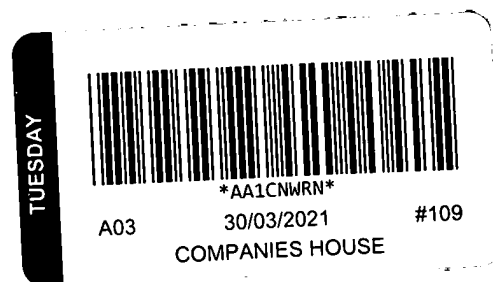


Registered number: 2630832

## **J & N INVESTMENTS (ASIA) LIMITED**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**



## **J & N INVESTMENTS (ASIA) LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	Sunil P Sheth Jean C Loutreuil Dipti Dhingra
<b>Company secretary</b>	Sunil P Sheth
<b>Registered number</b>	2630832
<b>Registered office</b>	10 Queen Street Place London EC4R 1AG
<b>Independent auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

## **J & N INVESTMENTS (ASIA) LIMITED**

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## **J & N INVESTMENTS (ASIA) LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020**

#### **BUSINESS REVIEW**

On 1 June 2018 the board of directors entered into an agreement with the company's parent company, B.J.N. Holdings (BD) Limited, to transfer the beneficial ownership of shares in the company's subsidiary, Berger Paints Bangladesh Limited, to the company. The company had previously been holding these shares as a nominee for B.J.N. Holdings (BD) Limited. As such, the dividends declared after this date by Berger Paints Bangladesh Limited have been recognised in the company's own accounts in the year. Dividend income of £9,902,026 (2019: £3,977,745) from Berger Paints Bangladesh Limited has been recognised in the year.

On 1 June 2018 the board of directors also entered into an agreement with the company's parent company, B.J.N. Holdings (BD) Limited, to transfer the beneficial ownership of 5 trademarks, registered in Bangladesh, from B.J.N. Holdings (BD) Limited to the company. The company had previously been holding these trademarks as a nominee for B.J.N. Holdings (BD) Limited. As such the royalties receivable under the royalty agreement between the company and its subsidiary, Berger Paints Bangladesh Limited, have been recognised in the company's own accounts in the year. Royalty income of £953,403 (2019: £718,683) from Berger Paints Bangladesh Limited has been recognised in the year.

Following the receipt of dividend and royalty income in the year, at the year end the company had net assets of £1,408,942 (2019: £4,205,435), and cash of £62,155 (2019: £nil).

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks facing the company are credit risk, arising from material intercompany receivables due from royalty and dividend income, and foreign exchange risk arising on the same receivables, which are denominated in Bangladeshi Taka, and paid in US dollars.

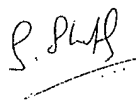
#### **FINANCIAL KEY PERFORMANCE INDICATORS**

As a holding company receiving dividends and royalties from its subsidiaries, the company's key performance indicator is profit after tax. Profit after tax for the year ended 31 March 2020 was £9,610,422 (2019: £4,204,435).

#### **OTHER KEY PERFORMANCE INDICATORS**

The company has no other key performance indicators.

This report was approved by the board on 12 February 2021 and signed on its behalf.



.....  
**Sunil P Sheth**  
Director

## **J & N INVESTMENTS (ASIA) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

The directors present their report and the financial statements for the year ended 31 March 2020.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Covid-19 / Going Concern**

The worldwide outbreak of the COVID-19 virus represented a significant event in the year and has continued to do so since the end of the financial period. The Directors have reviewed the Company's forecasts and considered the impact of the pandemic on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flows 12 months from the date of signing this report.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £9,610,422 (2019 - £4,204,435).

#### **Directors**

The directors who served during the year were:

Sunil P Sheth  
Jean C Loutreuil  
Dipti Dhingra

#### **Future developments**

The company intends to continue to operate as an intermediary holding company for its subsidiary Berger Paints Bangladesh Limited.

**J & N INVESTMENTS (ASIA) LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

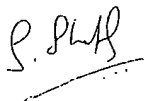
**Post balance sheet events**

There have been no significant events affecting the company since the year end.

**Auditors**

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 12 February 2021 and signed on its behalf.



Sunil P Sheth  
Director

## **J & N INVESTMENTS (ASIA) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J & N INVESTMENTS (ASIA) LIMITED**

#### **Opinion**

We have audited the financial statements of J & N Investments (Asia) Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **J & N INVESTMENTS (ASIA) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J & N INVESTMENTS (ASIA) LIMITED (CONTINUED)**

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

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 Auditors' 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

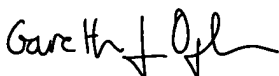


**J & N INVESTMENTS (ASIA) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J & N INVESTMENTS (ASIA) LIMITED  
(CONTINUED)**

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Gareth Ogden (Senior statutory auditor)

for and on behalf of  
**Haysmacintyre LLP**

Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 24 February 2021

**J & N INVESTMENTS (ASIA) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

		2020 £	2019 £
Administrative expenses		(131,053)	42,332
Other operating income	5	953,403	718,683
<b>OPERATING PROFIT</b>	<b>6</b>	<b>822,350</b>	<b>761,015</b>
Income from other fixed asset investments		9,902,026	3,977,745
Interest receivable and similar income		40,300	-
<b>PROFIT BEFORE TAX</b>		<b>10,764,676</b>	<b>4,738,760</b>
Tax on profit	9	(1,154,254)	(534,325)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>9,610,422</b>	<b>4,204,435</b>

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

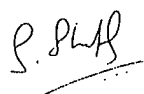
The notes on pages 10 to 17 form part of these financial statements.

**J & N INVESTMENTS (ASIA) LIMITED**  
**REGISTERED NUMBER: 2630832**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Investments	11	402,071,320	402,071,320
		<u>402,071,320</u>	<u>402,071,320</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	12	1,504,878	4,269,117
Cash at bank and in hand	13	62,155	-
		<u>1,567,033</u>	<u>4,269,117</u>
Creditors: amounts falling due within one year	14	(402,229,411)	(402,135,002)
<b>NET CURRENT LIABILITIES</b>		<u>(400,662,378)</u>	<u>(397,865,885)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,408,942</u>	<u>4,205,435</u>
<b>NET ASSETS</b>		<u><u>1,408,942</u></u>	<u><u>4,205,435</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	1,000	1,000
Profit and loss account		<u>1,407,942</u>	<u>4,204,435</u>
		<u><u>1,408,942</u></u>	<u><u>4,205,435</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 February 2021.



.....  
**Sunil P Sheth**  
 Director

The notes on pages 10 to 17 form part of these financial statements.

# **J & N INVESTMENTS (ASIA) LIMITED**

## **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 April 2018</b>	1,000	-	1,000
Profit for the year	-	4,204,435	4,204,435
<b>At 1 April 2019</b>	1,000	4,204,435	4,205,435
Profit for the year	-	9,610,422	9,610,422
Dividends: Equity capital	-	(12,406,915)	(12,406,915)
<b>AT 31 MARCH 2020</b>	1,000	1,407,942	1,408,942

The notes on pages 10 to 17 form part of these financial statements.

## **J & N INVESTMENTS (ASIA) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **1. GENERAL INFORMATION**

J & N Investments (Asia) Limited (registered number 02630832) is a private company limited by shares, incorporated in the UK, and registered in England & Wales. Its registered office is 10 Queen Street Place, London, EC4R 1AG.

#### **2. ACCOUNTING POLICIES**

##### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 4).

The following principal accounting policies have been applied:

##### **2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of U.K. Paints (India) Private Limited as at 31 March 2020 and these financial statements may be obtained from the Registrar of Companies in India, on payment of the appropriate fee.

##### **2.3 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS**

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its ultimate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

##### **2.4 GOING CONCERN**

The accounts have been prepared on the going concern basis which assumes that the Company will be able to meet its liabilities as they fall due. At the balance sheet date the company had net assets of £1,406,447 and net current liabilities of £400,664,873.

The company is dependent on the support of its immediate parent company B.J.N. Holdings (BD) Limited and on its ultimate parent company U.K. Paints (India) Private Limited. Both of these companies have confirmed that they will provide financial support for a period of at least 12 months from the date of sign off of these financial statements, such that the Company will be able to meet its liabilities as they fall due. The directors therefore consider that the going concern basis is appropriate.

##### **2.5 ROYALTY INCOME**

Royalty income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured. Royalty income is recognised in the period in which the income is earned and is recognised gross of overseas withholding tax.

## **J & N INVESTMENTS (ASIA) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.6 DIVIDEND INCOME**

Dividend income from subsidiary undertakings is recognised at the point at which the dividends are declared, and is recognised gross of overseas withholding tax.

##### **2.7 FOREIGN CURRENCY TRANSLATION**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

##### **2.8 INTEREST INCOME**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.9 TAXATION**

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

##### **2.10 INVESTMENTS IN SUBSIDIARIES**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **2.11 TRADEMARKS**

Trademarks are measured at cost less accumulated impairment.

## **J & N INVESTMENTS (ASIA) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.12 DEBTORS**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.13 CREDITORS**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.14 FINANCIAL INSTRUMENTS**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to or from related parties and investments in non-puttable ordinary shares.

#### **3. STATEMENT OF COMPREHENSIVE INCOME**

On 1 June 2018 the board of directors entered into an agreement with the company's parent company, B.J.N. Holdings (BD) Limited, to transfer, with effect from the same date, the beneficial ownership of 22,029,370 shares in the company's subsidiary, Berger Paints Bangladesh Limited, to the company. The company had previously been holding these shares as a nominee for B.J.N. Holdings (BD) Limited. As such, the dividends declared after this date by Berger Paints Bangladesh Limited have been recognised in the company's own accounts, as income from fixed asset investments.

On 1 June 2018 the board of directors also entered into an agreement with the company's parent company, B.J.N. Holdings (BD) Limited, to transfer with effect from the same date the beneficial ownership of 5 trademarks, registered in Bangladesh, from B.J.N. Holdings (BD) Limited to the company. The company had previously been holding these trademarks as a nominee for B.J.N. Holdings (BD) Limited. As such the royalties receivable under the royalty agreement between the company and its subsidiary, Berger Paints Bangladesh Limited, have been recognised in the company's own accounts, within other operating income.

The only employees of the company during the period were its directors who received no remuneration. Auditor's remuneration is charged to the company's immediate parent.

#### **4. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the process of applying its accounting policies, the company is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented.

On an ongoing basis, the company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

There were no accounting estimates or judgements required in the preparation of these financial statements under FRS102.

**J & N INVESTMENTS (ASIA) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**5. OTHER OPERATING INCOME**

	2020 £	2019 £
Royalties receivable	953,403	718,683
	<u>953,403</u>	<u>718,683</u>

**6. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2020 £	2019 £
Exchange differences	128,970	(42,332)
	<u>128,970</u>	<u>(42,332)</u>

**7. INCOME FROM INVESTMENTS**

	2020 £	2019 £
Dividends receivable from subsidiaries	9,902,026	3,977,745
	<u>9,902,026</u>	<u>3,977,745</u>

**8. INTEREST RECEIVABLE**

	2020 £	2019 £
Other interest receivable	40,300	-
	<u>40,300</u>	<u>-</u>



# **J & N INVESTMENTS (ASIA) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

### **9. TAXATION**

	2020 £	2019 £
<b>CORPORATION TAX</b>		
Current tax on profits for the year	68,707	64,682
	<u>68,707</u>	<u>64,682</u>
<b>FOREIGN TAX</b>		
Foreign tax on income for the year	1,085,547	469,643
	<u>1,085,547</u>	<u>469,643</u>
<b>TOTAL CURRENT TAX</b>	<u>1,154,254</u>	<u>534,325</u>

### **FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2019 - the same as) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	10,764,676	4,738,760
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	2,045,288	900,364
<b>EFFECTS OF:</b>		
Foreign tax credits	990,208	397,775
Adjustments to tax charge in respect of prior periods	143	-
Non-taxable income	(1,881,385)	(763,814)
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<u>1,154,254</u>	<u>534,325</u>

### **FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

There are currently no known factors that will affect future tax charges.

### **10. TRADEMARKS**

Beneficial ownership of 5 trademarks registered in Bangladesh was transferred to the company from the company's immediate parent company, B.J.N. Holdings (BD) Limited, with effect from 1 June 2018. The company had previously been holding the trademarks as nominee for B.J.N. Holdings (BD) Limited. The trademarks were transferred at their book value of £nil.

**J & N INVESTMENTS (ASIA) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**11. FIXED ASSET INVESTMENTS**

	Investments in subsidiary company £
<b>COST OR VALUATION</b>	
At 1 April 2019	402,071,320
At 31 March 2020	<u>402,071,320</u>

The company has one direct subsidiary, Berger Paints Bangladesh Limited, in which the company owns 95% of the issued ordinary share capital. Berger Paints Bangladesh Limited's registered office is Berger House, House No. 8, Road No. 2, Sector No. 3, Uttara Model Town, Dhaka 1230.

Beneficial ownership of 22,029,370 ordinary shares of TK's 10 each in Berger Paints Bangladesh Limited was transferred to the company from the company's immediate parent company, B.J.N. Holdings (BD) Limited, on 1 June 2018. The company had previously been holding the shares as nominee for B.J.N. Holdings (BD) Limited. The beneficial ownership of the shares was transferred at market value.

Following a bonus issue of shares on 17 July 2018 the company is now the registered holder of 44,058,740 ordinary shares of TK's 10 each in Berger Paints Bangladesh Limited.

**J & N INVESTMENTS (ASIA) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**12. DEBTORS**

	2020 £	2019 £
Amounts owed by group undertakings	1,504,878	4,269,117
	<u>1,504,878</u>	<u>4,269,117</u>

**13. CASH AND CASH EQUIVALENTS**

	2020 £	2019 £
Cash at bank and in hand	62,155	-
	<u>62,155</u>	<u>-</u>

**14. CREDITORS: Amounts falling due within one year**

	2020 £	2019 £
Amounts owed to group undertakings	402,160,847	402,070,320
Corporation tax	68,564	64,682
	<u>402,229,411</u>	<u>402,135,002</u>

**15. SHARE CAPITAL**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
2 (2019 - 2) Ordinary shares of £1.00 each	2	2
998 (2019 - 998) 10% Non Cumulative Preference shares of £1.00 each	998	998
	<u>1,000</u>	<u>1,000</u>

**16. RESERVES**

**Profit and loss account**

Includes all current and prior period retained profits and losses.

## **J & N INVESTMENTS (ASIA) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **17. CONTINGENT LIABILITIES**

The company received Notices from the Office of the Deputy Commissioner of Income Tax in India requiring the company to furnish tax returns for the years 2006 to 2012, and received tax assessments. The company challenged the tax proceedings initiated against it and filed a Writ Petition before the High Court of Delhi. Under an order of the High Court of Delhi dated 2nd May 2018, the tax assessments had been set aside for the Deputy Commissioner of Income Tax to reconsider under the Law. The company received fresh tax assessments for INR 956,670 (£10,523) against which the company appealed before the Commissioner of Income Tax (Appeals). On 25 November 2020 the company resolved to make payments of INR 518,355 (£5,264) in full settlement of the tax demands against it under an amnesty scheme introduced by the Indian government.

#### **18. RELATED PARTY TRANSACTIONS**

During the year the company recognised a dividend receivable of Tk 1,101,468,500 £9,902,026 (2019: £3,977,745) from its 95% subsidiary, Berger Paints Bangladesh Limited.

During the year the company recognised royalty income receivable of Tk.100,660,343 (£953,403) (2019: £718,683) from its 95% subsidiary, Berger Paints Bangladesh Limited.

The amount owing from Berger Paints Bangladesh Limited as at 31 March 2020 was £1,504,878 (2019: £4,269,117).

At the year end the company owed its parent company, BJN Holdings (BD) Limited, £402,160,847 (2019: £402,070,320).

#### **19. CONTROLLING PARTY**

U.K. Paints (India) Private Limited, registered in India, is regarded by the directors as being the company's ultimate parent company and controlling party.

The company is exempt from preparing group accounts as its accounts are included in the consolidated accounts of U.K. Paints (India) Private Limited, registered in India.