of share holding	Value in '000	Value in '000
J & N Investments (Asia) Limited - Group	44,058,740	95.00	440,587	440,587
Institutions & General public	108,143	0.23	1,081	4,759
Foreign shareholders	44,166,883	95.23	441,669	445,347
Institutions (financial & others)	1,469,310	3.17	14,693	11,953
General public	741,687	1.60	7,417	6,479
Bangladeshi shareholders	2,210,997	4.77	22,110	18,432
Total	46,377,880	100.00	463,779	463,779

14.4 Classification of shareholders by range

			31 March 2021		
Shareholding range	Type of shareholders	Number of shares	% of share holding	Number of share- holders	Number of share holders
Less than 501 shares	G. Public& Inst	288,752	0.62	3,665.00	4,396.00
501 to 5,000 shares	G. Public& Inst	393,843	0.85	262.00	265.00
5,001 to 10,000 shares	G. Public& Inst	97,297	0.21	14.00	10.00
10,001 to 20,000 shares	G. Public& Inst	134,752	0.29	9.00	13.00
20,001 to 30,000 shares	Institution	244,424	0.53	10.00	4.00
30,001 to 40,000 shares	Institution	106,259	0.23	3.00	1.00
40,001 to 50,000 shares	Institution	271,412	0.59	6.00	1.00
50,001 to 100,000 shares	Institution	337,753	0.73	5.00	5.00
100,001 to 1,000,000 shares	Institution	444,648	0.96	1.00	2.00
Over 1,000,000 shares	Group	44,058,740	95.00	1.00	1.00
Total		46,377,880	100.00	3,976.00	4,698.00

		As at 31	March
	In Thousands Taka	2021	2020
15	Retained earnings		
	Opening balance	9,006,563	7,743,933
	Net profit for the year	2,691,528	2,422,077
	Distribution of cash dividend	(1,368,147)	(1,159,447)
	Actuarial gain/(loss) on defined benefit plans	2,540	-
	Deferred tax on actuarial gain	(572)	-
	Closing balance	10,331,912	9,006,563

		As at 31 March	
In Thousands Taka	202	1 2020	

16 Deferred tax liabilities

		Carrying amount	Tax base	Taxable/ (deductible)	Taxable/ (deductible)
	Property, plant and equipment	3,312,803	2,094,316	1,218,487	1,283,191
	Right-Of-Use (ROU) Asset	572,586	-	572,586	-
	Lease obligation	(567,917)	-	(567,917)	-
	Provision for bad debts	(94,084)	-	(94,084)	(72,897)
	Provision for employee benefit plan	(14,848)	-	(14,848)	(17,132)
	Net temporary difference			1,114,224	1,193,162
	Deferred tax liabilities as at 31 March	1		271,771	326,424
16.1	Deferred tax expenses				
	Opening balance			326,424	316,538
	Closing balance			271,771	326,424
				(54,653)	9,886
	Deferred tax expense on actuarial gain dir	ectly attributable to equity		(572)	-
	Deferred tax expenses/(income) reco	gnised directly in profit	or loss and OCI	(55,225)	9,886
17	Trade and other payables				
	For revenue expenses - note 17.1			2,102,052	1,322,624
	For trading supplies			1,604,736	1,239,621
	For other finance - note 17.2			320,264	211,977
	For capital expenditure			22,069	20,163
				4,049,121	2,794,385
	Workers' profit participation and welfare f	und (WPPF)		65,930	82,584
				4,115,051	2,876,969
17.1	Payable for revenue expenses				
	Accrued charges			1,917,818	1,262,150
	Provision for trade rebate			179,751	56,397
	Training and consultancy fee			4,483	4,077
				2,102,052	1,322,624

		As at 31 March		
	In Thousands Taka	2021	2020	
17.2	Develop for other finance			
17.2	Payable for other finance	47.047	E 4 060	
	Clearing account	47,247	54,068	
	Security deposits	46,621	19,756	
	Tax and VAT deduction at source Staff income tax	43,122	27,221	
		7,033	5,692	
	Others	176,241 320,264	105,240 211,977	
		320,204	211,977	
18	Provision for royalty			
	Opening balance	285,397	309,863	
	Charged during the year	104,248	104,058	
	Adjustment during the year	(297)	-	
		389,348	413,921	
	Payment during the year	(92,580)	(128,524)	
	Closing balance	296,768	285,397	
9	Provision for current tax			
	Opening balance	326,393	180,893	
	Provision made for the year	1,005,783	841,288	
		1,332,176	1,022,181	
	Payment and adjustment made during the year	(983,187)	(695,788)	
	Closing balance	348,989	326,393	
	Descluse of the deducted at source and said is advance, mate 20			
	Breakup of tax deducted at source and paid in advance - note 20 Tax deducted at source	460,059	386,216	
	Tax paid in advance	523,128	309,572	
		983,187	695,788	
		000,101		
20	Provision for employees' retirement gratuity			
	Opening balance	17,132	43,553	
	Provision made for the year	34,789	32,510	
	Actuarial gain on actuarial valuation	(2,540)	-	
		49,381	76,063	
	Paid/transferred to gratuity fund during the year	(34,533)	(58,931)	
	Closing balance	14,848	17,132	

		As at 31 March	
In	Thousands Taka	2021	2020
21 D	ividend payable		
0	pening balance	9,825	405,430
D	istribution during the year - note 15	1,368,147	1,159,447
		1,377,972	1,564,877
P	ayment during the year	(1,365,952)	(1,555,052)
_C	losing balance	12,020	9,825
	iability for unclaimed IPO application money		
	pening balance	147	147
	efunded during the year	-	-
	losing balance sing balance	147	147
23 C	ontingent liabilities		
С	ontingent liabilities of the Group that relate to issue of letter of credit and bank uarantee to third parties as presented below:		
-	Letter of Credit		
C	ommercial Bank of Ceylon PLC	280,090	116,992
S	tandard Chartered Bank	122,670	62,319
С	iti Bank NA	39,397	39,560
E	astern Bank Limited	118,434	90,477
W	/oori Bank	460,549	174,052
В	RAC Bank Limited	59,713	435
R	aw Material	1,080,853	483,835
C	apital expenditure	108,097	108,097
ii	. Letter of Credit (total)	1,188,950	591,932
	i. Bank guarantee		
	tandard Chartered Bank for BBBL	73,606	73,606
	he Hongkong and Shanghai Banking Corporation Limited for BFL	137,000	137,000
	thers	1,703	1,703
	ank guarantee	212,309	212,309
	an a an	1,401,259	804,241

	For the year ended	31 March
In Thousands Taka	2021	2020
Revenue		
Net revenue of group-BPBL	16,669,802	16,219,044
Net revenue of subsidiary-J & N (Bangladesh) Limited	795,592	695,696
	17,465,394	16,914,740
Inter-company sales	(588,025)	(586,087)
	16,877,369	16,328,653
Cost of sales		
Opening stock of finished goods	718,553	732,276
Purchases of finished goods for the year	120,546	145,804
	839,099	878,080
Raw material consumed - notes 25.1	8,749,835	8,631,265
Manufacturing overhead - note 25.2	1,195,272	1,115,481
Cost of goods manufactured	9,945,107	9,746,746
	10,784,206	10,624,826
Closing stock of finished goods	(715,436)	(718,553
Cost of sales	10,068,770	9,906,273
Raw materials consumed		
Opening stock:		
Raw materials	995,094	786,403
Semi finished goods	148,689	195,870
Packing materials	42,860	41,194
	1,186,643	1,023,467
Purchase for the year		
Raw materials	8,361,572	7,788,764
Packing materials	1,600,905	1,591,76
Intercompany sales	(588,025)	(586,088
	9,374,452	8,794,44
Closing stock:		
Raw materials	(1,541,072)	(995,094
Semi finished goods	(216,676)	(148,689
Packing materials	(53,512)	(42,860
	(1,811,260)	(1,186,643
	8,749,835	8,631,265

		For the year ended 31 March		
	In Thousands Taka	2021	2020	
25.2	Manufacturing overhead			
	Salary and wages	420,000	388,268	
	Welfare expenses	17,522	20,333	
	Third party and casuals	67,596	48,604	
	Depreciation	364,666	361,781	
	Fuel, water and power	89,327	86,135	
	Repairs and maintenance	61,855	55,967	
	Raw material shifting charge	19,721	14,380	
	Stores and spares consumed	13,453	13,949	
	Insurance	9,468	6,601	
	Training and recruitment expenses	1,712	6,488	
	Security and cleaning service	6,713	8,212	
	Third party production charge	68,095	59,177	
	Outsourcing employee cost	13,485	12,051	
	Entertainment	1,229	1,170	
	Printing charge and other overhead	14,085	11,018	
	Travelling and conveyance	5,327	7,921	
	Production incentive	6,345	3,914	
	Research, development and experimental costs	8,598	2,015	
	Process development	1,127	2,581	
	Rent, rates and other taxes	4,186	4,030	
	L/C and bank charges	762	886	
		1,195,272	1,115,481	
26	Colling distribution and warehousing expenses			
20	Selling, distribution and warehousing expenses	255 012	429,882	
	Advertising expenses	355,913 664,333		
	Promotioal expenses		733,306	
	Salary and wages	473,681	447,183	
	Third party and casuals	111,401	95,912	
	Welfare expenses	13,353	14,699	
	Training and recruitment expenses	2,486	7,705	
	Security and cleaning service	27,536	20,705	
	Outsourcing employee cost	52,863	48,322	
	Production incentive	1,935	1,328	
	Other overhead	25,107	20,982	
		1,728,608	1,820,024	

	For the year ended 31 Marc	
In Thousands Taka	2021	2020
Distribution and warehousing expenses		
Transportation and handling charges	284,582	272,429
Repair & maintenance	19,128	23,142
Rent, rates and fees	8,185	11,346
Electricity, water and gas	11,999	12,396
Insurance	4,321	3,279
	328,215	322,592
Selling expenses		
Paint delivery expenses	209,699	194,308
Salesmen travelling	59,738	65,15
Postage and telecommunication	9,896	9,65
Rent, rates and fees	9,320	11,81
Product demonstration	8,248	8,43
Entertainment	6,368	7,62
Sales incentive	5,750	6,85
General survey and studies	3,500	3,50
Bad debts	25,745	25,23
Color Bank operational expenses	3,598	3,55
Illusion expense	2,142	2,03
Others	754	31
	344,758	338,49
Depreciation and amortization	271,550	273,268
Cost of free issue	67	2,85
	271,617	276,12
	2,673,198	2,757,23
Administrative and general expenses	510.007	000.45
Salary and wages	316,827	306,15
Welfare expenses	9,147	9,09
Third party and casuals	5,652	2,70
Training and recruitment expenses	3,803	9,25
Employee engagement	8,676	4,91
Security and cleaning service	6,115	5,47
Outsourcing employee cost	4,875	3,34
Production incentive	392	31
Postage and telecommunication	8,461	9,21

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	For the year ender	d 31 March
In Thousands Taka	2021	2020
Depreciation and amortization	84,804	92,85
Travelling, haltage and passage	2,095	7,47
Repair and maintenance - others	34,205	25,88
Share department expenses	2,557	3,19
Bank charges	10,024	7,73
Vehicle expenses	9,740	12,94
Electricity, fuel and water	6,318	5,63
Printing and stationery	5,861	6,37
Rates and fees	2,732	3,35
Subscription and donation	772	70
CSR activity	8,016	8,91
Entertainment	6,968	7,53
Corporate affairs department's expenses	490	60
Insurance	461	35
Legal and professional charges	10,773	11,64
Auditors' remuneration	1,955	1,47
Newspaper and periodicals	141	39
Directors fees	735	47
Process development	-	4
Other overhead	8,565	8,28
	561,160	556,36
Other operating expenses		
Royalty fees	103,951	104,05
Training and consultancy fees	2,812	2,68
	106,763	106,73
Other operating income		
Service charges from house building loans	785	71
Scrap sales and sundry recoveries	30,202	26,60
Color Bank operational income	98,298	93,66
Insurance claim and other realizations	8,832	14,21
Income from illusion	18,638	25,11
Rental income	6,551	4,01
Marketing service fee	10,223	11,18
Indenting commission and scrap sales	39,779	30,88
	213,308	206,39

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		For the year ende	d 31 March
	In Thousands Taka	2021	2020
30	Finance cost		
	Interest expense	43,644	8,088
	Exchange loss / (gain)	526	(588)
		44,170	7,500
	Inter-company transaction	(7,655)	(4,442)
		36,515	3,058
31	Investment income		
	Dividend income	22,344	-
	Term deposits, operational and other	109,958	189,867
	Loan to subsidiary	7,655	4,442
		139,957	194,309
	Inter-company transaction	(7,655)	(4,442)
		132,302	189,867
32	Other non-operating income		
	Income on sale of property, plant and equipment	13,049	9,741
	Others*	3,484	-
		16,533	9,741

* Others include BDT 644 thousand related to forfeiture income from provident fund.

33 Financial risk management

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

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

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

i. Liquidity risk

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

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

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

In Thousands Taka	As at 31 March 2021			
Financial liabilities	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months
Trade and other payables including dividend payable and payable for IPO application money	4,127,218	4,127,218	4,127,218	-
		As at 21 M	Arrah 2020	
			Narch 2020	
Financial liabilities	Carrying amount	Contractual cash flows	Within 12 months or less	Above 12 months
Trade and other payables including dividend payable and payable for IPO application money	2,886,941	2,886,941	2,886,941	-

ii. Market risk

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

a. Currency risk

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

The Groups's exposures to foreign currency risk was as follows based on notional amounts (in thousands Taka)

	As at 31 March	
In Thousands Taka	2021	2020
Foreign currency denominated assets		
Receivable from customers-Export	22,618	10,244
Cash at bank	4,125,304	3,392,544
Foreign currency denominated liabilities		
Trade payables	1,604,736	1,239,621
Royalty and technical fees	296,768	285,397

The foreign exchange loss Taka 526 thousand for the year ended 31 March 2021 and exchange gain Taka 588 thousand was for the year ended 31 March 2020.

The Group has applied the following significant foreign exchange rates:

	As at 31 March 2021 2020	
In Thousands Taka	2021	2020
US Dollar	84.95	84.95
EURO	100.99	95.74
GBP	118.16	106.96

b. Interest risk

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

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

	As at 31 March		
Financial instruments	2021	2020	
Financial assets			
Term deposit	100,000	-	
Cash at bank	4,125,304	3,392,544	
Financial liabilities	-	-	

iii. Credit risk:

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

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

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

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

	As at 31	1 March
Financial instruments	2021	2020
Trade receivable		
Local receivable	1,842,257	1,696,922
Export receivable	22,618	10,244
	1,864,875	1,707,166
Other receivables:		
Accrued interest	13,282	29,416
Inter-company receivable	34,811	44,602
	48,093	74,018

34 Basic Earnings per share (EPS)

	For the year ended 31 March	
In Thousands Taka	2021	2020
Net profit attributable to ordinary shareholders	2,691,528	2,422,077
Net cash inflow from operating activities (NOCF)	3,343,621	3,798,469
Net asset value (NAV) - In Thousands Taka	10,795,691	9,470,342
Number of ordinary shares outstanding during the year	46,377,880	46,377,880
Weighted average number of ordinary shares outstanding	46,377,880	46,377,880
Basic Earnings per share (EPS) - Taka	58.03	52.22
Diluted earning per share (DEPS) - Taka	58.03	52.22
Net operating cash flow per share (NOCFPS) - Taka	72.10	81.90
Net asset value per share (NAVPS) - Taka	232.78	204.20

		For the year ended	31 March
In Tho	busands Taka	2021	2020
Cash	flows from operating activities under indirect method		
Net p	profit before tax	3,642,086	3,273,251
Depre	eciation	572,760	582,627
Amort	tization	27,655	30,542
Actuar	rial gain on defined benefit plans	-	
Non c	cash items	600,415	613,169
Incom	ne on sale of property, plant and equipment	(13,049)	(9,741
Divide	end income	(22,344)	
Other	non-operating income	(3,484)	
Invest	tment (Finance) expenses	35,989	3,646
Share	e of associates	(38,756)	(37,984
Non c	operating income	(41,644)	(44,079
		(00.4.7.40)	(000 500
Invent		(884,749)	(298,563
	and other receivables	(110,597)	(3,785
	nces, deposits and prepayments	(88,750)	219,829
	and other payables	1,236,172	818,916
Provis	sion for royalty	11,371	(24,466
Provis	sion for employees' retirement gratuity	(2,284)	(26,421
Chan	iges in working capital	161,163	685,510
Incom	ne tax paid	(983,187)	(695,788
Interes	st paid on lease obligations	(35,212)	(33,594
Net c	cash flows from operating activities	3,343,621	3,798,469

35 Name of the auditors of companies

Name of the company	Relationship	Auditors for the statutory financial statements
Jenson & Nicholson (Bangladesh) Limited	Subsidiary	Hoda Vasi Chowdhury & Co.
Berger Becker Bangladesh Limited	Associate	Nurul Faruq Hasan & Co, Deloitte
Berger Fosroc Limited	Associate	A. Qasem & Co., ECOVIS

36 Events after the reporting period - note 3.18

Subsequent to the date of statement of financial position, the Board of Directors recommended 375% cash dividend for the company at the Board meeting held on 19 July 2021. The dividend is subject to the approval by the shareholders in the Annual General Meeting scheduled on 6 October 2021.

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

		-	Cost			Accumulated	Accumulated depreciation		Written down
Category of assets	Opening Balance	Addition during the year	Disposal during the year	Closing Balance	Opening Balance	Addition during the year	Disposal during the year	Closing Balance	value as at 31 March 2021
Land	1,057,217	503,397	1	1,560,614	7,667	1,991		9,658	1,550,956
Building	1,603,196	49,570	1	1,652,766	350,244	47,346		397,590	1,255,176
Plant and machinery	2,547,036	137,739	(1,398)	2,683,377	1,197,586	208,944	(1,398)	1,405,132	1,278,245
Office equipment	245,787	46,339	(368)	291,758	153,052	44,270	(366)	196,956	94,802
Factory and laboratory equipment	1,657,295	188,487	(262)	1,844,987	1,154,319	160,673	(262)	1,314,197	530,790
Computer	195,225	25,401	(637)	219,989	137,045	26,843	(220)	163,338	56,651
Furniture and fixtures	152,725	6,445	(351)	158,819	87,850	14,129	(351)	101,628	57,191
Motor vehicles	402,295	52,959	(46,597)	408,657	258,718	67,605	(45,929)	280,394	128,263
Loose tools	16,207	1,657	(148)	17,716	16,105	200	(148)	16,457	1,259
Electrical installation	8,416	106	I	8,522	6,208	459	,	6,667	1,855
Total as at 31 March 2021	7,885,399	1,012,100	(50,294)	8,847,205	3,368,794	572,760	(49,537)	3,892,017	4,955,188
Total as at 31 March 2020	7,059,965	889,843	(64,409)	7,885,399	2,846,940	582,627	(60,773)	3,368,794	4,516,605

Annexure-A

Schedule of consolidated property, plant and equipment and depreciation thereon

As at and for the year ended 31 March 2021

পরিচালনা পর্ষদের প্রতিবেদন



কোম্পানির পরিচালকবৃন্দ আনন্দের সাথে আপনাদের সামনে তাদের ৪৮তম প্রতিবেদন এবং তার সাথে ৩১ মার্চ ২০২১ তারিখে সমাপ্ত বছরের নিরীক্ষিত আর্থিক প্রতিবেদনসমূহ ও নিরীক্ষকের প্রতিবেদন পেশ করছেন।

রং শিল্পের সার্বিক অবস্থা ও সম্ভাব্য ভবিষ্যৎ পরিস্থিতি

২০২০ সালের শুরু থেকেই কয়েক মাসব্যাপী লকডাউনের কারণে বাংলাদেশের অর্থনীতি কঠিন সময় পার করেছে। এসময় পণ্য উৎপাদন ও বিক্রয় ছিল খুবই ঝুঁকিপূর্ণ। বছরের শেষের দিকে লকডাউন শিথিল করা, করোনা চিকিৎসা পদ্ধতি সম্পর্কে যথাযথ নির্দেশনা পাওয়া এবং সরকারের উদ্যোগে সুশৃঙ্খলভাবে করোনা ভাইরাসের টিকাদান কার্যক্রমের মাধ্যমে ধীরে ধীরে পরিস্থিতি উন্নতি হয়েছে।

মধ্য আয়ের দেশে পরিণত হওয়ার লক্ষ্যে বাংলাদেশ দৃঢ় পায়ে উন্নয়ন ও প্রবৃদ্ধির পথে এগিয়ে চলেছে। শিল্পায়নের পথে বাংলাদেশের রং শিল্পে ডেকোরেটিভ এর পাশাপাশি বিশেষায়িত কোটিং এবং ইন্ডাস্ট্রিয়াল রং এর চাহিদা বৃদ্ধি পাচ্ছে। করোনা ভাইরাসের বিস্তার রোধের উদ্ধেশ্যে অনুসৃত লকডাউনের কারণে রং এর চাহিদা এখন কিছুটা কম। সম্প্রতি এ শিল্পের কাঁচামালের মূল্যবৃদ্ধি লক্ষ্য করা যায়। আন্তর্জাতিক পণ্য পরিবহন সংকটের কারণে পরিস্থিতি জটিলতর হয়েছে। এসকল কারণে সামনের দিনগুলিতে রং শিল্প অভূতপূর্ব চ্যালেঞ্জের মুখোমুখি হতে পারে।

বিক্রয় প্রবৃদ্ধি

৩১ মার্চ ২০২১ তারিখে সমাপ্ত বছরে কোম্পানি ২.৮% বিক্রয় প্রবৃদ্ধি অর্জন করেছে। এসময়ে ভলিউম বৃদ্ধির হার ছিল প্রায় ৬%। এ সময়ে আমাদের মার্কেট শেয়ারও বৃদ্ধি পেয়েছে। বছরের প্রথম প্রান্তিকের প্রায় দুই মাসেই করোনাজনিত লকডাউনের কারণে ব্যবসায়িক কার্যক্রম অত্যন্ত সীমিত ছিল। নিরলস পরিশ্রমের মাধ্যমে দেশের সংকটময় পরিস্থিতিতে এই প্রবৃদ্ধি অর্জনের জন্য আমাদের কর্মীদেরকে সাধুবাদ জানাই। অন্য সকল স্টেকহোন্ডারেকেও আমাদের কোম্পানির এই অর্জনে সহযোগিতার জন্য ধন্যবাদ জানাই।

২.৮% বিক্রয় প্রবৃদ্ধির বিপরীতে কোম্পানির করপূর্ব মুনাফা ১২.৩% বৃদ্ধি পেয়েছে। এসময় কস্ট অব সেলস নিট বিক্রয়ের ৬১.৫% থেকে হ্রাস পেয়ে ৬০.২% হয়। প্রতিযোগিতামূলক বাজারে টিকে থাকার জন্য কোম্পানি ব্যয় সংকোচনের জন্য সর্বাঙ্গীণ প্রচেষ্টা চালিয়ে গিয়েছে। বিক্রয়ে প্রবৃদ্ধি সত্ত্বেও ২০২০-২১ সালে মোট ব্যয় আগের বছরের চাইতে কম ছিল, যার ফলে এ বছর অধিকতর মুনাফা অর্জন সম্ভব হয়েছে। মফস্বল ওগ্রামীণ এলাকায় পণ্য সরবরাহ নেটওয়ার্ক বিস্তৃত করা এবং নতুন বিপণন কৌশলের মাধ্যমে বাজারে আমাদের নেতৃত্ব ধরে রাখব।

নতুন পণ্য

গ্রাহকদের বিভিন্ন চাহিদার কথা মাথায় রেখে এবং নিজেদের পণ্যসম্ভার আরও সমৃদ্ধ করে তুলতে ২০২০-২১ সালে বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড নিয়ে এসেছে বেশ কিছু নতুন পণ্য।

করোনাকালে ব্যক্তিগত পরিচ্ছনতা সুরক্ষার উন্নয়নে বার্জার মি. এক্সপার্ট অ্যডভাঙ্গড হ্যান্ড স্যানিটাইজার নিয়ে এসেছে, যা পানি বা সাবানের ব্যবহার ছাড়াই ৯৯.৯৯% ক্ষতিকর জীবাণু দূর করে।

বার্জার ব্রিদ ইজি ব্র্যান্ড নতুন বৈশিষ্ট্য ও ডিজাইন সহযোগে পুনরায় বাজারজাত করা হয়েছে। বিদ্র ইজি ভাইরাকেয়ার এর সিলভার আয়ন প্রযুক্তির মাধ্যমে ৯৯% সংক্রামক জীবাণু দূর করে। সিঙ্গাপুরের ঘিন লেবেল সার্টিফিকেট প্রাপ্ত পরিবেশবান্ধব এই পণ্যটি দূর্গন্ধমুক্ত এবং লো-ভিওসি সম্পন্ন।

জীবাণুমুক্তকরণের ক্রমবর্ধমান চাহিদা পূরণে বার্জার মি. এক্সপার্ট স্যানিটাইজেশন সেবা চালু করেছে। সাম্প্রতিক কোভিড-১৯ ভাইরাসের প্রাদুর্ভাব রোধে স্যানিটাইজেশন খুবই গুরুত্বপূর্ণ ভূমিকা পালন করতে পারে। এতে আধুনিক যন্ত্রপাতি ও পরিবেশ-বান্ধব স্যানিটাইজার ব্যবহার করা হয় যেন ৯৯% জীবাণু মুক্ত করা সম্ভব হয়।

বার্জার বাংলাদেশে এই প্রথম ম্যাজিকো অ্যান্টিমাইক্রোবিয়াল পিইউ পেইন্ট নিয়ে এসেছে। এটি বিশেষ প্রযুক্তির সাহায্যে ভাইরাস, ব্যাকটেরিয়া ও অন্যান্য বিষাক্ত দ্রব্যের বিরুদ্ধে কাজ করে। শিল্পের পাশাপাশি বিভিন্ন ধাতব, প্লাস্টিক, কাঠ, গ্লাস ও কনক্রিট এর উপর এই স্বচ্ছ কোটিং ব্যবহার করে জীবাণুমুক্ত করা যায়।

নতুন আকর্ষণীয় প্যাকেজিং ও উন্নত বৈশিষ্ট্যে বার্জার ইজি ক্লিন পুনরায় বাজারজাত করা হয়েছে। রেক্রন মাইক্রো ফাইবার ব্যবহারের ফলে ইজি ক্লিনের পেইন্ট ফিল্ম আরো দৃঢ়, আরো ওয়াশ্যাবল, দ্রুত ব্যবহারযোগ্য, ধুলোবালি প্রতিরোধী এবং ইউভি লাইটের বিরুদ্ধে অধিকতর কার্যকর।

জাপানের চুগোকু মেরিন পেইন্টস্ এর সাথে যুক্ত হয়ে বার্জার বাংলাদেশ আন্তর্জাতিক মানের মেরিন কোটিংস ও আনুষঙ্গিক পণ্যসম্ভার নিয়ে এসেছে। এর মধ্যে রয়েছে ইউনিভার্সাল ইপক্সি প্রাইমার, ইপস্সি টাই কোট, অ্যান্টি ফাউলিং, ইপস্সি টপ কোট, উচ্চ তাপরোধী টপকোট এবং আরও অনেক উন্নত পণ্য। সমুদ্রগামী জাহাজ, রপ্তানীকৃত জাহাজ ও অভ্যন্তরীণ নৌপথে চলাচলকারী জাহাজে এসকল পণ্য খুবই কার্যকর। বার্জার বাংলাদেশে চুগোকু মেরিন পেইন্ট, জাপানের এসকল পণ্য উৎপাদনে লাইসেঙ্গ প্রাপ্ত।

বার্জার, টেক্সটাইল কেমিক্যাল পণ্যসম্ভারে টেক্সবন্ড হোয়াইট পেস্ট এবং প্রিমিয়াম ও ইকোনমি টেক্সবন্ড ওয়েটেক্স পণ্য দুটি যুক্ত হয়েছে। হোয়াইট পেস্ট কাপড়ের উজ্জ্বলতা বৃদ্ধিতে এবং ওয়েটেক্স কাপড়ের প্রি-ট্রিটমেন্টে ব্যবহার করা হয়।

বার্জারের পাউডার কোটিং পণ্যসমূহ আর-ও-এইচ-এস সার্টিফিকেট অর্জন করেছে। যুক্তরাজ্য থেকে প্রাপ্ত এই সার্টিফিকিটের মাধ্যমে বার্জার পাউডার কোটিং পণ্যে ক্ষতিকর ভারী ধাতুসমূহের অনুপস্থিতি প্রমাণিত হয়।

বার্জার, বাংলাদেশে প্রথম বার্জার পিপিজি অটোরিফিনিশ ট্রেনিং সেন্টার চালু করেছে, যা মালয়েশিয়ার পিপিজি কোটিং এর সাথে যৌথভাবে তেজগাঁও সেলস্ অফিস প্রাঙ্গণে স্থাপিত হয়েছে। এখানে সর্বাধুনিক অটো রিফিনিশ বুথ এবং অটোমোবাইল পেইন্টারদের জন্য ট্রেনিং সুবিধা রয়েছে। স্থানীয় কার বডিশপ, গ্যারেজ ও সংশ্লিষ্ট সকলের দক্ষতা উন্নয়নে এই ট্রেনিং সেন্টারটি ভূমিকা রাখবে।

বার্জার, স্পোর্টস গ্রাউন্ডের জন্য জেনসোলিন ওয়াটার বেজড় স্পোর্টস কোটিং নিয়ে এসেছে। এটি আঘাত ও ক্ষয়রোধী হাই অপাসিটি হেভি ডিউটি ফ্রেক্সিবল কোটিং। পিছিলতা প্রতিরোধী এই পেইন্টটি আবহাওয়ার বিরুদ্ধে চমৎকার কার্যকরী। এটি কনক্রিট, অ্যাসফল্ট ও ভেজা বহিরাবরণে দৃঢ়তাবে আটকে থাকে।

বার্জার, অটোকোট প্রাইমার সার্ফেসার নিয়ে এসেছে, যা উন্নত ফর্মুলার অ্যালকিড রেজিনের তৈরি। এই রংটি সারফেসার এবং পাটি প্রস্তুতে ব্যবহার করা যায়। এটি বহিরাবরণকে টেকসই ও মোলায়েম করে। অ্যান্টি অ্যালকাইড এনামেল ব্যবহার করা যায় এমন সব ধাতব বস্তুতে ব্যবহার করা যায়। গাড়ির জন্য এই পণ্যটি উপযুক্ত। এর ব্যবহারে ফাটল বিহীন উজ্জ্বল ফিনিশ লাভ করা যায়।

ঝুঁকিসমূহ

কোম্পানির সাথে সংশ্লিষ্ট ঝুঁকিসমূহ নিম্নরূপ:

সামগ্রিক অর্থনীতি

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

বাহ্যিক বিষয়াবলি

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

আয়কর ও মূল্য সংযোজন করে পরিবর্তন

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

পরিবেশ, স্বাস্থ্য ও নিরাপত্তা সংক্রান্ত আইনে পরিবর্তন

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

মুদ্রার বিনিময় হারে পরিবর্তন

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

ঝুঁকি বিষয়ে ব্যবস্থাপনা কর্তৃপক্ষের মূল্যায়ন

যদিও বেশিরভাগ ঝুঁকি কোম্পানি বিশেষের আয়ন্তের বাইরে, এরূপ প্রত্যেক ঝুঁকির বিষয়ে বার্জার পেইন্টস্ সর্বদা সতর্ক দৃষ্টি রাখে এবং পণ্য ও বাজার বহুমুখীকরণ, দক্ষভাবে কাঁচামাল সংগ্রহ, সর্বাধুনিক প্রযুক্তি ব্যবহার এবং গবেষণা কার্যক্রমে বিনিয়োগের মাধ্যমে এসকল ঝুঁকির মোকাবলা ও কোম্পানির প্রতিযোগিতামূলক অবস্থান অর্জন করে। পরিবেশ বিধিমালার একনিষ্ঠ অনুসারী হিসেবে বার্জার পেইন্টস্ আন্তর্জাতিক মানের এফ্রুয়েন্ট ট্রিটমেন্ট খ্রীন্ট এবং ইনসিনারেটর স্থাপন করে এক্ষোরি বে প্রার্জনে এরুয়েন্ট দ্রোজি বাজার বহুমুখীকরণ, দক্ষভাবে বিধিমালার একনিষ্ঠ অনুসারী হিসেবে বার্জার পেইন্টস্ আন্তর্জাতিক মানের এফ্রুয়েন্ট ট্রিটমেন্ট প্লান্ট এবং ইনসিনারেটর স্থাপন করে এক্ষেত্রে পথপ্রদর্শকের ভূমিকা পালন করেছে।

আর্থিক ফলাফল

পরিচালকগণ আনন্দের সাথে ৩১ মার্চ, ২০২১ তারিখে সমাপ্ত বছরের আর্থিক প্রতিবেদন পেশ করছেন এবং নিমুলিখিত পদ্ধতিতে মুনাফা বন্টনের সুপারিশ করছেন:

	৩১ মার্চ ২০২১ তারিখে	৩১ মার্চ ২০২০ তারিখে
টাকা '০০০	সমাপ্ত বছরের জন্য	সমাপ্ত বছরের জন্য
নিট বিক্রয়	১৬,৬৬৯,৮০২	১৬,২১৯,০৪৪
বিক্রিত পণ্যের ব্যয়	(১০,০৩৭,৪৪০)	(৯,৯৭৮,৩৯৮)
মোট লাভ	৬,৬৩২,৩৬২	৬,২৪০,৬৪৬
কর-পূর্ব মুনাফা	৩,৪ ৭২,৩৬২	৩,০৯২,৪৬৭
কর সঞ্চিতি	(৯৬৪,৬১৪)	(৮১৪,৪৭০)
বিলম্বিত কর সঞ্চিতি	82,080	\$8,8¢\$
কর-পরবর্তী মুনাফা	২,৫৪৮,৭৮৮	২,২৯২,৪৪৮
যোগ: আদার কমপ্রিহেনসিভ ইনকাম, নেট অফ ট্যাক্স	১,৯৬৯	-
যোগ: পূর্ববর্তী বছরের অবন্টিত মুনাফা	৬,৮৭৬,২৩১	৫,৯৫১,৯২৯
বিতরণযোগ্য মুনাফা	৯,৪২৬,৯৮৭	৮,২৪৪,৩৭৮
প্ৰস্তাবিত লভ্যাংশ	(১,৭৩৯,১৭১)	(১,৩৬৮,১৪৭)
অবন্টিত মুনাফায় স্থানান্তর	ঀ,৬৮ঀ,৮১ঀ	৬,৮૧৬,૨৩১
মৌলিক শেয়ার প্রতি আয় (টাকা)	৫৪.৯৬	85.80
শেয়ার প্রতি নীট পরিচালন অর্থ প্রবাহ (টাকা)	۹۵.৬8	୧୧.৬৫
শেয়ার প্রতি নীট সম্পদের মূল্য (টাকা)	২১৩.২৬	১ ৮৭.৭৭
মোট লাভের হার (%)	৩৯.৭৯	৩ ৮.8৮
নীট লাভের হার (%)	১৫.২৯	১৪.১৩

লভ্যাংশ

উৎপাদন ক্ষমতা বৃদ্ধি এবং পণ্য ও ব্যবসায় বহুমুখীকরণের উদ্দেশ্যে কোম্পানি প্রচুর বিনিয়োগ করেছে। এসত্ত্বেও পরিচালনা পর্ষদ ২০২০-২০২১ সালের জন্য ৩৭৫% নগদ লভ্যাংশ অর্থাৎ ১০ টাকা মূল্যের প্রতিটি সাধারণ শেয়ারে ৩৭.৫০ টাকা নগদ লভ্যাংশ ঘোষণার সুপারিশ করেছেন।

বার্জার পেইন্টস্ এর লভ্যাংশ প্রদানের নীতিমালা অনুসারে সংশ্লিষ্ট বছরের আয় এবং পূর্ববর্তী বছরগুলোর অবন্টিত মুনাফা থেকে লভ্যাংশ প্রস্তাব/ঘোষণা করা হয়। কতখানি আয় শেয়ারহোল্ডারদের মধ্যে বিতরণ করা হবে আর কতখানি ব্যাবসায় সংরক্ষণ করা হবে তার সিদ্ধান্ত নেয়ার সময় পরিচালনা পর্ষদ বিভিন্ন বিষয় বিবেচনা করে থাকেন যেমন- ভবিষ্যতে বিনিয়োগের পরিকল্পনা, ভবিষ্যতে কোম্পানির মুনাফা অর্জনের সম্ভাবনা, দেশের অর্থনৈতিক অবস্থা ইত্যাদি। এছাড়াও কোম্পানির লভ্যাংশ প্রদানের ইতিহাস এক্ষেত্রে বিবেচনায় রাখা হয়।

সামাজিক দায়বদ্ধতা

দায়িত্বশীল কর্পোরেট প্রতিষ্ঠান হিসেবে বার্জার বহু বছর ধরে বিভিন্ন সামাজিক কর্মকাণ্ডে অবদান রেখে চলেছে। বিশ্বব্যাপী করোনা মহামারির কারণে পেইন্টারসহ অন্যান্য পেশায় নিয়োজিত লক্ষ লক্ষ মানুষের আয়ত্রাস পেয়েছে। এই সঙ্কটে ক্ষতিগ্রস্থ পেইন্টার ও ডিলারদের সহযোগিতার জন্য বার্জার বেশ কয়েকটি পদক্ষেপ নিয়েছে।

বার্জার পেইন্টস্ সম্প্রতি ৬,০০০ পেইন্টারসহ বিভিন্ন স্টেকহোন্ডারদের মধ্যে ১২৫,০০০ মাস্ক, ২৫,০০০ হ্যান্ড স্যানিটাইজার ও ৩০,০০০ গ্লান্ডস ইত্যাদি ব্যক্তিগত সুরক্ষা সামগ্রী বিতরণ করেছে। জরুরি আর্থিক সহায়তা হিসেবে ১৭,৫০০ পেইন্টারের মধ্যে প্রায় দুই কোটি টাকা বিতরণ করা হয়েছে। এছাড়া, ডিজিটাল স্বাস্থ্য সেবা 'টনিক' এর মাধ্যমে সম্পর্ক ক্লাবের পেইন্টারদেরকে স্বাস্থ্য সেবা প্রদান করা হয়। এই প্যাকেজের অধীনে একজন সদস্য এক লক্ষ টাকা মৃত্যু বা অঙ্গহানিজনিত ক্ষতিপূরণ, এক লক্ষ টাকা হাসপাতাল ভর্তির ব্যয়, ২৪ ঘন্টা ডাক্তারের পরামর্শ, এবং এক হাজারের বেশি পার্টনার আউটলেটে ৫০% পর্যন্ত ডিসকাউন্ট পেতে পারেন। এছাড়া বার্জারের নিবন্ধিত প্রায় ৪০,০০০ পেইন্টারের মোবাইল ব্যাংকিং একাউন্টে 'ইন-ক্যান টোকেন' সুবিধার টাকা আরো স্বল্প বিরতিতে প্রদান করা হয়েছে।

২০০৯ সাল থেকে বার্জার অটিস্টিক শিশ্বদের উন্নয়নে কাজ করে এমন ১০-১২টি বিভিন্ন প্রতিষ্ঠানকে আর্থিক এবং অন্যান্য সহযোগিতা করে আসছে। এই শিশুদের জন্য বার্ষিক চিত্রাঙ্কন প্রতিযোগিতা এবং চিত্র প্রদর্শনীও আয়োজন করা হচ্ছে। ২০২০ সালে বার্জার ইয়াং পেইন্টার্স আর্ট কম্পিটিশনের রজতজয়ন্তী উদযাপিত হয়। ঢাকা বিশ্ববিদ্যালয়ের চারুকলা বিভাগের মেধাবী শিক্ষার্থীদের মাঝে পুরস্কার বিতরণ করা হয়। বিএফএ অনার্স প্রোগ্রামে সর্বোচ্চ সিজিপিএ অর্জনকারী আট জন শিক্ষার্থীকে এই পুরস্কার দেয়া হয়, যার মধ্যে একজন 'বার্জার স্টুডেন্ট অব দি ইয়ার' পুরস্কার লাভ করে। বার্জার ক্লাব সুপ্রিম ও বার্জার সম্পর্ক ক্লাবের ডিলার ও পেইন্টারদের জিপিএ ৫ অর্জনকারী এসএসসি ও এইচএসসি পরীক্ষার্থী সন্তানদের জন্য একটি পুরস্কার বিতরণী অনুষ্ঠান আয়োজিত হয়। এছাড়াও দেশের বিভিন্ন প্রান্তের দরিদ্র ও শীতার্তদের জন্য কম্বল ও শীতবন্ত্র বিতরণ করা হয়েছে। রোহিঙ্গা আশ্রয় ক্যাম্পে অগ্নিকাণ্ডে ক্ষতিগ্রস্তদের সহায়তায় ইউনিসেফ এর কাছে এককালীন আর্থিক সহায়তা প্রদান করা হয়েছে। গণপ্রজাতন্ত্রী বাংলাদেশের প্রধানমন্ত্রীর কার্যালয়ের অধীনে ন্যাশনাল স্কিল ডেভেলপমেন্ট অথরিটির সাথে যুক্ত হয়ে পেইন্টার্স ট্রেনিং ইসটিটিউট স্থাপনের কাজ চলছে। এর মাধ্যমে পেইন্টারদের দক্ষতা বৃদ্ধিতে বার্জার অবদান রাখতে সক্ষম হবে। বিভিন্ন প্রতিষ্ঠানের শিক্ষার্থীনের প্রেমিন কার্যান্য বাস্তব জোন লাভে সহযোগিতার উদ্দেশ্যে বার্জার পেইন্টস্ ইন্টার্নশিপ-এর সুযোগ দিয়ে থাকে। এর ফলে, তারা ব্যবসায়িক পরিমণ্ডল সম্পর্কে বাস্তব জোন লাভের পাশাপাশি তবিষ্যৎ নেতৃত্ব গ্রহণের জন্য উপযুক্ত হয়ে ওঠে।

জাতীয় কোষাগারে অবদান

আবগারি শুরু, আয়কর, মৃল্য সংযোজন কর এবং সম্পরক শুরু বাবদ এ বছর কোম্পানি প্রায় ৫০৯ কোটি ২৭ লক্ষ ৮১ হাজার টাকা প্রদান করেছে।

সাবসিডিয়ারি কোম্পানি

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

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

পুরস্কার ও সম্মাননা

এ বছর বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড উৎপাদন খাতে সেরা মূসক প্রদানকারী কোম্পানি হিসেবে বাংলাদেশ সরকারের নিকট হতে ২০১৮-১৯ সালের জন্য সম্মাননা লাভ করে।

বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড উৎপাদন খাতের বহুজাতিক কোম্পানি শ্রেণিতে 'আইসিএমএবি বেস্ট কর্পোরেট অ্যাওয়ার্ড ২০১৯' লাভ করেছে। এই পুরস্কার কোম্পানির বিক্রয় ও আর্থিক ফলাফল, জাতিয় রাজস্বে অবদান, মানব সম্পদ ব্যবস্থাপনা, কর্পোরেট সুশাসন, শেয়ার হোল্ডার রিটার্ন, বিনিয়োগ প্রবৃদ্ধি এবং সিএসআর কার্মকাণ্ডের স্বীকৃতি। দশম বারের মতো বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড রং শিল্পে সেরা ব্র্যান্ড হিসেবে 'বেস্ট ব্র্যান্ড অ্যাওয়ার্ড' লাভ করেছে। বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড সাপ্লাই হিসেবে 'বেস্ট ব্র্যান্ড অ্যাওয়ার্ড' লাভ করেছে। বার্জার পেইন্টস্ বাংলাদেশ লিমিটেড রাপ্লাই চেইন ম্যানজমেন্ট সোসাইটি (বিএসসিএমএস) থেকে সাপ্লাই চেইন প্র্যানিং এবং গ্রাহক সেবা, গুদামজাত ও বিতরণ বিভাগে সাপ্লাই চেইন এক্সিলেষ অ্যাওয়ার্ড পেয়েছে।

পরিচালক নির্বাচন

ক) সংঘবিধির ১১১ অনুচ্ছেদে প্রদন্ত ক্ষমতাবলে পরিচালনা পর্ষদ ১২ আগস্ট ২০২০ তারিখের সভায় জেএন্ডএন ইনভেস্টমেন্টস্ (এশিয়া) লিমিটেডের মনোনয়ন অনুসারে জনাব সাজ্জাদ রহিম চৌধুরীকে পরিচালক নিয়োগ করে। কোম্পানি আইন ১৯৯৪ এর ধারা ৯১(১)(খ) অনুসারে জনাব সাজ্জাদ রহিম চৌধুরীকে নির্বাচনের জন্য পেশ করা হলো। কোম্পানি আইন ১৯৯৪ এর ধারা ৯৩ অনুসারে জনাব সাজ্জাদ রহিম চৌধুরী পরিচালক পদে দায়িত্ব পালনে সম্মতি জ্ঞাপন করেছেন। কোম্পানির ৯৫% শেয়ারধারী জেএন্ডএন ইনভেস্টমেন্টস্ (এশিয়া) লিমিটেডের মনোনিত জনাব সাজ্জাদ রহিম চৌধুরীকে পরিচালক হিসেবে নির্বাচিতে করা যেতে পারে।

খ) সংঘবিধির ১২১ ও ১২২ অনুচ্ছেদ অনুসারে জনাব জেরান্ড কে এডামস, মিসেস রিশমা কাউর এবং জনাব কানোয়ারদীপ সিং ধিংরা অবসর গ্রহণ করেছেন এবং যোগ্য বিধায় পুননির্বাচিত হওয়ার ইচ্ছা পোষণ করেছেন।

পরিচালনা পর্ষদ এসকল নির্বাচন/পুননির্বাচনের সুপারিশ করেন।

নিরীক্ষক নিয়োগ

ক) মেসার্স এ. কাশেম অ্যান্ড কোং চার্টার্ড অ্যাকাউন্ট্যান্ট নিরীক্ষক পদ হতে আসন্ন বার্ষিক সাধারণ সভার শেষে অবসর গ্রহণ করবেন এবং বাংলাদেশ সিকিউরিটি এক্সচেঞ্জ কমিশনের আদেশ নং এইইসি/সিএমআরসিডি/২০০৯-১৯৩/১০৪/অ্যাডমিন তারিখে ২৭ জুলাই ২০১১-এর শর্ত বি অনুসারে একনাগাড়ে তিন বছরের বেশি সময়ের জন্য নিয়োগের যোগ্য নন। মেসার্স এ. কাশেম অ্যান্ড কোং ২০১৮-১৯ সাল থেকে নিরীক্ষকের দায়িত্ব পালন করেছেন। বিএসইসির নির্দেশনা অনুসারে আমাদেরকে নতুন নিরীক্ষক নিয়োগের যোগ্য নন। মেসার্স এ. কাশেম অ্যান্ড কোং ২০১৮-১৯ সাল থেকে নিরীক্ষকের দায়িত্ব পালন করেছেন। বিএসইসির নির্দেশনা অনুসারে আমাদেরকে নতুন নিরীক্ষক নিয়োগ করতে হবে। মেসার্স হোদা ভাসী চৌধুরী এন্ড কোং নিরীক্ষক হিসেবে নিয়োগ পেতে আগ্রহ প্রকাশ করেছেন। পরিচালনা পর্যদ অভিট কমিটির সুপারিশ অনুসারে মেসার্স হোদা ভাসী চৌধুরী এন্ড কোং চার্টার্ড অ্যাকাউন্ট্যান্টস্বকে বর্তমান ফি-তে নিয়োগের জন্য সুপারিশ করেছেন।

খ) মেসার্স ম্যাবস অ্যান্ড জে পার্টনার্স ৩১ মার্চ ২০২০ তারিখে সমাপ্ত বছরের জন্য কর্পোরেট গভর্নেপ কমপ্রায়েপ রিপোর্ট নিরীক্ষা করেছেন এবং সনদপত্র প্রদান করেছেন। পুনঃনিয়োগের যোগ্য বিধায় ৩১ মার্চ ২০২১ তারিখে সমাপ্ত বছরের নিরীক্ষা করার জন্য ইচ্ছা প্রকাশ করেছেন। বাংলাদেশ সিকিউরিটি এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/অ্যাডমিন/৮০ তারিখ ৩ জুন ২০১৮ এর শর্ত ৯(২) অনুসারে কর্পোরেট গভর্নেপ কমপ্রায়েপ সার্টিফিকেট নিরীক্ষাকারী প্রতিষ্ঠানের নিয়োগ সাধারণ সভায় অনুমোদিত হবে। পরিচালনা পর্ষদ তাদের পুনঃনিয়োগের জন্য সুপারিশ করেছেন।

কর্পোরেট সুশাসন

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং বিএসইসি/সিএমআরসিডি/২০০৬-১৫৮/২০৭/অ্যাডমিন/৮০ তারিখ ৩ জুন ২০১৮ অনুসারে প্রয়োজনীয় ঘোষণা ও প্রতিবেদনসমূহ সংযুক্তি ১,২,৩,৪ ও ৫ আকারে এ প্রতিবেদনের সাথে সংযুক্ত হলো।

মানবসম্পদ

কোম্পানির সাফল্যের জন্য আমরা আমাদের মানবসম্পদের অবদান অত্যন্ত গুরুত্বপূর্ণ বলে মনে করি। কোভিড-১৯ মহামারিতে মানবসম্পদের সুস্বাস্থ্য নিশ্চিতের লক্ষ্যে বেশ কিছু পদক্ষেপ নেয়া হয়েছে। এর মধ্যে রয়েছে পিপিই ও হ্যান্ড স্যানিটাইজার বিতরণ, ওয়াশ স্টেশন স্থাপন, ব্যক্তিগত স্পর্শ কমানোর জন্য কর্মস্থল রিডিজাইন করা, সার্বক্ষনিক চিকিৎসক নিয়োগ, মানসিক অবসাদ হাসে ভার্চুয়াল সেশন, অক্সিজেন কনসেন্ট্রেটর ও অক্সিমিটার স্থাপন, থার্মাল স্ক্যানার স্থাপন, কোভিড রোগীকে স্বাস্থ্যকের খাবার উপহার প্রদান এবং সেন্ট্রাল হেলথ মনিটরিং সিস্টেম স্থাপন ইত্যাদি।

পূর্বের বছরগুলোর মতো বছরব্যাপী এবারও কোম্পানিতে পূর্ণ শান্তি ও শুঙ্খলা বজায় ছিল। মানবসম্পদের দক্ষতা উন্নয়নের জন্য কোম্পানি দেশে-বিদেশে আনুষ্ঠানিক ও অনানুষ্ঠানিক প্রশিক্ষণের আয়োজন করে আসছে। করোনা মহামারিতে ডিজিটাল মাধ্যমে ট্রেনিং কার্যক্রম সচল রাখা হয়েছে। করোনার সবচেয়ে অনিশ্চিত ও চ্যালেঞ্জিং দিনগুলিতে কোনো কর্মীকে ছাঁটাই করা হয়নি বরং সকল কর্মী ও সরবরাহকারীর প্রাণ্য অর্থ যথাসময়ে পরিশোধ করা হয়েছে। পর্যদ এই কোম্পানির উন্নয়নে সকল কর্মকর্তা-কর্মচারীর প্রচেষ্টা ও সহযোগিতাকে কতজ্ঞচিত্তে স্বরণ করছে।

ব্যবস্থাপনা কর্তৃপক্ষের স্বীকৃতি

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

পরিচালনা পর্যদের পক্ষ থেকে, জেরান্ড কে. এ্যাডামস্ সভাপতি ১৯ জুলাই ২০২১



Subsidiary Company Profile

Jenson & Nicholson (Bangladesh) Limited

Directors' Report

The Directors of Jenson & Nicholson (Bangladesh) Limited are pleased to present their 31st report for the year ended March 31, 2021 along with the Audited Financial Statements and the Auditors' Report thereon.

During the period the company's sales increased by 14.4%. Due to increase of raw materials price in global market, cost of sales increased by 19.8%. As a result, gross profit reduced from 25.8% of revenue to 22.3% of revenue. At the same time, net expenses increased by 3.8%. Income before tax of the company reduced by 6% to Tk. 133,389 thousand against Tk. 141,893 thousand of the previous year. The company is investing for enhancing its production capacity to cater gradually expanding customer base and diversification of product range. In view of the above, the Board of Directors are not recommending any dividend for the year ended March 31, 2021.

Jenson & Nicholson (Bangladesh) Limited is offering best quality food grade packaging containers in addition to its existing packaging products for paint industry. The company's portfolio of third party business is gradually expanding.

The company received/renewed the following certifications during the year:

- 1) Food Safety System Certification- ISO 22000:2005, ISO/TS 22002-04
- 2) Quality Management System- ISO 9001:2015
- 3) Occupational Health & Safety OHSAS 18001:2007
- 4) Environment Management System, ISO-14001:2015
- 5) SEDEX (Supplier Ethical Data Exchange)

Mr. Sazzad Rahim Chowdhury, Nominated by Berger Paints Bangladesh Limited, joined the Board on October 28, 2020. As required by section 91(1)(b) of the Companies Act 1994 Mr. Chowdhury is proposed as a candidate for election as a Director. Mr. Chowdhury has given consent to act as a Director of the Company as per section 93 of the Companies Act 1994. The Directors retiring by rotation under Article 32 are Ms. Rishma Kaur and Mr. Kanwardip Singh Dhingra who, being eligible, offered themselves for re-election. The Board of Directors recommends these election/re-election.

The Board of Directors recommends the appointment of Messrs Snehasish Mahmud & Co., Chartered Accountants as auditor at the ensuing Annual General Meeting.

The Board acknowledges the continued assistance from the management of Berger Paints Bangladesh Limited to make Jenson & Nicholson (Bangladesh) Limited successful. The Board of Directors would like to put on record their appreciation to all stakeholders; employees, customers, banks, insurance companies, government authorities, auditors and utility providers for their strong support and contribution towards the success of the Company.

On behalf of the Board,

1.0 Rupali Chowdhúry

Managing Director Juny 19, 2021

Hoda Vasi Chowdhury & Co

Chartered Accountants

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jenson & Nicholson (Bangladesh) Limited, (the company) which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the state of company's affairs in all material respects of the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with applicable International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and other laws and regulations applicable for this company in Bangladesh.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

We believe that, the audit evidence we have obtained are sufficient and appropriate to provide a basis of our audit opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that, non-audit services as prohibited by the ethical requirements were not provided by us to the company.

Management's Responsibilities for other Information

Management is responsible for the other Information. The other information comprises the information including Director's report included in annual report but does not included in the financial statements and our auditor's report thereon.

Our opinion of the financial statement does not cover the other information and we do not and will not express any form of assurance, conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with applicable IFRSs and IASs. This responsibility includes designing implementing and maintaining internal control relevant to the presentation and fair presentation of the financial statement that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

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

Hoda Vasi Chowdhury & Co

Auditors' Responsibilities for the Audit of the Financial Statements

We conduct our audit in accordance with applicable International Standards on Auditing (ISAs). Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that in cludes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit, we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures
 responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a
 material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,
 misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but
 not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions including considering the future impact of the COVID-19 pandemic that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act (#18) 1994, we also report the following:

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, July 19, 2021

Hoda Vasi Chowdhury & Co Chartered Accountants

Hoda basi day 860

Showkat Hossain, FCA Senior Partner Enrolment No. 0137 DVC: 2108310137AS372536

Jenson & Nicholson (Bangladesh) Limited Statement of Financial Position

As at 31 March 2021

	As at 31 M	arch
n Thousands Taka	2021	2020
Assets		
Non- Current Assets		
Property, plant and equipment	644,702	651,352
Intangible assets	3,500	3,378
Capital work-in-progress	115,438	49,891
Total non- current assets	763,640	704,621
Current Assets		
Inventories	229,267	180,323
Trade & Other Receivables	71,638	44,683
Advances, deposits and prepayments	13,247	10,586
Cash and cash equivalent	25,397	19,444
Total current assets	339,549	255,036
Total Assets	1,103,189	959,657
Equity and Liabilities		
Share capital	50,100	50,100
Retained earnings	677,776	571,371
	727,876	621,471
Non-current Liabilities		
Deferred tax liabilities	84,281	98,466
Total non-current liabilities	84,281	98,466
Current Liabilities		
nter-company payable -BPBL	157,074	145,548
Trade and other payables	106,103	79,154
Liabilities for Income Tax	10,467	452
Employees' retirement gratuity	17,388	14,566
Total current liabilities	291,032	239,720
Total Liabilities	375,313	338,186
Total equity and liabilities	1,103,189	959,657
Contingent Liabilities	87,530	36,691

L e C Managing Director

Dhaka, July 19, 2021

Director & CFO

Signed in terms of our separate report of even date annexed

Company Secretary

Hoda Vasi Chowdhury & Co **Chartered Accountants**

Hoda basi dy 860

Showkat Hossain, FCA Senior Partner Enrolment No. 0137 DVC: 2108310137AS372536

Jenson & Nicholson (Bangladesh) Limited Statement of profit or loss and other comprehensive income

For the year ended 31 March 2021

	For the year ende	For the year ended 31 March	
In Thousands Taka	2021	2020	
Revenue	795,592	695,696	
Cost of sales	(618,550)	(516,487)	
Gross profit	177,042	179,209	
Operating Expenses			
Warehouse and distribution	(32,032)	(25,371)	
Administration	(33,650)	(30,457)	
Other operating income	39,779	30,880	
	(25,903)	(24,948)	
Profit from operation	151,139	154,261	
Service charges	(3,000)	(3,000)	
Financial charges	(7,730)	(4,452)	
	(10,730)	(7,452)	
Other non-operating income	-	2,424	
Profit before WPPF and tax	140,409	149,233	
Workers' profit participation and welfare fund	(7,020)	(7,340)	
Income before tax	133,389	141,893	
Current tax expense	(41,169)	(26,818)	
Deferred tax income/(expense)	14,185	(24,337)	
	(26,984)	(51,155)	
Profit for the year	106,405	90,738	
Other comprehensive income	-	-	
Total comprehensive income	106,405	90,738	

e. (Managing Director

Director & CFO

Signed in terms of our separate report of even date annexed

Company Secretary

Hoda Vasi Chowdhury & Co Chartered Accountants

Hoda basi dy 860

Showkat Hossain, FCA Senior Partner Enrolment No. 0137 DVC: 2108310137AS372536

Dhaka, July 19, 2021

Jenson & Nicholson (Bangladesh) Limited Statement of Cash Flows

For the year ended 31 March 2021

	For the year ende	For the year ended 31 March	
In Thousands Taka	2021	2020	
Cash flows from Operating Activities (A)			
Cash received from customers	768,637	671,511	
Cash received from other operating income	39,779	30,880	
Cash paid to suppliers and employees	(624,668)	(486,313)	
Payment of interest	(7,730)	(4,452)	
Income tax paid	(31,154)	(15,049)	
Net cash from operating activities	144,864	196,577	
Cash flows from Investing Activities (B)			
Capital expenditures	(138,911)	(191,961)	
Proceeds from sale of assets	-	2,424	
Net cash used in investing activities	(138,911)	(189,537)	
Cash flows from Financing Activities (C)	-	-	
(Decrease)/Increase in cash and bank balance (D)= $(A+B+C)$	5,953	7,040	
Cash & cash equivalents at the beginning of the year (E)	19,444	12,404	
Effect of Foreign Exchange Rates on cash & cash equivalents (F)	-	-	
Cash & cash equivalents at the end of the year (D+ E+F) $% \left(\left(D+T\right) \right) =0$	25,397	19,444	
These comprise the following			
Cash at Bank	25,073	19,194	
Cash in hand	324	250	
	25,397	19,444	

Managing Director

Director & CFO

Company Secretary



BERGER



Events

47TH ANNUAL GENERAL MEETING OF BERGER PAINTS BANGLADESH LIMITED



The 47th Annual General Meeting (AGM) of Berger Paints Bangladesh Limited was held on July 28, 2020, through digital platform. Ms. Rupali Chowdhury, Managing Director, Berger Paints Bangladesh Limited presided over the meeting. Chairman of the Board, Gerald K. Adams along with other directors Anil Bhalla, Jean-Claude Loutreuil, Anis A. Khan, Masud Khan, Rishma Kaur, Kanwardip Singh Dhingra, Sunil Sharma, Parveen Mahmud and Abdul Khalek also attended the meeting.





Once again Berger Paints Bangladesh Limited has been awarded for "Top VAT Payer" for year 2018-2019 under manufacturing category. Ms. Rupali Chowdhury, Managing Director of Berger Paints Bangladesh Limited received the award on December 10, 2020. The award was given by Chairman of National Board of Revenue (NBR). The company had been awarded as Top VAT payer five times earlier in the years 2017-2018, 2016-2017, 2015-2016, 2014-2015, 2010-2011.

INAUGURATION OF BERGER PPG AUTO REFINISH TRAINING CENTER



As a pioneering drive, Berger Paints Bangladesh Limited (BPBL) and PPG Coatings (M) Sdn. Bhd. SEA have inaugurated the "Berger PPG Auto Refinish Training Center", which consists of the most advanced auto-refinishing booth and world class training facility for automobile painters in Bangladesh. This initiative will help the local car body shops, garages and all concerned persons to improve their technical knowledge. Ms. Rupali Chowdhury, Managing Director, Berger Paints Bangladesh Limited inaugurated the Berger PPG Auto Refinish Training Center on September 21, 2020, at Tejgaon Sales Office of Berger Paints in Dhaka. Vehicle paint technicians, garage owners, managers and engineers, body shop production supervisors/foreman, color matchers, and car paint dealers and their sales staff already have get some training in the Berger PPG Auto Refinish Training Center.

VAT SOFTWARE GO LIVE SESSION OF JNBL HELD



Go-Live session of VAT software of Jenson & Nicholson Bangladesh Ltd. (JNBL) was held on November 17, 2020. Use of VAT software is a mandatory requirement in case of all VAT transactions as ordered by National Board of Revenue (NBR). The Symphony Soft Tech Ltd. is the partner of JNBL for VAT software implementation.

MANAGING DIRECTOR OF BERGER PAINTS ACHIEVES OUTSTANDING WOMAN IN BUSINESS 2019 AWARD



Ms. Rupali Chowdhury, Managing Director, Berger Paints Bangladesh Limited has been awarded Outstanding Woman in Business 2019, an initiative of The Daily Star and DHL Express. Honorable Commerce Minister handed over the award in a virtual event. This award recognizes achievements and positive contributions of business organizations and individuals who have not only grown but contributed to the economic development of the country and acted as a role model for female leadership in business.

25TH BERGER YOUNG PAINTERS' ART COMPETITION 2020



The award giving ceremony of 25th Berger Young Painters' Art Competition (BYPAC) was organized at Berger House, Uttara on December 28, 2020. Since its inception in 1996, BYPAC had so far completed 25 successful years. Berger Paints is proud to celebrate the Silver Jubilee round of the BYPAC program, which is organized every year with the objective to encourage the promising artists of the country.

Jayatu Chakma secured the 1st position in this year's competition with his painting titled, 'Lockdown.' Sumiya Mehernaz Joya and Rumana Rahman secured the 2nd and 3rd places, respectively. Md. Rafiqul Islam, Saiyad Saif Ali, and Shahed Hossain also made it to the Top 6. A total of 772 paintings were received this year from 392 participants. The winners are awarded with prize money, crests, certificates, and participation in art workshop at Rabindra Bharoti, Kolkata.

Mohsin Habib Chowdhury, Senior General Manager-Sales & Marketing, BPBL, welcomed the guests and provided a brief introduction of BYPAC, highlighting its contribution in developing the field of art for 25 years long. Professor Nisar Hossain, Dean, Faculty of Fine Art, University of Dhaka and Chairman of 25th BYPAC Jury Committee, elaborated on the accomplishment of this years' competition and praised all who are associated with the competition. Ms. Rupali Chowdhury, Managing Director, BPBL expressed gratitude to the artist community of Bangladesh, who have supported and facilitated BYPAC over the years.

BERGER PAINTS CONTRIBUTES FOR CHILDREN WITH SPECIAL NEEDS



Berger Paints Bangladesh Limited continues to extend its support for the welfare of autistic and specially challenged children every year since 2009. This year Berger has contributed to SEID, Autism Welfare Foundation, Society For The Welfare of Autistic Children, Scholars Special School, Proyash Bisheshayito Shikkha Protistahn, Alokito Shishu, Tauri Foundation -School For Gifted Children, Community Development Center, Utsho Bangladesh for center operations, house rent, training center expenses, equipment for the disabled, appliances for special education, education expenses.

Since 2011, Berger Paints has been organizing art competitions for autistic and specially challenged children. The competition, organized annually, provided awards to six winners in two groups, Group A (6-10 years) and Group B (11-15 years). In Group A the winners are, Anika Mahmud Mim (1st), Tanvir Mahtab Abid (2nd), Masrur Ahmed Aayaz (3rd). In Group B, the winners are, Sumona Akter (1st), Azmain Fayek Nahin(2nd), Rehin Al Shahib (3rd). An online art exhibition has been arranged displaying the participating artworks.



BERGER PARTICIPATES AT DHAKA ART SUMMIT 2020

Berger Paints participated at Dhaka Art Summit 2020 Bangladesh Shilpakala Academy. This is a prestigious exhibition of paintings of artists from the different corners of the world. Around 500 artists has portrayed more than 30,000 artworks in this exhibition. In the exhibition, Berger Paints has shown the winning artworks of 24 years journey of Berger Young Painters' Art Competition.

BERGER COMES FORWARD TO HELP PAINTERS AND DEALERS DURING THE PANDEMIC



The global spread of Coronavirus (COVID-19) pandemic has immensely affected millions of daily-wage earners of the country, including painters. To aid the painters and dealers during this crisis, Berger Paints Bangladesh Limited has come forward with a number of initiatives.

Berger Paints Bangladesh Limited has recently provided Personal Protective Equipment (PPE overall gown), around 95,000 pieces of masks, 25,000 pieces of hand sanitizers and 30,000 pieces of gloves to different stakeholders including 6,000 painters across the country. The company has also provided emergency fund assistance of Tk. 2 crore to 17,500 painters. Additionally, Berger Paints Bangladesh

Limited has collaborated with Digital Health Services – Tonic, to bring digital health services for the valued members (painters) of the 'Shomporko Club'. Under the package, club members were already entitled to Tk.100,000 cashback in case of death or partial disability, hospitalization benefit of Tk.100,000, 24-hours doctor consultation, and up to 50 percent discount from over 1,000 partner outlets. Berger Paints Bangladesh Limited has also increased the frequency of payment against the entitlement of 'in-can token' benefit of 27,000 painters with more than Tk.8 crore worth benefit through their verified mobile banking. Berger Paints has also launched safe painting service for end-consumers through its Berger Experience Zones.

BERGER WINS BEST BRAND AWARD FOR THE 10[™] CONSECUTIVE TIME

Berger Paints Bangladesh Limited has been awarded the "Best Paint Brand" in Paint category for 10 consecutive times. Bangladesh Brand Forum (BBF) Powered by AlUB, in partnership with Nielsen Bangladesh and in association with The Daily Star for the first time has put together the event virtually. The objective of the Best Brand Award is to demonstrate and celebrate the success of the brands, achieved through tough and effortful initiatives. Best Brand Award is based on a global model (Winning BrandsTM) done through a direct consumer survey of 7,600 consumers across the country which included self-administrated reviews.



POWDER COATING OF BERGER ACHIEVES ROHS CERTIFICATION



Berger Paints Bangladesh Limited (BPBL) has recently obtained RoHS certification for its complete offerings of powder coating products. The RoHS certification, which is provided by the authorities in UK, confirms that all powder coating products from BPBL are free from hazardous heavy materials. The RoHS stands for 'Restriction of Hazardous Substance.' Berger is the market leader, offering full-fledged powder coating solutions for home appliances, electrical equipment, fans, furniture, auto components, gas cylinders, hardware tools etc. Berger offers two ranges of powder coatings: SupraKoat (premium) and SmartKoat (mid-tier). The powder coatings of BPBL are free from harmful chemicals, including Lead, Mercury, Cadmium, Hexavalent Chromium, Polybrominated Biphenyls, Polybrominated Diphenyl Ethers, Bis (2-Ethylexyl) Phthalate, Benzyl Butyl Phthalate, Dibutyl Phthalate and Diisobutyl Phthalate.

BERGER LAUNCHES NEW PRODUCTS



Berger Easy Clean

Berger Easy Clean has been relaunched with improved formulation and attractive new packaging. In this new formulation, Easy Clean is reinforced with Recron Micro Fibers to ensure stronger paint film and enhanced washability. The new version of Easy Clean contains robust "UV-sparkle cross linking polymer" technology. It has superior features in terms of better comprehensive strength, faster roller/brush applicability, resistance against air borne dirt and oil penetration, excellent substrate penetration and topcoat adhesion, physical barrier to salt migration, excellent alkali and efflorescence resistance, easy traceability on exposure of UV light.

Berger Breathe Easy ViraCare

To keep homes virus-free and nature fresh, Berger has relaunched Berger Breathe Easy with a new feature and a new look. Introducing Breathe Easy ViraCare, its Silver Ion Technology assures the killing of 99% infection-causing viruses and bacteria on the painted surface, providing a germ-free and hygienic environment. Certified by Green Label Singapore, this environmentally preferred paint is odor-free and has a low VOC content. Special VOC (Volatile Organic Compound) free resin ensures minimum air pollutant, freshly painted rooms can be used within a couple of hours without any lingering smell.





Berger Expert Sanitization Service

As the concern around the outbreak of Coronavirus (COVID-19) has caused significant disruption of many businesses and communities, Berger Paints Bangladesh Limited has launched a new service called 'Berger Expert Sanitization Service', to meet the growing need for disinfection. Berger Expert Sanitization Service is committed to ensure the safety of stakeholders and the society. With the recent pandemic, demand for sanitization and disinfection for offices, commercial spaces, residences and government buildings has increased tremendously. Sanitization is required to ensure

hygiene and protection by providing a clean, germ-free environment and preventing the spread of COVID-19. Eco-friendly sanitizing agents and advanced machineries are used to ensure all spaces and surfaces are disinfected and 99% germs are eradicated.

Berger Mr. Expert Advanced Hand Sanitizer

To enhance the personal hygiene sector of the nation during Coronavirus (COVID-19) pandemic, Berger Paints Bangladesh Limited has expanded its business and launched Berger Mr. Expert Advanced Hand Sanitizer. Berger Mr. Expert Advanced Hand Sanitizer is a waterless sanitizer that instantly kills 99.99% of numerous harmful germs, without requiring soap or water. Upon usage, it restores moisture and leaves hands feeling refreshed, soft and clean. The product is easy to use and dries quickly, it has pleasant fragrance, and does not cause any skin irritation.



BERGER LAUNCHES NEW PRODUCTS



Berger AutoCoat Primer Surfacer Undercoat

Berger Paints has relaunched Berger AutoCoat Primer Surfacer UnderCoat. This is an undercoat made of alkyd resin with improved formulation. It is an air drying paint which can be used as surfacer and in putty preparation. It makes the surface smooth and provides long lasting finish. The product can be used on all metal, steel and ferrous structures where alkyd enamels will be used. It is an excellent product for vehicles and automobile industries. The product is fast drying, gives very smooth finish, ensures brighter outlook and crack-free.

Berger Jensolin Water Based Sports Coating

Berger has recently introduced Jensolin Water Based Sports Coating, which is very effective for sports grounds. It is a very fast drying, high opacity, heavy duty flexible coating with resistance to shock & abrasion. This paint offers strong resistance to water permeability on bitumen dressed roads, highways & sports surfaces made of concrete and asphalts. Berger Jensolin Sports Coating is a hardwearing and aesthetically appealing paint for floors, patios, driveways & pathways. This paint is skid resistant and it has excellent weather durability. It has excellent adhesion on concreate and asphalt as well as on wet surfaces. It is lead & chrome free, low VOC and environment friendly product.



Marine and Industrial Coatings from CMP

Berger Paints Bangladesh Limited (BPBL), the leading paint manufacturer in the country, and Chugoku Marine Paints Limited (CMP) of Japan have teamed up to offer high performance marine coatings and related industrial paints, bringing the best quality international products in Bangladesh. The advanced marine paints are originally formulated and developed by the Japanese company Chugoku Marine Paints (CMP) and certified by world-renowned standards authorities. BPBL will be the licensed manufacturer of these CMP products. The product ranges offered under collaboration of BPBL and CMP include universal high build epoxy primers, epoxy tie coats, synthetic resin-based single component tie coats, hydrolysis type and self-polishing type antifouling, epoxy topcoat, alkyd topcoat, polyurethane topcoat, high build alkyd primer, high heat resistant paint, and other improved materials. Sea-going vessels, export vessels, class vessels, and other riverine vessels require these superior standard of coatings for long-lasting protection.



Textile Chemical Products

Berger Paints has recently introduced Texbond White Paste and Texbond Wettex (premium and economy) in its Textile Chemical portfolio. White Paste is used for enhancing the brightness of fabric and Wettex products are used in the textile fabric pre-treatment process. Berger Paints is committed to innovate and launch import substitute products for various industries.

TexBond

AIRING OF BERGER HAPPY HOME: RENOVATION REALITY SHOW



The first ever home renovation reality show in Bangladesh – Berger Happy Home was broadcast in December 2020, every Friday at 9:35 pm on Channel I. To promote "Berger Happy Home" to the target audience and to attract the viewers, teasers and advertisements were given in print, electronic and digital media platforms. The reality show has created widespread enthusiasm among the audience and created keen interest among target consumers in availing painting and home renovation services.

Berger Contributes to FICCI for PPE Donation during COVID-19



Berger Paints contributed to Foreign Investors' Chamber of Commerce and Indusgtries (FICCI) in the initiative to donate 10,000 PPEs to 10 selected hospitals from Directorate General Health Service (DGHS) as emergency support initiative during COVID-19.



Berger Paints Bangladesh Limited Registered Office: House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka-1230 Phone: 02-48953665 (Hunting), Fax: 880-2-48951350 E-mail: info@bergerbd.com, Website: www.bergerbd.com

PROXY FORM

//We	
of	
being a member of Berger Paints Bangladesh Limited do hereby appoint	
Mr. / Ms	
of	
as my/our proxy to attend and vote for me/us on my/our behalf at the 48th Annual General Meeting of the Compar	ly to be held on
Wednesday, October 06, 2021 at 10.00 a.m. using digital platform and at any adjournment thereof.	
As witness my hand this day of 2021.	Affix taka 20/- Revenue Stamp
(Signature of the Proxy) (Signature of t	he Shareholder)
DatedDated	
BO ID No:	
Note: The area of the descent the Compared Office of the Compared wet here to have before the time fixed for the	

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

Signature Verified

Authorized Signatory
Berger Paints Bangladesh Limited



Paint your I magination



BERGER PAINTS BANGLADESH LIMITED

Corporate Office: Berger House, House # 8, Road # 2, Sector # 3, Uttara Model Town, Dhaka-1230 Phone: 02-48953665-70 (Hunting), E-mail: info@bergerbd.com