

Board's Report

Dear members,

The Board of Directors are pleased to present the 77th Integrated Annual Report of the Company along with the audited financial statements (standalone and consolidated) for the financial year ended 31st March, 2023.

FINANCIAL RESULTS AND STATE OF COMPANY AFFAIRS

The Company's financial performance for the year ended 31st March, 2023 is summarised below:

Particulars	Standalone			Consolidated		
	2022-23	2021-22	Growth (%)	2022-23	2021-22	Growth (%)
Revenue from sales and other operating income	30,078.40	25,188.51	19.4%	34,488.59	29,101.28	18.5%
Earning Before Interest, Taxes, Depreciation and Amortisation	6,338.49	5,039.68	25.8%	6,646.32	5,183.62	28.2%
Less : Finance Costs	93.06	70.25		144.45	95.41	
Less : Depreciation and Amortisation Expense	755.83	721.56		858.02	816.36	
Profit for the period before share of profit in associate	5,489.60	4,247.87	29.2%	5,643.85	4,271.85	32.1%
Share of profit of Associate	-	-		93.85	31.57	
Profit before exceptional items & tax	5,489.60	4,247.87	29.2%	5,737.70	4,303.42	
Exceptional Items**	-	53.73		48.87	115.70	
Profit before Tax	5,489.60	4,194.14	30.9%	5,688.83	4,187.72	35.8%
Less : Tax Expense	1,389.42	1,059.43		1,493.50	1,102.91	
Profit for the period	4,100.18	3,134.71	30.8%	4,195.33	3,084.81	36.0%
Attributable to:						
Shareholders of the Company	4,100.18	3,134.71	30.8%	4,106.45	3,030.57	35.5%
Non-Controlling Interest	-	-		88.88	54.24	
Other Comprehensive Income (net of tax)	67.35	(72.31)		13.04	(225.66)	
Total Comprehensive Income	4,167.53	3,062.40	36.1%	4,208.37	2,859.15	47.2%
Attributable to:						
Shareholders of the Company	4,167.53	3,062.40	36.1%	4,130.96	2,818.26	46.6%
Non-Controlling Interest	-	-		77.41	40.89	
Opening balance in Retained Earnings[^]	8,953.07	7,556.03		9,167.34	7,874.02	
Amount available for Appropriation[^]	13,045.78	10,694.02		13,266.48	10,908.45	
Dividend						
Interim - FY 2022-23	422.08	-		422.08	-	
Interim - FY 2021-22	-	350.11		-	350.11	
Final - FY 2021-22	1,486.78	-		1,486.78	-	
Final - FY 2020-21	-	1,390.84		-	1,390.84	
Gross obligation towards further acquisition in subsidiary	-	-		16.22	-	
Transfer to other Reserve	-	-		0.48	0.16	
Closing balance in Retained Earnings[^]	11,136.92	8,953.07		11,340.92	9,167.34	

** For standalone financial results, exceptional items comprise of provision for expected credit loss made towards subsidy receivable in the previous year. For consolidated financial results, exceptional items include impairment provision towards goodwill in Causeway Paints Lanka (Pvt.) Limited, subsidiary company, and foreign exchange loss due to devaluation of Sri Lankan Rupee.

[^] Includes re-measurement of defined benefit plans.

COMPANY PERFORMANCE OVERVIEW

During the financial year 2022-23:

- Revenue from operations on standalone basis increased to ₹ 30,078.40 crores as against ₹ 25,188.51 crores in the previous year – a growth of 19.4%.
- Cost of goods sold as a percentage to revenue from operations decreased to 60.9% as against 62% in the previous year.
- Employee cost as a percentage to revenue from operations decreased to 5% (₹ 1,513.89 crores) as against 5.2% (₹ 1,310.14 crores) in the previous year.
- Other expense as a percentage to revenue from operations increased to 14.7% (₹ 4,416.49 crores) as against 14.6% (₹ 3,681.62 crores) in the previous year.
- Profit before exceptional items and tax for the current year is ₹ 5,489.60 crores as against ₹ 4,247.87 crores in the previous year – a growth of 29.2%.
- Profit after tax for the current year is ₹ 4,100.18 crores as against ₹ 3,134.71 crores in the previous year – a growth of 30.8%.
- On a consolidated basis, the Group achieved revenue of ₹ 34,488.59 crores as against ₹ 29,101.28 crores – a growth of 18.5%.
- Net profit after non-controlling interest for the Group for the current year is ₹ 4,106.45 crores as against ₹ 3,030.57 crores in the previous year – a growth of 35.5%.

Exceptional items:

Economic crisis in Sri Lanka had led to currency devaluation resulting in recognition of an expense of ₹ 24.21 crores towards exchange loss arising on foreign currency obligations of Causeway Paints Lanka (Pvt.) Limited ("Causeway Paints") for the quarter ended 30th June, 2022. The above expense is disclosed as an exceptional item in the consolidated financial results for the financial year ended 31st March, 2023.

Further based on assessment of the fair value of investment made in Causeway Paints taking into account past business performance, prevailing business conditions and revised expectations of the future performance considering ongoing economic crisis in Sri Lanka, impairment loss of ₹ 24.66 crores on 'goodwill on consolidation' has been recognised in consolidated financial results.

The performance of the Decorative, Home Décor and Industrial Business of the Company in India and international operations during the last financial year, important changes in these businesses, external environment and economic outlook are detailed out in the separate section of Management Discussion and Analysis Report forming part of this Integrated Annual Report.

During the year under review, there was no change in the nature of business of the Company.

Confirmations:

- There was no revision of financial statements and Board's Report of the Company for the preceding financial years, during the year under review.
- There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2022-23 and the date of this Report.

FINANCIAL SALIENCY

The Company's principal sources of liquidity are cash and cash equivalents, liquid investments and the cash flow that the Company generates from its operations. The Company continued to be debt-free and maintained sufficient cash to meet its strategic and operational requirements.

Cash and bank balances, current/non-current term deposits, investments in mutual funds and debentures/bonds on a standalone basis as on 31st March, 2023, stood at ₹ 4,269.98 crores against ₹ 3,574.94 crores in the previous financial year. Cash and investments, on both standalone and consolidated basis, include deposits with banks and financial institutions with high credit ratings by international and domestic credit rating agencies. As a result, liquidity risk towards such balances is limited. Ratings are monitored periodically.

The Company's working capital management is robust and involves a well-organised process, which facilitates continuous monitoring and control over receivables, inventories and other parameters.

CAPITAL EXPENDITURE

During the year under review, the Company on a standalone basis spent ₹ 1,057.27 crores against ₹ 402.91 crores in the previous financial year towards capital expenditure. This mainly comprises of regular capital expenditure at various plant locations & company offices/warehouses, manufacturing capacity expansion and construction of new head office building.

Board's Report (Contd.)

TRANSFER TO RESERVES

During the year under review, there was no amount transferred to any of the reserves by the Company.

DIVIDEND

The Board of Directors at their meeting held on 11th May, 2023, has recommended payment of ₹ 21.25 (2125%) per equity share of ₹ 1 each as final dividend for the financial year 2022-23. The record date for the purpose of payment of final dividend is Friday, 9th June, 2023. The final dividend, subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company, will be paid on or after Friday, 30th June, 2023. During the year under review, interim dividend of ₹ 4.40 (440%) per equity share of ₹ 1 each was paid to the shareholders on 10th November, 2022.

The total dividend for the financial year 2022-23, including the proposed final dividend, amounts to ₹ 25.65 per equity share of ₹ 1 each would involve a total outflow of ₹ 2,460.35 crores resulting in a dividend pay-out of 60% [as against ₹ 19.15 per equity share of ₹ 1 each with the outflow of ₹ 1,836.87 crores in financial year 2021-22 resulting in a dividend pay-out ratio of 58.6%] of the standalone profits of the Company.

As per the Income Tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Accordingly, the Company makes the payment of the dividend from time to time after deduction of tax at source.

Details of dividend paid by the Company during the financial year 2022-23 is stated below:

Particulars	Gross amount of dividend* (₹ in Crores)	Tax deducted at source (₹ in Crores)	Net amount of dividend (₹ in Crores)
Final Dividend 2021-22	1,486.78	169.85	1,316.93
Interim Dividend 2022-23	422.08	46.81	375.27
Total	1,908.86	216.66	1,692.20

* Includes excess funding made to the dividend account owing to rounding up of gross dividend.

The aforesaid interim and final dividend(s) are being paid by the Company from its profits for the respective financial years.

The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy, in terms of Regulation 43A

of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is available on the Company's website at <https://www.asianpaints.com/DDPolicy.html>.

During the year under review, the Company in its endeavour to enhance its disclosure and corporate governance practices reviewed and amended the Dividend Distribution Policy, *inter alia*, to include range of proposed dividend pay-out ratio in a financial year to be between 55% to 65% of its annual standalone profit after tax. The Board of Directors of the Company, considering the business & financial parameters and external factors mentioned in the Policy, shall endeavour to maintain the said dividend pay-out ratio.

ASIAN PAINTS GROUP

The Company has 24 subsidiary companies (19 international subsidiary companies), 1 associate company and 2 joint ventures companies as on 31st March, 2023.

International Business

Outside India, the Company has operations in 14 countries across four regions of the world – Asia (Bangladesh, Nepal, Sri Lanka and Indonesia), the Middle East (Oman, Bahrain, United Arab Emirates ("UAE") and Qatar), Africa (Egypt and Ethiopia) and South Pacific (Fiji, Solomon Islands, Samoa and Vanuatu). The Group continues to focus on increasing its market presence in emerging markets, especially in Asia and Africa.

Financial Performance

A list of bodies corporates which are subsidiaries/ associates/joint ventures of the Company is provided as part of the notes to Consolidated Financial Statements ("CFS"). The financial performance of the Company's select subsidiary, associate and joint venture companies for the financial year 2022-23 is provided below:

i. Asian Paints International Private Limited

Asian Paints International Private Limited ("APIPL"), Singapore, is a wholly owned subsidiary company of the Company and is the holding company for all of its subsidiary companies carrying out operations overseas, except Asian Paints (Nepal) Private Limited, Nepal and Asian White Cement Holding Limited, Dubai International Financial Centre, UAE (incorporated on 2nd May, 2023). The principal activities of APIPL are those of investment holding and management.

On a consolidated basis, revenue of APIPL was ₹ 2,549.36 crores (growth of 5.3% year-on-year) and net loss of ₹ 60.18 crores (against net loss of ₹ 177.83 crores in previous year).

ii. Asian Paints (Nepal) Private Limited

Asian Paints (Nepal) Private Limited ("AP Nepal"), Nepal, is a subsidiary company of the Company. Its principal business is manufacturing and selling of paints products in Nepal.

Revenue of AP Nepal was ₹ 546.65 crores (growth of 15.3% year-on-year) and net profit of ₹ 95.54 crores (growth of 4.8% year-on-year).

iii. Obgenix Software Private Limited

Obgenix Software Private Limited ("White Teak") is an associate company of the Company. White Teak is engaged in the business of decorative lighting products and fans.

Revenue of White Teak was ₹ 108.51 crores and net profit of ₹ 11.55 crores. The growth/de-growth has not been reported as stake in White Teak was acquired during the financial year 2022-23.

iv. Asian Paints PPG Private Limited

Asian Paints PPG Private Limited ("APPPG") is a joint venture company between the Company and PPG Industries Securities LLC. APPPG is engaged in the business of manufacturing, selling and distribution of protective coatings, powder coatings, road markings and floor coatings and providing related services.

Revenue of APPPG was ₹ 1,019.40 crores (growth of 28.4% year-on-year) and net profit of ₹ 62.72 crores (growth of 103.9% year-on-year).

v. PPG Asian Paints Private Limited

PPG Asian Paints Private Limited ("PPGAP") is a joint venture company between the Company and PPG Industries Securities LLC. PPGAP is engaged in the business of manufacturing and trading of paints and coatings for automotive, original equipment manufacturer, packaging, refinish, marine and other industries.

On a consolidated basis, revenue of PPGAP was ₹ 1,830.08 crores (growth of 26.8% year-on-year) and net profit of ₹ 176.38 crores (growth of 179.3% year-on-year).

A separate statement containing the salient features of financial statements of subsidiaries, associates, joint ventures of the Company in the prescribed Form AOC-1 forms a part of CFS, in compliance with Section 129(3) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules issued thereunder.

The Company does not have a material subsidiary as per the Listing Regulations.

The Company's Policy for determining material subsidiaries is available on the Company's website at <https://www.asianpaints.com/PolicyforMaterialSubsidiaries.html>.

Consolidated Financial Statements

In accordance with the provisions of the Act, Regulation 33 of the Listing Regulations and applicable Indian Accounting Standards ("Ind AS"), the audited CFS of the Company for the financial year 2022-23, together with the Auditor's Report forms part of this Integrated Annual Report.

In accordance with Section 136 of the Act, the audited financial statements, including the CFS and related information of the Company and the separate financial statements of each of the subsidiary company, are available on the Company's website at <https://www.asianpaints.com/AnnualReports.html>. Any member desirous of inspecting or obtaining copies of the audited financial statements, including the CFS may write to the Company Secretary at investor.relations@asianpaints.com.

CAPACITY EXPANSION, NEW PROJECTS AND STRATEGIC ALLIANCES**Continuing the journey of home décor****Acquisition of stake in Obgenix Software Private Limited**

In April, 2022, the Company has acquired 49% of the equity share capital of Obgenix Software Private Limited (popularly known by the brand name "White Teak"). Accordingly, White Teak is an associate company of the Company.

White Teak is engaged in the business of decorative lighting products and fans. Its tech-enabled web platform www.whitetek.com, is one of the strongest platforms offering customers an extensive range of decorative lighting products and fans, further supplemented by its excellent store network across many key urban cities in India.

Board's Report (Contd.)

As per the definitive agreements entered into with the shareholders of White Teak, the Company has agreed to acquire the balance 51% stake in White Teak in a phased manner.

Acquisition of majority stake in Weatherseal Fenestration Private Limited

In June, 2022, the Company acquired 51% of the equity share capital of Weatherseal Fenestration Private Limited ("Weatherseal") by subscribing to further issue of equity share capital of Weatherseal. Accordingly, Weatherseal is subsidiary company of the Company.

Weatherseal is engaged in the business of uPVC windows and doors space and has established reputable presence in the retail and project customer segment, primarily in South of India. It has a strong tech-enabled platform that has facilitated to provide a seamless customer experience in a scalable way.

As per the definitive agreements entered into with the promoters of Weatherseal, the Company has agreed to further acquire 23.9% stake in Weatherseal in a phased manner.

Investment in emulsion of the future

During the year under review, the Board of Directors of the Company approved the setting up of a manufacturing facility for Vinyl Acetate Ethylene Emulsion ("VAE") and Vinyl Acetate Monomer ("VAM") in India for a proposed investment of approximately ₹ 2,100 crores over a period of 3 years. The proposed manufacturing operations would be carried out through the wholly owned subsidiary company, namely Asian Paints (Polymers) Private Limited ("APPPL"), incorporated for the said purpose on 11th January, 2023.

The Company currently imports VAE and VAM for its internal consumption. VAE is a key raw material for the Company. VAM is a key input for manufacturing VAE. VAE is considered to be the emulsion of the future and the key constituent for manufacturing environment friendly paints. VAE offers better paint properties and can significantly improve paint performance in customer facing attributes.

The installed capacity of the said manufacturing facility to be set up by APPPL would be 1,00,000 tons per annum for VAM and 1,50,000 tons per annum for VAE. In house manufacturing of VAE & VAM by APPPL would provide substantial sustainable cost efficiencies and will substitute the Company's dependence on imports.

The setting up of facility for manufacturing of VAE & VAM would be based on licensed technology tie ups.

Asian Paints proposes to set up White Cement manufacturing facility

During the year under review, the Company entered into definitive agreements for setting up of a joint venture company in Fujairah, UAE, with RS Holdings Limited, Fujairah, UAE, Associated Soap Stone Distributing Company Private Limited, India, and others to carry out the business of manufacturing and exporting white cement and white cement clinkers.

The overall investment would be approximately ₹ 550 crores, to be funded over a period of 2 years through a combination of equity funding and external debt financing.

White cement is the key raw material for some of the powder products and undercoats like putty which is a levelling powder product for various substrates. At present, the Company purchases white cement for manufacturing powder products and undercoats in India. The setting up of the manufacturing facility for white cement would ensure new opportunities for the Company and a sustainable cost advantage along with an assured long-term supply of good quality raw materials.

On 2nd May, 2023, a joint venture company by the name of Asian White Cement Holding Limited ("AWCHL") has been incorporated in Dubai International Financial Centre, UAE, as the holding company for the purpose of setting up an operating company in Fujairah, UAE. The Company would be holding 70% of the equity share capital of AWCHL, post infusion of funds. AWCHL is a subsidiary company of the Company.

The operating company, proposed to be incorporated, would be setting up a facility for manufacturing white cement with an initial capacity of 2,65,000 tons per annum. In addition, clinker grinding units would be set up in India.

Partnership for Nanotechnology

In October, 2022, the Company has entered into definitive agreements with Apex Power and Industries Private Limited, Dr. Swapan Ghosh & others ("existing shareholders") and Harind Chemicals and Pharmaceuticals Private Limited ("Harind"), agreeing to acquire 51% stake in Harind, subject to certain conditions.

Harind is a specialty chemicals company built with nanotechnology at its core, primarily in the area of surface coating and care. Harind is, *inter alia*, engaged in the business of nanotechnology-based research, manufacturing and sale of a range of additives and specialised coatings. Nanotechnology has the potential of being the next frontier in the world of coatings and the Company would be able to manufacture commercially viable high-performance coatings and additives with this technology.

As per the definitive agreements, the Company has in addition to the proposed acquisition of 51% stake in Harind, has agreed to further acquire 39% stake in a phased manner over the period of 5 years, subject to certain conditions.

Setting up new water-based paint manufacturing facility

During the year under review, the Company has initiated the process for setting up a new water-based paint manufacturing facility with a capacity of 4 lakh kilolitres per annum at an approximate investment of ₹ 2,000 crores in the state of Madhya Pradesh subject to grant of requisite incentives by the Government of Madhya Pradesh and such other approvals and clearances, as may be required. The manufacturing at the facility is expected to be commissioned in 3 years, after acquisition of land.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors

i. Re-appointment of Managing Director & CEO

The shareholders of the Company at their 76th AGM held on 29th June, 2022, based on the (i) recommendations of the Board of Directors, Nomination and Remuneration Committee and Audit Committee; and (ii) considering the expertise of Mr. Amit Syngle (DIN: 07232566) in the Company's business and his exceptional leadership and strong performance, had approved his re-appointment as the Managing Director & CEO of the Company for a second term of 5 years commencing from 1st April, 2023 to 31st March, 2028 and remuneration payable thereof.

The requisite declarations and eligibility confirmations under the provisions of the Act and Securities and Exchange Board of India ("SEBI") Regulations were received from Mr. Amit Syngle on account of his re-appointment effective from 1st April, 2023.

ii. Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Ashwin Dani (DIN: 00009126) and Ms. Amrita Vakil (DIN: 00170725), Non-Executive Directors of the Company, are liable to retire by rotation at the ensuing AGM and being eligible have offered themselves for re-appointment.

Based on performance evaluation and recommendation of Nomination and Remuneration Committee, the Board of Directors recommends their re-appointment as Non-Executive Directors of the Company, liable to retire by rotation.

The Managing Director & CEO and Independent Directors of the Company are not liable to retire by rotation.

Mr. Ashwin Dani, Non-Executive Director of the Company, having attained the prescribed age limit of 75 years, for continuation of his directorship a Special Resolution is proposed in accordance with Regulation 17(1A) of the Listing Regulations for approval by the shareholders of the Company at the ensuing AGM.

In the opinion of the Nomination and Remuneration Committee and Board of Directors of the Company, considering seniority of Mr. Ashwin Dani and role played by him towards the growth of this Company and to reap the benefits of his rich and varied experience, the re-appointment of Mr. Ashwin Dani as a Non-Executive Director of the Company, liable to retire by rotation and continuation of his directorship beyond 75 years of age would be in the interest of the Company and its shareholders.

None of the Directors of the Company have resigned during the year under review.

Key Managerial Personnel

Mr. Amit Syngle, Managing Director & CEO and Mr. R J Jeyamurugan, CFO & Company Secretary are the Key Managerial Personnel of the Company.

During the year under review, there were no changes to the Key Managerial Personnel of the Company.

Board's Report (Contd.)

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Directors of the Company state that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable Accounting Standards have been followed and there are no material departures from the same.
- b. the Directors have selected such accounting policies and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profits of the Company for the financial year ended 31st March, 2023.
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. the annual accounts have been prepared on a 'Going Concern' basis.
- e. proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively.
- f. proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

The aforesaid statement has also been reviewed and confirmed by the Audit Committee of the Board of Directors of the Company.

Declaration from Directors

The Company has, *inter alia*, received the following declarations from all the Independent Directors confirming that:

- a. they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules issued thereunder and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

- b. they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act.
- c. they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

The Board of Directors of the Company have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) or are debarred or disqualified by SEBI, Ministry of Corporate Affairs ("MCA") or any other such statutory authority.

All members of the Board and senior management have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2022-23.

The Company had sought following certificate from independent and reputed Company Secretaries in practice confirming that:

- a. none of the Directors on the Board of the Company have been debarred or disqualified from being appointed and/or continuing as Directors by the SEBI/MCA or any other such statutory authority.
- b. independence of the Directors of the Company in terms of the provisions of the Act, read with the Schedule and Rules issued thereunder and the Listing Regulations.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, 8 meetings of the Board of Directors were held. The details of the meetings of the Board of Directors of the Company held and attended by the Directors during the financial year 2022-23 are given in the Corporate Governance Report forming part of this Integrated Annual Report.

The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Act and the Listing Regulations.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All Independent Directors are familiarised with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. The details of the training and familiarisation programme are provided in the Corporate Governance Report and is also available on the website of the Company at <https://www.asianpaints.com/FamiliarisationProgramme.html>.

COMMITTEES

As on 31st March, 2023, the Board has 6 Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship Committee and Investment Committee.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

A detailed note on the composition of the Board and its Committees, meetings held during the year and its terms of reference is provided in the Corporate Governance Report forming part of this Integrated Annual Report. The composition and terms of reference of all the Committees of the Board of Directors of the Company is in line with the provisions of the Act and the Listing Regulations.

AUDITORS AND AUDITOR'S REPORT

Statutory Auditors

Deloitte Haskins & Sells LLP, Chartered Accountants (Firm's Registration No. 117366W/W-100018), were re-appointed as Statutory Auditors of the Company at the 75th AGM held on 29th June, 2021, to hold office till the conclusion of the 80th AGM.

Deloitte Haskins & Sells LLP has confirmed that they are not disqualified from continuing as Statutory Auditors of the Company. The profile of the Statutory Auditors is available on the website of the Company at <https://www.asianpaints.com/StatutoryAuditors.html>.

The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year 2022-23 and the Auditor's Report forms part of this Integrated Annual Report.

During the year under review, the Board of Directors of the Company, based on the recommendation of the Audit Committee and in consultation with the Statutory

Auditors of the Company, approved the Policy on engagement of Statutory Auditors of the Company. This Policy provides a documented approach for engagement of Statutory Auditors including the following: (i) law governing appointment and removal of Statutory Auditors and regulatory reporting; (ii) rotation of audit partners every 5 years during the 10 years tenure of the Statutory Auditors; (iii) eligibility and qualifications of audit partner/firm; and (iv) restrictions on employment of audit partners.

The said Policy on engagement of Statutory Auditors is available on the website of the Company at <https://www.asianpaints.com/AuditorsEngagementPolicy.html>.

Internal Auditors

The Company has in place a robust Internal Audit function, which is led by Mr. Alok Agrawal, Chief Internal Auditor, and ably supported by a team of chartered accountants, certified internal auditors, chartered financial analysts, MBAs and ISO certified audit professionals. The Internal Audit function also partners with professional firms in the area of fraud investigation, market intelligence, digital forensics, IT audits and with other firms having expertise in certain specific areas. The audit conducted by the Internal Audit team is based on an internal audit plan, which is reviewed each year by the Audit Committee. These audits are based on risk and control based methodology and, *inter alia*, involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances.

The Chief Internal Auditor of the Company reports functionally to the Audit Committee and administratively to the Managing Director & CEO. He participates in the meetings of the Audit Committee and Risk Management Committee. The Audit Committee met the Internal Auditor without the presence of the other members of the management during the year under review.

The Chief Internal Auditor shares his findings on financial, safety, information security, compliance and reporting risks on an annual basis with the Audit Committee along with the exceptions report and mitigation plan.

During the year under review, the Audit Committee revised the Internal Audit Charter, *inter alia*, to further enhance the governance mechanism, and elaborated the scope of work of the internal audit function, specify the reporting structure of Chief Internal Auditor, elaborate the authority and responsibilities of the Chief Internal Auditor.

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The Audit Committee also approved the abridged version of the Internal Audit Charter and the same is available on the website of the Company at <https://www.asianpaints.com/AbridgedIACCharter.html>.

Secretarial Auditors

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed Dr. K. R. Chandratre, Practicing Company Secretary (Certificate of Practice No. 5144), as the Secretarial Auditors to conduct an audit of the secretarial records for the financial year 2023-24, based on consent received from Dr. K. R. Chandratre.

The Secretarial Audit Report for the financial year 2022-23 under the Act read with Rules made thereunder and Regulation 24A of the Listing Regulations, is set out in Annexure (A-1) to this Report.

The Secretarial Compliance Report received from Dr. K. R. Chandratre, for the financial year 2022-23, in relation to compliance of all applicable SEBI Regulations/Circulars/Guidelines issued thereunder, Secretarial Standards, pursuant to requirement of Regulation 24A of the Listing Regulations, is set out in Annexure (A-2) to this Report. The Secretarial Compliance Report has been voluntarily enclosed as good disclosure practice.

As required by Schedule V of the Listing Regulations, the Auditor's Certificate on Corporate Governance received from Dr. K. R. Chandratre is annexed to the Report forming part of this Integrated Annual Report.

The Secretarial Audit Report and Secretarial Compliance Report for the financial year 2022-23, does not contain any qualification, reservation or adverse remark.

Cost Auditors

The Company has maintained cost records for certain products as specified by the Central Government under Section 148(1) of the Act. RA & Co., Cost Accountants (Firm's Registration No. 000242), are in the process of carrying out the cost audit for applicable products during the financial year 2022-23.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed RA & Co., as the Cost Auditors of the Company to conduct the audit of cost records of applicable products for the financial year 2023-24. RA & Co., being eligible, have consented to act as the Cost Auditors of the Company for the financial year 2023-24.

The remuneration proposed to be paid to the Cost Auditors, subject to ratification by the members of the Company at the ensuing 77th AGM, would not exceed ₹ 9,00,000, excluding taxes and out-of-pocket expenses, if any.

The Cost Audit Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remark.

Reporting of Frauds by Auditors

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act.

RELATED PARTY TRANSACTIONS

Related party transactions at Asian Paints

The Company has been entering into transactions with related parties, including entities directly and/or indirectly controlled by members of the Promoter(s) & Promoter(s) Group, for its business purposes for more than three decades. These transactions primarily include transactions relating to purchase of raw materials, packing materials, intermediaries and such other transactions permissible and provided for under the provisions of the Act, the Listing Regulations and the Income Tax laws.

The related parties with which the Company contracts:

- primarily supply their products to the Company.
- bring in advanced and innovative technology for the benefit of the Company.
- customise their products to suit the Company's specific requirements.
- help in enhancing the Company's purchase cycles and assure just in time supply with resultant benefits – notably on working capital.

All of the aforementioned benefits gives the Company a competitive and cost advantage in the market, without compromising on the quality/service levels and based on sound commercial judgement.

The Company follows robust internal processes before entering into transactions with related parties and the considerations which govern the transactions with related parties are the same as those applicable for other vendors of the Company. All the transactions are undertaken for the benefit of the Company and in compliance with the applicable laws.

In order to ensure transparency and arm's length pricing for such supplies by related parties, the Company seeks multiple quotes from related parties and unrelated parties of equal standing and appoints a related party only if such party offers competitive terms, including pricing, as compared to unrelated parties. Along with pricing, manufacturing capabilities to effectively serve Company's requirements and quality parameters are primary factors taken into consideration.

As a part of the Company's annual planning process, before the beginning of a financial year, details of all transactions proposed to be executed with related parties, including estimated amount of transactions to be executed, manner of determination of pricing and commercial terms, etc. are presented to the Audit Committee for its consideration and approval. The details of said transactions are also placed before the Board of Directors for their information. The Board members interested in a transaction do not participate in the discussion of the item wherein that item is being considered.

Further approval is sought during the year for any new transaction/modification to the previously approved limits/terms of contracts with the related parties. This is followed by a quarterly review of the related party transactions by the Audit Committee.

Policy

The SEBI vide amendments to the Listing Regulations had introduced substantial changes in the related party transaction framework, *inter alia*, by enhancing the purview of the definition of related party and overall scope of transactions with related parties.

During the year under review, the Board of Directors based on recommendations of the Audit Committee approved revisions to the Policy on dealing with and materiality of Related Party Transactions and framework for transaction with related parties of the Company to define the ordinary course of business, review of material related party transactions and revise the thresholds for entering into transactions with related parties and terms thereto.

The Company's Policy on dealing with and materiality of related party transactions is available on the website of the Company at <https://www.asianpaints.com/RPTPolicy.html>.

Review

All transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with and materiality of related party transactions.

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act. Further, there are no contracts or arrangements entered into under Section 188(1) of the Act, hence no justification have been separately provided in that regard.

Statutory Disclosures

The details of the related party transactions as per Ind AS – 24 on Related Party Disclosures are set out in Note 38 to the standalone financial statements of the Company.

The Company in terms of Regulation 23 of the Listing Regulations submits within the stipulated time from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions, in the format specified by the stock exchanges. The said disclosures are available on the website of the Company at <https://www.asianpaints.com/StatutoryFilings.html>.

Form AOC-2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is set out in Annexure (B) to this Report.

INTERNAL CONTROLS

The Company has in place a well-established and robust internal control systems which are commensurate with the nature of its business, size & scale and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of the Company's operations, safe keeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations. The Audit Committee also periodically reviews the adequacy and effectiveness of internal control systems and provides guidance for further strengthening them.

During the year under review, no material observation has been made by the Internal Auditor or Statutory Auditors of the Company in relation to the efficiency and effectiveness of such controls.

Board's Report (Contd.)

INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Company has designed and implemented the comprehensive Internal Financial Controls System over financial reporting to ensure that all transactions are authorised, recorded and reported correctly in a timely manner. The Company's Internal Financial Controls over financial reporting provides reasonable assurance over the integrity and reliability of financial statements of the Company.

The Company has detailed work instructions, Standard Operating Procedures, policies, process and manuals which lays down roles, responsibility and actions required. Functional heads are responsible to ensure compliance with all laws and regulations and also with the policies and procedures laid down by the management.

The Company's Enterprise Resource Planning ("ERP") system of SAP S/4HANA is well leveraged and implemented towards day-to-day transaction accounting and financial reporting. The Company's ERP along with allied information technology solutions provide a strong technology architecture for financial reporting controls. The Company's investment in advanced automation system to enable automated accounting and financial closing procedures in various area has resulted in better accuracy and faster financial reporting with lesser manual interventions. The financial statement preparation has been automated to ensure end-to-end system driven reporting across the Group reducing scope of manual errors.

The Company's Shared Services Center has taken ahead the digitalisation journey and delivered the aggressive targets for on-time payment processing with near zero errors. The efforts towards digital processing, touchless processing, use of virtual assistant, on the fly intelligence tool, use of optical character reader technology, mobile applications for employee reimbursements, car hiring, hotel and travel booking has created strong delight to stakeholders with related efficiencies in the process. The Company is continuously experimenting and investing in new technologies to enable smoother and error proof processes.

The Company actively tracks all changes in Accounting Standards, the Act and other related regulations and makes changes to the underlying systems, processes and financial controls to ensure adherence to the same. With increased business complexities, the detailed accounting and financial treatment are decided for dealing with newer products, services, assets, commitments, contracts and arrangements. All resultant changes to the policy and

impact on financials are disclosed, after due validation with the Statutory Auditors, to the Audit Committee.

The Company has refreshed the Risk Assessment and Control Matrix for all processes involved in financial reporting and periodically tested them for design and operating effectiveness. Results of these tests are reported to the Audit Committee.

The Company gets its standalone financial results audited every quarter by its Statutory Auditors. The policies to ensure uniform accounting treatment are prescribed to the subsidiary companies as well. International subsidiaries provide information required for consolidation of accounts in the format prescribed by the Company. The accounts of the subsidiary and joint venture companies are audited and certified by their respective Statutory Auditors for consolidation.

VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities. The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations.

The Company has engaged an agency for managing the 'Ethics Hotline' which can be used to, *inter alia*, report any instances of financial irregularities, breach of code of conduct, abuse of authority, disclosure of financial/unpublished price sensitive information other than for legitimate purposes, unethical/unfair actions concerning Company vendors/suppliers, malafide manipulation of Company records, discrimination to the Code of Conduct in an anonymous manner.

The Policy also provides adequate protection to those who report unethical practices and irregularities.

All incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

The Whistle Blower Policy aims to:

- allow and encourage stakeholders to bring to the management's notice concerns about unethical behaviour.
- ensure timely and consistent organisational response.
- build and strengthen a culture of transparency and trust.
- provide protection against victimisation.

No person was denied access to the Audit Committee.

During the year under review, the Whistle Blower Policy was amended to formally extend the whistle blower mechanism to all the stakeholders of the Company to enable them to file protected disclosures in the manner ascribed in the Policy.

The Whistle Blower Policy has been appropriately communicated within the Company and is available on the website of the Company at <https://www.asianpaints.com/WBPolicy.html>.

COMPLIANCE MANAGEMENT

The Company has in place a comprehensive and robust legal compliance management online tool, which is devised to ensure compliance with all applicable laws which impact the Company's business. Automated alerts are sent to compliance owners to ensure compliances within stipulated timelines. The compliance owners certify the compliance status which is reviewed by compliance approvers and a consolidated dashboard is presented to the respective functional heads and Compliance Officer. A certificate of compliance of all applicable laws and regulations along with corrective and preventive action, if any, is placed before the Audit Committee and Board of Directors on a quarterly basis.

Additionally, the Company is in the process of implementing a centralised automated tool for regular monitoring, response and maintaining repository of notices received from statutory authorities.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company, *inter alia*, provides that the Nomination and Remuneration Committee shall: (i) formulate the criteria for Board membership, including the appropriate mix of Executive and Non-Executive Directors; (ii) approve and recommend compensation packages and policies for Directors and Senior Management Personnel; (iii) lay down the process for effective manner of performance evaluation of the Board, its Committees and the Directors; and (iv) play the role of Compensation Committee in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and administer the Asian Paints Employee Stock Option Plan 2021.

During the year under review, the Nomination and Remuneration Policy was amended to include the

revised definition of senior management consequent to its amendment under the Listing Regulations. As per the revised definition, all the functional heads of the Company would now also be classified as senior management.

The salient features of the Nomination and Remuneration Policy of the Company alongwith highlights of changes made during the year are outlined in the Corporate Governance Report forming part of this Integrated Annual Report. The Policy is also available on the website of the Company at <https://www.asianpaints.com/NRCPolicy.html>.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The remuneration paid to the Directors, Key Managerial Personnel and senior management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 read with Schedule II of the Listing Regulations. Further details on the same are given in the Corporate Governance Report forming part of this Integrated Annual Report.

Mr. Amit Syngle, Managing Director & CEO of the Company has not received any remuneration or commission from any of the subsidiary companies. Further, the Company doesn't have any holding company, hence, there does not arise a circumstance of any remuneration or commission from holding company.

The information required under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors and employees of the Company is set out in Annexure (C) to this Report.

BOARD EVALUATION

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of individual Directors, Committees of the Board and the Board as a whole.

The criteria for the evaluation and the outcomes thereto are set out in the Corporate Governance Report forming part of this Integrated Annual Report.

Board's Report (Contd.)

ASIAN PAINTS EMPLOYEE STOCK OPTION PLAN 2021 ("2021 PLAN")

The shareholders of the Company at their 75th AGM held on 29th June, 2021 have authorised the Board to offer, issue and provide stock options to the eligible employees of the Company and its subsidiaries under the 2021 Plan.

The 2021 Plan was introduced to incentivise, retain and attract key talent through this performance-based stock option grant program and consequently enhance shareholder value. The 2021 Plan aims to create a sense of ownership among the eligible employees and to align their medium and long-term compensation with the Company's performance.

The vesting criteria is primarily based on achievement of annual performance parameters by the eligible employees, number of years of service and such other criteria as may be prescribed by the Nomination and Remuneration Committee from time to time. The exercise price for stock options granted to eligible employees shall be at 50% of the 'Reference Share Price' of the Company (as defined under the 2021 Plan).

The certificate from the Secretarial Auditor on the implementation of the 2021 Plan in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) ("SEBI SBEB Regulations"), has been uploaded on the website of the Company at <https://www.asianpaints.com/AnnualReports.html>.

The 2021 Plan is being implemented in accordance with the provisions of the Act and SEBI SBEB Regulations.

The details of the stock options granted under the 2021 Plan and the disclosures in compliance with SEBI SBEB Regulations are set out in Annexure (D) and are available on the website of the Company at <https://www.asianpaints.com/AnnualReports.html>.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

During the financial year 2022-23, the Company has spent ₹ 77.42 crores towards CSR expenditure, including set-off of excess CSR spends of ₹ 0.27 crores made by the Company in previous financial years, in terms of the CSR annual action plan approved by the CSR Committee and the Board of Directors, from time to time. The CSR initiatives of the Company were under the thrust area of health & hygiene, enhancing vocational skills, water conservation and disaster management.

The CSR annual action plan of the Company for the financial year 2022-23 and 2023-24 is available on the website of the Company at <https://www.asianpaints.com/about-us.html>.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy was done in compliance with the CSR objectives and Policy of the Company.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2023, in accordance with the Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") is set out in Annexure (E) to this Report.

Synopsis of the report of the independent agency for the CSR projects to which impact assessment is applicable in terms of the provisions of Section 135 of the Act and CSR Rules, has been provided as part of the said annual report on CSR.

RISK MANAGEMENT

The Company recognises that risk is an integral and inevitable part of business and is fully committed to manage the risks in a proactive and efficient manner. The Company has a disciplined process for continuously assessing risks, in the internal and external environment along with minimising the impact of risks. The Company incorporates the risk mitigation steps in its strategy and operating plans.

The objective of Risk Management process in the Company is to enable value creation in an uncertain environment, promote good governance, address stakeholder expectations proactively and improve organisational resilience and sustainable growth.

The Company has in place a Risk Management Policy which articulates the approach to address the uncertainties in its endeavour to achieve its stated and implicit objectives. The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and to ensure that key strategic and business risks are identified and addressed by the management.

During the year, the Company has also reviewed the Risk Management Framework which lists out the principles and approach to the Risk Management process. The Company regularly identifies uncertainties and after

assessing them, devises short-term and long-term actions to mitigate any risk which could materially impact the Company's long-term plans. Mitigation plans to significant risks are well integrated with business plans and are reviewed on a regular basis by the senior leadership.

The Company periodically reviews and improves the adequacy and effectiveness of its risk management systems considering rapidly changing business environment and evolving complexities. The Company, through the Risk Management process, aims to contain the risk within the risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company. Further, some of the risks which may pose challenges are set out in the "Managing our risks" section forming part of this Integrated Annual Report.

The Risk Management Policy of the Company is available on the website of the Company at <https://www.asianpaints.com/RMPolicy.html>.

INTEGRATED ANNUAL REPORT

This is the third year of publication of the Integrated Annual Report <IR> for the Company in line with the framework published by the Value Reporting Foundation.

The Global Responsibility Indicators reported in the Integrated Annual Report have been subject to Reasonable/Limited Assurance. The Assurance Report issued by Price Waterhouse Chartered Accountants LLP has been annexed to this Integrated Annual Report. The Board acknowledges its responsibility for the integrity of the Integrated Annual Report and the information contained therein.

The Integrated Annual Report comprises both financial and non-financial information to enable the members to take well informed decisions and have a better understanding of the Company's long-term perspective and value creation for all the stakeholders. The Integrated Annual Report, this year, includes a disclosure on the Environment, Social and Governance ("ESG") commitments of the Company in addition to the disclosures on value creation based on 6 capitals, viz., financial capital, manufactured capital, intellectual capital, human capital, social & relationship capital, natural capital.

The key initiatives taken by the Company with respect to stakeholder engagement, ESG, Health and Safety of employees has been provided separately under various capital sections of this Integrated Annual Report.

Management Discussion and Analysis Report

Management Discussion and Analysis Report as stipulated under the Listing Regulations is presented in a separate section forming part of this Integrated Annual Report.

Corporate Governance Report and Business Responsibility and Sustainability Report

In compliance with Regulation 34 of the Listing Regulations, a separate report on the Corporate Governance and the Business Responsibility and Sustainability Report, forms part of this Integrated Annual Report.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2023 in Form MGT-7 in accordance with Section 92(3) read with Section 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.asianpaints.com/AnnualReports.html>.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment Act"), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. Further, the Policy also gives shelter to contract workers, probationers, temporary employees, trainees, apprentices of the Company and any person visiting the Company at its office.

The Company periodically conducts sessions for employees across the organisation to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act.

Complaints of sexual harassment received during the financial year 2022-23 by the Company were investigated in accordance with the procedures prescribed and adequate steps were taken to resolve them. Further details with respect to the complaints of sexual harassment is provided in the Corporate Governance Report forming part of this Integrated Annual Report.

Board's Report (Contd.)

The Policy formulated by the Company for prevention of sexual harassment is available on the website of the Company at <https://www.asianpaints.com/POSHPolicy.html>.

REGISTRAR AND SHARE TRANSFER AGENT

TSR Consultants Private Limited is the Registrar and Share Transfer Agent of the Company.

SHARE CAPITAL

During the financial year 2022-23, there was no change in the authorised, issued, subscribed and paid-up share capital of the Company.

Confirmations:

- a. During the year under review, the Company has not:
 - (i) issued any shares, warrants, debentures, bonds, or any other convertible or non-convertible securities.
 - (ii) issued equity shares with differential rights as to dividend, voting or otherwise.
 - (iii) issued any sweat equity shares to its Directors or employees.
 - (iv) made any change in voting rights.
 - (v) reduced its share capital or bought back shares.
 - (vi) changed the capital structure resulting from restructuring.
 - (vii) failed to implement any corporate action.
- b. The Company's securities were not suspended for trading during the year.
- c. The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc. is not applicable to the Company.

UNCLAIMED DIVIDEND

In terms of applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), during the year under review, unclaimed dividend amounting to ₹ 1.48 crores was transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Government of India.

Further, 2,57,798 shares were transferred to the demat account of the IEPF Authority during the year,

in accordance with the IEPF Rules, as the dividend(s) has not been claimed by the shareholders for 7 (seven) consecutive years or more.

The details of unclaimed dividend lying in the unclaimed dividend accounts of the Company and details of resultant benefits arising out of shares already transferred to IEPF as on 31st March, 2023 is provided in General Shareholder Information section forming part of this Integrated Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

The Competition Commission of India ("Commission") had passed a *prima facie* Order dated 14th January, 2020 directing the Director General ("DG") to cause an investigation against the Company, under the provisions of the Section 26(1) of the Competition Act, 2002 ("the Competition Act"). Based on this Order, the DG initiated the investigation against the Company and on 17th December, 2021 had submitted its consolidated Investigation Report to the Commission.

The Hon'ble Commission vide its Order dated 8th September, 2022 has noted that the Company has not contravened any charging sections i.e., Section 4 and Section 3(4) read with Section 3(1) of the Competition Act. The said Order of the Hon'ble Commission has been appealed in National Company Law Appellate Tribunal by the complainants.

LOANS AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2023, are set out in Note 36(B) to the standalone financial statements of the Company.

DEPOSITS

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors, General Meetings and on voluntary basis the Standard on Report of the Board of Directors.

This Report of the Board of Directors is in compliance with the provisions of the Secretarial Standards – 4 on Report of the Board of Directors.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Act read with the Companies (Accounts) Rules, 2014, is set out in the Annexure (F) to this Report.

AWARDS AND ACCOLADES

The details of some of the significant accolades earned by the Company during the financial year 2022-23 has been provided as part of this Integrated Annual Report.

OTHER DISCLOSURES

- a. No credit rating has been obtained by the Company with respect to its securities. Further, the details of the credit rating obtained by the Company with respect to its long-term and short-term borrowings have been provided separately in the General Shareholder Information section of this Integrated Annual Report

- b. No application has been made under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) ("the IBC, 2016"), hence, the requirement to disclose the details of application made or any proceeding pending under the IBC, 2016 during the year along with their status as at the end of the financial year is not applicable
- c. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable

APPRECIATION

The Board of Directors place on record sincere gratitude and appreciation for all the employees of the Company. Our consistent growth has been possible by their hard work, solidarity, co-operation and dedication during the year.

The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board of Directors

Deepak Satwalekar
Chairman
(DIN:00009627)

Place: Mumbai
Date: 11th May, 2023

Annexure (A-1) to Board's Report

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

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

To:
The Members
Asian Paints Limited
6A, Shantinagar
Santacruz (East)
Mumbai – 400 055.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Asian Paints Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2023 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period); and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).

- (vi) **I further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
- (a) The Water (Prevention and Control of Pollution) Act, 1974 and the Water (Prevention and Control of Pollution) Rules, 1975;
 - (b) The Air (Prevention and Control of Pollution) Act, 1981 and the Air (Prevention and Control of Pollution) Rules, 1982;
 - (c) The Environment Protection Act, 1986 and Rules & Regulations thereunder;
 - (d) The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
 - (e) The Legal Metrology Act, 2009 and Rules & Regulations thereunder;
 - (f) The Regulation on Lead contents in Household and Decorative Paints Rules, 2016; and
 - (g) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further

information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board meetings and Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

I further report that during the audit period no specific events/actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144

Place: Pune
Date: 11 May 2023

UDIN: F001370E000292463
Peer Review Certificate No.: 1206/2021

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to the Secretarial Audit Report

To:
The Members
Asian Paints Limited
6A, Shantinagar
Santacruz (East)
Mumbai – 400 055.

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144

Place: Pune
Date: 11 May 2023

UDIN: F001370E000292463
Peer Review Certificate No.: 1206/2021

Annexure (A-2) to Board's Report

SECRETARIAL COMPLIANCE REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[Pursuant to regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I have examined:

- | | |
|--|---|
| <p>(a) all the documents and records made available to us and explanation provided by Asian Paints Limited ("the listed entity"),</p> <p>(b) the filings/submissions made by the listed entity to the stock exchanges,</p> <p>(c) website of the listed entity,</p> <p>(d) any other document/filing, as may be relevant, which has been relied upon to make this certification,</p> | <p>(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;</p> <p>(d) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the listed entity during the Review Period);</p> <p>(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;</p> <p>(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the listed entity during the Review Period);</p> <p>(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;</p> |
|--|---|

for the year ended **31 March 2023** ("Review Period") in respect of compliance with the provisions of:

- | | |
|--|--|
| <p>(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and</p> <p>(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");</p> | <p>and clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries";</p> |
|--|--|

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- | | |
|---|---|
| <p>(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR");</p> <p>(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the listed entity during the Review Period);</p> | <p>and based on the above examination, I hereby report that, during the Review Period:</p> <p>(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder.</p> <p>(b) The listed entity has taken the following actions to comply with the observations made in the previous reports:- Not Applicable.</p> |
|---|---|

In respect of following matters, the listed entity has complied with as specified below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
1.	Secretarial Standards The compliances of the listed entity are in accordance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.	Yes	-
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entity; and All the policies are in conformity with SEBI Regulations and have been reviewed and timely updated, as per the regulations/circulars/guidelines issued by SEBI. 	Yes	-
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The listed entity is maintaining a functional website; Timely dissemination of the documents/information under a separate section on the website; and 	Yes	-

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
	<ul style="list-style-type: none"> Web-links provided in annual corporate governance reports under regulation 27(2) of the SEBI LODR are accurate and specific which re-directs to the relevant document(s)/section of the website. 		
4.	Disqualification of Director: None of the Director(s) of the listed entity is disqualified under section 164 of Companies Act, 2013.	Yes	-
5.	To examine details related to subsidiaries of listed entity: a) Identification of material subsidiary companies; and b) Requirements with respect to disclosure of material as well as other subsidiaries.	Yes	-
6.	Preservation of documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under the SEBI LODR.	Yes	-
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-
8.	Related Party Transactions: a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; and b) In case where no prior approval was obtained, the listed entity provided detailed reasons along with confirmation that the transactions were subsequently approved/ratified by the Audit committee.	Yes	-
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III to the SEBI LODR within the time limits prescribed thereunder.	Yes	-
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) and 3(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Action has been taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder.	Yes	-
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulations/circulars/guidance notes, etc.	Yes	-

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144

Place: Pune
Date: 11 May 2023

UDIN: F001370E000292485
Peer Review Certificate No.: 1206/2021

Annexure (B) to Board's Report

FORM AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 ("the Act") and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Act including certain arm's length transactions under fourth proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into by the Company during the year ended 31st March, 2023, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

There were no material contracts or arrangements or transactions entered into during the year ended 31st March, 2023.

During the financial year 2022-23, all related party transactions entered into by the Company were in the ordinary course of business and on arm's length basis and are approved by Audit Committee of the Company.

For and on behalf of the Board of Directors

Deepak Satwalekar
Chairman
(DIN: 00009627)

Place: Mumbai
Date: 11th May, 2023

Annexure (C) to Board's Report

STATEMENT OF DISCLOSURE OF REMUNERATION

[Pursuant to Section 197 of the Companies Act, 2013 ("the Act") and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Remuneration details of Directors and Key Managerial Personnel of the Company for the financial year 2022-23 is as follows:

Sr. No.	Name	Designation	Remuneration (In ₹)	Ratio to median Remuneration ⁸	Percentage Increase/Decrease in the Remuneration
1.	Deepak Satwalekar	Independent Director & Chairman	62,20,000	5.22	8.74
2.	Manish Choksi	Non-Executive Director & Vice-Chairman	63,20,000	5.31	15.12
3.	Ashwin Dani	Non-Executive Director	57,35,000	4.82	8.51
4.	Amit Syngle*	Managing Director & CEO	18,40,33,160	154.53	33.83
5.	Malav Dani	Non-Executive Director	56,80,000	4.77	14.75
6.	Amrita Vakil	Non-Executive Director	54,80,000	4.60	20.44
7.	Jigish Choksi	Non-Executive Director	52,80,000	4.43	19.19
8.	Nehal Vakil	Non-Executive Director	51,60,000	4.33	®
9.	Vibha Paul Rishi	Independent Director	63,20,000	5.31	32.49
10.	R Seshasayee	Independent Director	65,60,000	5.51	13.49
11.	Suresh Narayanan	Independent Director	61,80,000	5.19	13.81
12.	Pallavi Shroff	Independent Director	55,20,000	4.64	24.04
13.	Milind Sarwate	Independent Director	62,80,000	5.27	®
14.	R J Jeyamurugan**	CFO & Company Secretary	3,69,25,647	31.01	20.74

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2022-23 and include sitting fees paid to Directors during the financial year.
- The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- ® Percentage increase/decrease in remuneration is not reported as they were holding Directorship for the part of the financial year 2021-22.
- * The remuneration paid to Mr. Amit Syngle, Managing Director & CEO, excludes performance-based incentive of ₹ 90,00,000 paid for the financial year 2019-20. It also excludes ₹ 5,48,00,000 worth of stock options granted in accordance with the Asian Paints Employee Stock Option Plan ("2021 Plan") for the financial year 2022-23. The stock options would vest on fulfilment of vesting conditions in accordance with the 2021 Plan. Taxable value of perquisite for car allowance has been considered in the aforesaid computation.
- ** The remuneration paid to Mr. R J Jeyamurugan, CFO & Company Secretary, excludes performance-based incentive of ₹ 16,02,740 paid for the financial year 2019-20. It also excludes ₹ 61,00,000 worth of stock options granted in accordance with the 2021 Plan for the financial year 2022-23. The stock options would vest on fulfilment of vesting conditions in accordance with the 2021 Plan.
- ⁸ The median remuneration of all employees per annum was ₹ 11,90,904 and ₹ 10,65,497 for the financial year 2022-23 and 2021-22, respectively. The increase in median remuneration of employees for the financial year 2022-23, as compared to financial year 2021-22 is 11.77%.
- The increase in average salary of employees (other than Key Managerial Personnel) for the financial year 2022-23, as compared to financial year 2021-22 is 17.95% (including performance-based incentive) for those employees who are present throughout last & current financial year.
- The increase in remuneration of employees other than the Key Managerial Personnel is in line with the increase in remuneration of Key Managerial Personnel.

Annexure (C) to Board's Report (Contd.)

B. Number of permanent employees on rolls of the Company as on 31st March, 2023:

	No. of employees
Executive/Manager cadre	1,394
Staff	4,992
Operators/Workmen	1,670
Total	8,056

C. It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Nomination and Remuneration Policy of the Company.

D. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of this Report is open for inspection by the members through electronic mode. Any member interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of the Board of Directors

Deepak Satwalekar
Chairman
(DIN: 00009627)

Place: Mumbai
Date : 11th May, 2023

Annexure (D) to Board's Report

DISCLOSURE IN RELATION TO ASIAN PAINTS EMPLOYEE STOCK OPTION PLAN 2021

[Pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") and Section 62(1)(b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014]

All the relevant details of the Company's Employee Stock Option Plan are provided below and are also available on website of the Company at <https://www.asianpaints.com/AnnualReports.html>.

(A) Relevant disclosures in terms of the Accounting Standards prescribed by the Central Government and Section 133 of the Companies Act, 2013 including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:

Refer Note No. 35(3) forming part of the standalone financial statements and Note No. 34(3) of the consolidated financial statements for the financial year 2022-23. Please note that the said disclosure is provided in accordance with Indian Accounting Standards (Ind AS) 102 – Share Based Payment.

(B) Diluted EPS on issue of shares pursuant to all the schemes covered under the Regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 - Earnings Per Share' issued by the Central Government or any other relevant Accounting Standards as issued from time to time:

Refer Note No. 32 forming part of the standalone financial statements and Note No. 32 of the consolidated financial statements for the financial year 2022-23. Please note that the said disclosure is provided in accordance with Indian Accounting Standards (Ind AS) 33 – Earnings per share.

(C) Details related to Asian Paints Employee Stock Option Plan 2021 ("2021 Plan"):

Sr. No.	Particulars	Details of 2021 Plan
(i)	General terms and conditions of 2021 Plan:	
(a)	Date of shareholders' approval	29 th June, 2021
(b)	Total number of options approved	25,00,000 stock options will be granted over 10 (ten) years period of the 2021 Plan.
(c)	Vesting requirements	The vesting period shall be decided by the Nomination and Remuneration Committee ("the Committee") from time to time in accordance with the 2021 Plan, however, the minimum vesting period shall not be less than 12 months from the date of grant of the stock options (or such other period as required under the SEBI SBEB Regulations as in effect from time to time) and the maximum vesting period shall not be more than 48 months from the date of grant of the stock options. Vesting may happen in one or more tranches. The vesting will be in accordance with the 2021 Plan and SEBI SBEB Regulations as in effect from time to time.
(d)	Exercise price or pricing formula	The exercise price for any stock options granted to eligible employee shall be 50% to the "Reference Share Price" of the shares of the Company (rounded off to the next whole number, if not a whole number). "Reference Share Price" means the average of the daily high and low of the volume weighted average prices of the shares quoted on a recognised stock exchange during the 22 trading days preceding the day on which the grant is made.
(e)	Maximum term of options granted	The maximum vesting period shall not be more than 48 months from the date of grant of the stock options.

Annexure (D) to Board's Report (Contd.)

Sr. No.	Particulars	Details of 2021 Plan
(f)	Source of shares (primary, secondary or combination)	<p>The 2021 Plan envisages a combination of fresh issue of shares and secondary (market) purchase of shares of the Company (through Asian Paints Employee Stock Ownership Trust ["ESOP Trust"] to the extent of the secondary market purchase) subject to the regulatory approvals. The Administrator (being the Nomination and Remuneration Committee) has the sole discretion to determine the break-up between primary issuance and secondary acquisition – to the extent that there may be only primary issuance (and no secondary acquisition) or only secondary acquisition (and no primary issuance) during the tenure of the 2021 Plan.</p> <p>For grants during the financial year 2022-23, the ESOP Trust has acquired shares of the Company from the market under the secondary acquisition route.</p>
(g)	Variation in terms of options	No variation/modification/amendment was made in the terms of options during the financial year 2022-23.
(ii)	Method used to account for stock options	Fair Value Method
(iii)	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company	Not Applicable
(iv)	Option movement during the year:	
	Number of options outstanding at the beginning of the period	2,26,083
	Number of options granted during the year	1,48,407
	Number of options forfeited/lapsed during the year	36,533
	Number of options vested during the year	13,098
	Number of options exercised during the year	Nil
	Number of shares arising as a result of exercise of options	Nil
	Money realised by exercise of options (₹), if scheme is implemented directly by the Company	Not Applicable
	Loan repaid by the Trust during the year from exercise price received	Nil
	Number of options outstanding at the end of the year	3,37,957
	Number of options exercisable at the end of the year	13,098

Sr. No.	Particulars	Details of 2021 Plan
(v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Refer Annexure 1
(vi)	Employee wise details of options granted during FY 2022-23 to:	
(a)	Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Refer Annexure 2
(b)	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Refer Annexure 2
(c)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None
(vii)	Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
(a)	Weighted-average values of share price	
	Exercise price	
	Expected volatility	
	Expected option life	Refer Annexure 1
	Expected dividends	
	Risk-free interest rate	
	Any other inputs to the model	
(b)	The method used and the assumptions made to incorporate the effects of expected early exercise	The fair value of options has been calculated by using Black Scholes Model
(c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility?	Refer Annexure 1
(d)	Whether and how any other features of the option granted were incorporated into the measurement of fair value, such as a market condition?	Not Applicable
(viii)	Disclosures in respect of grants made in three years prior to IPO under each ESOS	Not Applicable

Annexure (D) to Board's Report (Contd.)

(D) Details related to the Trust:

Annexure 1

Given below are the details, *inter alia*, in connection with transactions made by the Trust meant for the purpose of administering the 2021 Plan under the SEBI SBEB Regulations:

(i) General information on 2021 Plan:

Sr. No.	Particulars	Details
(a)	Name of the Trust	Asian Paints Employee Stock Ownership Trust
(b)	Details of the Trustee(s)	1) Barclays Wealth Trustees (India) Private Limited – Designated Trustee 2) Parag Rane – Other Trustee 3) Savitha Shivsankar – Other Trustee
(c)	Amount of loan disbursed by the Company/any company in the Group, during the year	₹ 36 crores
(d)	Amount of loan outstanding (repayable to the Company/ any company in the Group) as at the end of the year	₹ 111 crores
(e)	Amount of loan, if any, taken from any other source for which Company/any company in the Group has provided any security or guarantee	Nil
(f)	Any other contribution made to the Trust during the year	Nil

(ii) Brief details of transactions in shares by the Trust:

Sr. No.	Particulars	Details
(a)	Number of shares held at the beginning of the year (1 st April, 2022)	2,23,240
(b)	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid-up equity capital as at the end of the previous financial year, along with information on weighted-average cost of acquisition per share	Number of shares acquired: 1,34,419 equity shares through secondary acquisition Percentage of paid-up share capital: 0.01% Weighted-average cost of acquisition per share: ₹ 2,670.29
(c)	Number of shares transferred to the employees/sold along with the purpose thereof	Nil
(d)	Number of shares held at the end of the year (31 st March, 2023)	3,57,659

(iii) In case of secondary acquisition of shares by the Trust:

Sr. No.	Shares	In number	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
(a)	Held at the beginning of the year	2,23,240	0.02%
(b)	Acquired during the year	1,34,419	0.01%
(c)	Sold during the year	Nil	Nil
(d)	Transferred to the employees during the year	Nil	Nil
(e)	Held at the end of the year	3,57,659	0.04%

Note: There was no change in the 2021 Plan since its implementation and the 2021 Plan is in compliance with the SEBI SBEB Regulations.

For and on behalf of the Board of Directors

Deepak Satwalekar
Chairman
(DIN: 00009627)

Place: Mumbai
Date : 11th May, 2023

a) Details of stock options granted:

Particulars	Grant 1	Grant 2 [#]	Grant 3 [#]	Grant 4 [^]	Grant 5 [^]	Grant 6 [^]	Grant 7 [^]
Financial Year	2020-21	2021-22	2021-22	2022-23	2022-23	2022-23	2022-23
Grant Date	16 th August, 2021	16 th August, 2021	10 th February, 2022	6 th June, 2022	8 th September, 2022	19 th January, 2023	31 st March, 2023
Vesting Date	31 st March, 2024	31 st March, 2025	31 st March, 2025	31 st March, 2026	31 st March, 2026	31 st March, 2026	31 st March, 2026
Fair Value at Grant Date (₹)	1,685.13	1,752.87	1,884.83	1,768.00	2,098.00	1,769.00	1,649.00
Exercise Price (₹)*	1,518.70	1,518.70	1,632.53	1,478.00	1,706.00	1,505.00	1,412.00
Options outstanding at the beginning of the year	1,08,354	1,13,304	4,425	-	-	-	-
Options granted during the year	-	4,854	-	1,34,943	6,312	1,174	1,124
Options exercised during the year	-	-	-	-	-	-	-
Options forfeited during the year	-	-	-	-	-	-	-
Options lapsed during the year	10,822	12,430	684	12,597	-	-	-
Balance as at year end	97,532	1,05,728	3,741	1,22,346	6,312	1,174	1,124
Exercisable at period end	-	-	-	-	-	-	-
Weighted-average remaining contractual life (years)	2	3	3	4	4	4	4

[#] Grants have been revised basis performance for the financial year 2021-22, in financial year 2022-23 as per the 2021 Plan.

[^] Provisional grant for the financial year 2022-23. Basis satisfaction of performance condition of vesting, number of stock options to be granted will be revised.

* Represents weighted average exercise price for respective option series towards all the movements including opening and closing outstanding options.

b) Fair Value of stock options granted:

Fair Value of stock options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as follows:

Grant date	Risk free interest rate	Expected option life	Expected volatility	Expected dividend	Market price at the time of grant of the option (₹)	Exercise price
Assumptions	Zero Coupon Sovereign Bond Interest Rate equivalent for option life	Tenure to vesting of option and half of exercise period assuming even exercise of shares during exercise period	Based on daily volatility for period equivalent for option life	Dividend yield is calculated as dividend paid in last FY divided by current share price		50% of Reference Share Price
Grant 1 16 th August, 2021	5.07%	3.12 years	34.67%	0.60%	2,987.55	1,518.70
Grant 2 16 th August, 2021	5.50%	4.12 years	32.17%	0.60%	2,987.55	1,518.70
Grant 3 10 th February, 2022	5.57%	3.63 years	33.93%	0.55%	3,228.35	1,632.53
Grant 4 6 th June, 2022	7.17%	4.32 years	33.76%	0.66%	2,886.90	1,478.00
Grant 5 8 th September, 2022	7.08%	4.06 years	34.71%	0.56%	3,400.35	1,706.00
Grant 6 19 th January, 2023	7.22%	3.69 years	34.75%	0.65%	2,945.25	1,505.00
Grant 7 31 st March, 2023	7.28%	3.50 years	34.59%	0.69%	2,770.50	1,412.00

Annexure (D) to Board's Report (Contd.)

Annexure 2

Details of stock options granted during the year to senior managerial personnel as on 31st March, 2023 and details of employee to whom stock options more than 5% was granted during the year:

Sr. No.	Name of employee(s)	Designation	Grant 1	Grant 2 [*]	Grant 3 [*]	Grant 4 [#]	Grant 5 [§]	Grant 7 [¶]
1.	Amit Syngle [®]	Managing Director & CEO	14,660	20,470	-	20,292 [^]	-	-
2.	Aashish Kshetry	Vice President – Systems	1,790	1,720	-	2,594	-	-
3.	Alok Agrawal	General Manager – Internal Audit & Risk	720	920	-	827	-	42
4.	Amit Kumar Singh	Associate Vice President – Corporate Affairs & CSR	1,670	2,060	-	1,942	-	-
5.	Amit Rajde	Associate Vice President – Project Sales	1,310	1,720	91	1,942	-	-
6.	Ashish Rae	Associate Vice President – Home Improvement	1,310	2,060	-	1,942	-	-
7.	Gagandeep Kalsi	Associate Vice President – Strategy, Business Development	1,310	1,720	-	1,028	558	-
8.	Harish Lade	Vice President – Supply Chain	2,850	2,740	-	2,594	-	-
9.	Hiral Kumar Raja	Associate Vice President – Accounts, SSC & Taxation	840	920	28	1,942	-	-
10.	Joseph Eapen	Associate Vice President – Asian Paints International Private Limited, wholly owned subsidiary company	1,310	800	37	1,942	-	-
11.	Pragyan Kumar	Chief Executive – Asian Paints International Private Limited, wholly owned subsidiary company	2,850	2,740	59	3,329	-	-
12.	Rahul Bhatnagar	President – Project Sales, R&T, Industrial JVs	3,920	1,720	136	5,083	-	-
13.	Rajeev Kumar Goel	Senior Vice President – Technology	2,850	1,720	-	2,594	-	-
14.	R J Jeyamurugan	CFO & Company Secretary	2,850	2,740	-	2,594	-	-
15.	Sameer Salvi	Vice President – Backward Integration Business, Mantech & Strategy	2,140	1,260	-	1,942	-	-
16.	Savitha Shivsankar	Chief Human Resources Officer	-	-	543	3,329	-	-
17.	Shyam Swamy	Vice President – Home Improvement, Decor, Services & Retailing	1,724	2,860	-	1,942	-	-
18.	Vishu Goel	Associate Vice President – Retail Sales, Commercial & Marketing	840	1,260	-	1,028	558	-

* Grants have been revised basis performance for the financial year 2021-22, in financial year 2022-23 as per the 2021 Plan.

This is a provisional grant for the financial year 2022-23 and basis satisfaction of performance condition of vesting, number of stock options to be granted will be revised.

§ Additional grants issued on account of promotions and appointments made during the financial year 2022-23, in accordance with the 2021 Plan.

® Stock options granted was more than 5% of the stock options granted during the year.

^ Indicates provisional grant of stock options. The actual number of stock options as determined by the Nomination and Remuneration Committee will be considered post adoption of the financial statements for the financial year 2022-23 by the shareholders at the ensuing Annual General Meeting of the Company.

Notes:

- The exercise price of Grants 1 & 2 is ₹ 1,518.70, Grant 3 is ₹ 1,632.53, Grant 4 is ₹ 1,478.00, Grant 5 is ₹ 1,706.00 and Grant 7 is ₹ 1,412.00 per stock option. The exercise price of stock options granted to eligible employees is at 50% of the "Reference Share Price" of the Company, as defined under the 2021 Plan.
- No stock options were granted under Grant 6 to the senior managerial personnel.

Annexure (E) to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline of CSR Policy

Harmonious relationships and responsible growth have been our guiding principles for over 80 years of existence of the Company.

Standing true to the Company's Charter value of bringing joy to people's lives, the Company's CSR vision is based on embedded tenets of trust, fairness and care to maximise efforts in this regard.

The Company recognises the vital role played by local communities in its growth and believes in contributing to their well-being. The Company's CSR activities enrich and empower marginalised communities, addressing critical social, economic, and environmental challenges. Through our initiatives, we aim to enable communities to grow and create value.

The Company's CSR philosophy is based on the keystones of:

- actively initiating and participating in projects that together makes it the local lighthouse for the region which significantly improves the lives of the people where it operates and is present
- providing vocational training and impart skilling to enhance the livelihood and skills of people who are primarily from the unorganised sector
- commitment to create social and economic value as a corporate citizen and encourage employees to participate and contribute to our various CSR programmes
- managing Company's operations using principles of sustainable development to minimise resource footprint and protect health & safety of all the stakeholders.

As a reflection of our commitment, the Company has adopted Environmental, Social and Governance ("ESG") goals, *inter alia*, relating to;

- skilling at Colour Academies
- health & hygiene beneficiaries
- water stewardship & neutrality which will serve as a road map to navigate forward.

The CSR Committee has identified the following thrust areas around which the Company shall be focusing its CSR initiatives and channelising the resources on sustained basis:

a. Health & Hygiene

Community Health & Hygiene is one of the key focus area for the CSR activities of the Company.

The health & hygiene initiatives are based on the need to provide basic access to primary healthcare services and preventive healthcare practices to the communities in and around the local area where the Company operates.

Under the health & hygiene programme, the Company is, *inter alia*, running the following projects:

i. Static clinics

The commitment to improve community health has led the set up of 5 static clinics near the manufacturing locations (Mysuru, Patancheru, Kasna, Khandala and Visakhapatnam) of the Company, in association with Piramal Swasthya. The static clinics provide diagnosis and basic health treatments to ensure everyone has the opportunity to lead a healthy life.

ii. Mobile Medical Units (MMUs)

The MMUs spread across 8 locations provide consultations, free medicines, basic diagnostics, referrals to government hospitals, among others. MMUs have increased accessibility to basic healthcare in remote rural areas, while also raising awareness among villagers and locals about basic health & hygiene practices.

iii. Safar

Safar, one of the high priority healthcare initiative, is directed towards improving health awareness and medical care facilities among truck drivers. Safar promotes healthy trucker lifestyles with free consultations for health issues and awareness programs on hygiene and sexually transmitted diseases.

Annexure (E) to Board's Report (Contd.)

iv. Nutrition projects

The primary objective of the nutrition project is to take a proactive approach towards enhancing the health status of the pregnant and lactating women, adolescent girls aged 12-19 years, and children aged 0-6 months in selected villages by mitigating anaemia and malnutrition.

Asian Paints Colour Academy offers the best training facilities to both new and experienced paint applicators.

The Company also continues to provide trainings on financial literacy to help the participants understand the art of budgeting, managing contingencies, applicable insurance schemes, government schemes, etc.

b. Disaster Management

Under the thrust area of disaster management, the Company contributes towards relief, rehabilitation and reconstruction activities. As a responsible Company, we focus towards mitigating the effects of the crisis created by natural disasters, pandemic or likewise. The Company has partnered with the Government on various instances to provide support and aid, and have also worked with different partners for distribution of essentials among communities during the time of crisis.

c. Enhancing Vocational Skills

Skill building is a powerful tool to empower individuals and drive financial growth and community development of youth of the country. The Company's aim with this endeavour is to invest in inclusive growth with belief that everyone should be given a fair chance at a dignified life. Our training programme(s) cover a multitude of subjects, such as painting, designer finishes, emulsions, metal care, mechanisation, waterproofing, wood finishes, wallpaper installation, plumbing, carpenter training, sanitisation course, etc.

d. Water Conservation

The Company has drafted a water vision for itself with an intention to make communities around its manufacturing locations, water secure.

The initiatives undertaken in this area, *inter alia*, include:

- creating capacities in conserving water through significant investments in partnership with relevant stakeholders, with the objective of water conservation
- educating farmers in looking at various government schemes with the objective of water management
- undertaking water replenishment projects in the communities surrounding Company's factories.

To know more about our initiatives in the CSR section, please refer the detailed discussions under the Social and Relationship Capital section of this Integrated Annual Report.

2. Composition of CSR Committee

Sr. No.	Name of Member(s)	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Malav Dani, Chairman	Non-Executive Director	4	4
ii.	Deepak Satwalekar	Independent Director	4	4
iii.	Amrita Vakil	Non-Executive Director	4	4
iv.	Vibha Paul Rishi	Independent Director	4	4
v.	Amit Syngle	Managing Director & CEO	4	4

Mr. R J Jeyamurugan is the Secretary to the CSR Committee.

3. Web-link(s) where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

Sr. No.	Particulars	Web-link(s)
i.	Composition of CSR Committee	https://www.asianpaints.com/GovernanceStructure.html
ii.	CSR Policy	https://www.asianpaints.com/CSRPolicy.html
iii.	CSR Projects	https://www.asianpaints.com/CSRProjects2022-23.html

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014

The Company had appointed independent agencies to undertake impact assessment for eligible CSR activities undertaken during the financial year 2021-22.

Below is the executive summary of the impact assessment of CSR projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 by the independent agencies. The detailed impact assessment report(s) can be accessed on the website of the Company at <https://www.asianpaints.com/about-us.html>.

Particulars	Enhancing Vocational Skills (Colour Academy)	Health & Hygiene (Helpage MMU Multiyear Project)	Enhancing Vocational Skills and Disaster Management – Covid relief (Vidya Foundation)
Name of independent agency conducting Impact Assessment	Sattva Consulting Private Limited	SoulAce Consulting Private Limited	Ernst & Young LLP
Scope of Project	<ul style="list-style-type: none"> To provide vocational and skills-based trainings to painters, applicators, carpenters and workers. To enhance the employability and improve the livelihoods of the persons attending the training sessions. 	<ul style="list-style-type: none"> To operate Mobile Medical Units (MMUs) and Static Health Clinics (SHCs). MMUs provide primary healthcare services for common diseases. SHCs provide treatment including diagnostics and distribution of medicines. 	<p>Skill Development: Aimed at skill development of youth by providing a platform for employment opportunities.</p> <p>Strengthening healthcare: Covid relief programme.</p>
Key highlights of impact created	<p>Impact on trainees i.e. painters, applicators, carpenters and workers:</p> <ul style="list-style-type: none"> Intrapersonal impact: increase in knowledge/skills and improved decision making. Interpersonal impact: improvement in confidence during client interactions. Professional impact: learning of skills which has demand in market, expansion of professional circle, improved work quality and willingness to learn new skills. Economic impact: increase in number of assignments taken up, increase in monthly income and savings. 	<ul style="list-style-type: none"> Easy access to health services at the doorstep of the beneficiaries and has become a preferred facility. MMU doctors are preferred for both communicable and life threatening diseases by the patients. Change in level of awareness about preventive healthcare practices for common diseases. Increase in average savings per family. 	<p>Impact through Skill Development:</p> <ul style="list-style-type: none"> Professional impact: increase in job opportunities. Economic impact: increase in monthly income due to new job/better role/designation/new business. Social impact: confidence in abilities, sense of pride, family recognition, service to community, community recognition, teaching of other skills. <p>Impact through strengthening of healthcare:</p> <ul style="list-style-type: none"> Increase in confidence of frontline workers due to timely supply of masks, PPE kits, sanitizers, oxygen cylinder, etc.

Annexure (E) to Board's Report (Contd.)

Particulars	Enhancing Vocational Skills (Colour Academy)	Health & Hygiene (Helpage MMU Multiyear Project)	Enhancing Vocational Skills and Disaster Management – Covid relief (Vidya Foundation)
			<ul style="list-style-type: none"> Timely supply of masks, PPE kits, sanitizers, oxygen cylinder, etc. helped in alleviating sense of panic amongst masses. The oxygen concentrators became handy for pulmonary disease patients across the district.
Recommendation	<p>Mobilization and awareness: Promote the courses offered on social medial platforms.</p> <p>Trainer:</p> <ul style="list-style-type: none"> Site visit/support to be initiated for guiding the trainees when they execute their learnings for the first time and as and when required. Trainers should be certified by Asian Paints or a recognised training institution, which will enable trainers to further build their credibility while training painters/contractors. <p>New courses: To introduce a course on basic entrepreneurship skills, targeted towards painters who are new to the profession.</p>	<ul style="list-style-type: none"> To strengthen monitoring and evaluation processes. To introduce pathology lab services for basic diagnostic. To have women doctors/ gynaecologist to address menstrual hygiene issues. To have special screening and awareness camps for diseases like osteoarthritis, diabetes, hypertension and cardiovascular. To strengthen referral services, there is need for better convergence with Government Health Facilities like District Hospitals. Community volunteers can be developed for better outreach. Better coordination with Asha Workers/Auxiliary Nurse Midwife ("ANM") emerged as an area to be developed as they are last mile health workers. 	<p>Skill Development:</p> <ul style="list-style-type: none"> Mix of online and offline delivery for certain programmes. Provision of certification in collaboration with Skill Development Department/Organisation. Using digital means to circulate training materials in regional languages. Providing more specialised/ advanced/refresher courses. Periodic re-engagement with participants for similar assessment or trainer identification. <p>Strengthening Healthcare:</p> <ul style="list-style-type: none"> Systematic co-ordination for ascertaining needs of the community and stakeholders. Developing mechanism for tracking contribution through initiatives. Creating a long-term engagement model to ensure issues such as post-procurement maintenance and servicing could be addressed.

5.	Sr. No.	Particulars	Amount (₹ in crores)
	i.	Average net profit of the Company as per Section 135(5) of the Act	3,860.15
	ii.	Two percent of average net profit of the Company as per Section 135(5) of the Act	77.20
	iii.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
	iv.	Amount required to be set-off for the financial year, if any	0.27
	v.	Total CSR obligation for the financial year (5(ii)+5(iii)-5(iv))	76.93
6.	Sr. No.	Particulars	Amount (₹ in crores)
	i.	Amount spent on CSR Projects (both ongoing project and other than ongoing project)	73.08*
	ii.	Amount spent on Administrative Overheads	3.86
	iii.	Amount spent on Impact Assessment	0.48
	iv.	Total amount spent for the financial year (6(i)+6(ii)+6(iii))	77.42*

*The amount spent on CSR activities for the financial year includes the set-off of excess amount spent by the Company on CSR activities in the previous financial years of ₹ 0.27 crores.

(e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (₹ in Crores)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount (₹)	Date of transfer	Name of the Fund	Amount (₹)	Date of transfer
77.42*	-	-	-	-	-

*The amount spent for the financial year includes the set-off of excess amount spent by the Company on CSR activities in the previous financial years of ₹ 0.27 crores.

(f) Excess amount for set-off:

Sr. No.	Particulars	Amount (₹ in Crores)
i.	Two percent of average net profit of the Company as per Section 135(5) of the Act	77.20
ii.	Total amount spent for the financial year	77.42*
iii.	Excess amount spent for the financial year [(ii)-(i)]	0.22
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.22

*The amount spent on CSR activities for the financial year 2022-23 includes the set-off of excess amount spent by the Company on CSR activities in the previous financial years of ₹ 0.27 crores.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sr. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6) of the Act (₹ in Crores)	Balance Amount in Unspent CSR Account under Section 135(6) of the Act as on 1 st April, 2022 (₹ in Crores)	Amount spent in the reporting financial year (₹ in Crores)	Amount transferred to any fund specified under Schedule VII as per Section 135(5) of the Act, if any		Amount remaining as on 31 st March, 2023 to be spent in succeeding financial years (₹ in Crores)	Deficiency, if any
					Amount (₹ in Crores)	Date of transfer		
i.	2020-21	14.78	9.06	8.18	-	-	0.88	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No

9. Specify the reason(s), if the Company has failed to spend 2 (two) per cent of the average net profit as per section 135(5) of the Act : Not applicable.

For and on behalf of the CSR Committee

Malav Dani
Chairman of CSR Committee
(DIN: 01184336)

Amit Syngle
Managing Director & CEO
(DIN: 07232566)

Place: Mumbai
Date: 11th May, 2023

Annexure (F) to Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014]

1. CONSERVATION OF ENERGY

Energy management is one of the key strategic areas in our pursuit of sustainability in our operations. Energy consumption is not only the main source of emissions but also has a direct implication on the cost of operations. The energy management strategy of the Company involves the following:

- a. Increasing energy efficiency: This primarily involves reducing the quantity of energy used in our operations by process optimisation, using energy efficient technology, and conserving/recovering energy through activities like recovering waste heat among others.
- b. Increasing the share of renewable energy: We have been making sustained efforts toward transitioning to renewable energy over the last decade through investments in solar and wind projects.

Some of the key measures taken by all the manufacturing units are as below:

i. Energy conservation measures taken

The efforts of the Company in energy management have resulted in a gradual decline in our total energy consumption over the years, as well as increased the percentage of renewable energy consumption.

Energy management and energy intensity are key metrics for the performance measurement across teams at the site level as well as at the leadership level. A periodic energy audit mechanism is in place and progress against CAPA is monitored.

One of the key metrics that we have been monitoring and concentrating on is Specific Electricity Consumption at our decorative paint plants.

ii. Utilising alternate sources of energy

The Company has an installed capacity of 24.6 MW of solar energy and 24.3 MW capacity of wind energy. The overall contribution of renewables to electricity consumption stands at 62.2% compared to 61.1 % last year.

iii. Capital investment on energy conservation equipment

The Company has spent about ₹ 78 lakhs (Rupees seventy-eight lakhs only) as capital investment on energy conservation initiatives during the financial year apart from the investment in renewable energy resources of solar and wind.

For details on steps taken by the Company on conservation of energy, waste management, and water conservation & replenishment, please refer to the Natural capital section and the Business Responsibility and Sustainability Report of this Integrated Annual Report.

2. TECHNOLOGY ABSORPTION**i. Efforts made by the Company towards technology absorption:**

The Research & Technology ("R&T") function of the Company continues to take rapid strides in developing technical capabilities, technology platforms and innovative products that cater to the aspirations of all the stakeholders. As part of project Nexpedition, the Company has been able to successfully undertake several projects resulting in features and products enhancing the aesthetics and durability of substrates used for paint manufacturing. The new capabilities developed as part of these projects, will nurture innovation in the areas of waterproofing, construction chemicals, decorative paints and industrial coatings.

The Company is committed to responsible and sustainable product stewardship, which involves managing the environmental impacts of our products throughout their entire lifecycle.

Led by our Research & Technology team, the Company continuously reviews and improves the our product stewardship practices, and works with our stakeholders to identify and address emerging issues and trends. The focus is on product offerings that meet global sustainability standards, and minimise the overall environmental footprint and toxicity impact, providing higher value and durability for the consumer.

Some of the key initiatives taken up by R&T function are as follows:

- Developed new technology platforms that would continue to give competitive edge to the organisation in the coming years.
- Designed and developed differentiated products fueling customer aspirations.
- Ensured value efficiency by developing economical raw material alternates and optimising formulations. Reduced vulnerability by developing formulations on alternate raw materials.
- Increased rigour in ensuring quality of products by developing elaborate test protocols for raw material and finished goods. Dedicated resources to capture the usage practices in market and incorporated these inputs in design development.
- Undertook product benchmarking exercises to retain the technical edge of products.
- Contributed to plant productivity by reducing cycle times required for manufacturing coatings and intermediates. This has also helped the Company's agenda of reducing energy consumption.
- Took rapid strides in process engineering and design development of upstream intermediates. This has propelled the Company's backward integration initiative.
- Developed capabilities in physical characterisation and analytical research for test method development, elucidation of structure property relationship and root cause analysis. The benefits of these capabilities have also been harnessed by the new businesses of the organisation. The R&T Center continued to be accredited by National Accreditation Board for Testing and Calibration Laboratories.
- Established product credentials through international certification.

- Rendered support to national standardization bodies like Bureau of Indian Standards ("BIS") to establish test methods related to coatings and intermediates.
- Championed the product stewardship agenda as part of Environment, Social and Governance ("ESG"). R&T function has worked on initiatives to increase the use of renewable and benign raw materials. 16 additional products have received GreenPro certification as an outcome of the efforts in this area.
- Collaborated with educational institutions, Council of Scientific and Industrial Research ("CSIR") labs and industrial consultants to work on specific projects of strategic importance.
- Honed technical competency of R&T employees by deploying specific training programs through the internal training academy – Sikshalaya.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

During the year under review:

- a. 22 (twenty-two) new products were developed for architectural paints, construction chemicals and adhesives business
- b. 27 (twenty-seven) new products were developed for Industrial business during financial year 2022-23.

The details of the new products developed are included in the Manufactured and Natural capital section of this Integrated Annual Report.

The Company has also undertaken various challenging projects for development of different product categories namely interior & exterior, waterproofing, premium exterior topcoat, cement putty, glossy water based woodfinish & premium all-weather wood adhesive.

Annexure (F) to Board's Report (Contd.)

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

iv. Expenditure incurred on Research and Development:

(₹ in Crores)		
Particulars	2022-23	2021-22
Capital	2.63	1.95
Recurring	105.41	90.59
Total	108.04	92.54

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Crores)

Particulars	2022-23*	2021-22*
Foreign exchange earned in terms of actual inflows	189.26	185.03
Foreign exchange outgo in terms of actual outflows	4,424.41	4,156.76

*amount(s) are equivalent to value of various currencies.

For and on behalf of the Board of Directors

Deepak Satwalekar
Chairman
(DIN: 00009627)

Place: Mumbai
Date: 11th May, 2023

Report on Corporate Governance

ASIAN PAINTS' PHILOSOPHY ON CORPORATE GOVERNANCE

Guided by our values and long-standing commitment to sustainability, Asian Paints' is committed to promoting sustainable and responsible growth. Our governance framework is built on the sound governance systems and processes which empower co-creation and partnerships with an unwavering focus on sustainability, transparency and safety, thereby making it a truly responsible enterprise.

Asian Paints' has been an early proponent of embracing the Environment, Social and Governance ("ESG") factors into what it does. From publishing our first Sustainability report in financial year 2014-15, we have always endeavoured to provide enhanced disclosures. Our ESG commitments are the central foundation of how we create value for all our stakeholders.

At Asian Paints', we aspire to be amongst the best governed companies by building a resilient and responsible organisation.

Asian Paints' not only adheres to the prescribed Corporate Governance practices as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") but is also committed to sound Corporate Governance principles and practices.

In recognition of our governance standards, the Company was conferred with several recognitions over the last years. The Company has been recognised in 'Leadership' category with a rating of AA by Morgan Stanley Capital International. The Company has also been conferred upon the 'Golden Peacock Award for Excellence in Corporate Governance – 2021', by the Institute of Directors, India, three times in a row.

This report is prepared in accordance with the provisions of the Listing Regulations and the report contains the details of Corporate Governance systems and processes at Asian Paints Limited.

GOVERNANCE STRUCTURE AND DEFINED ROLES AND RESPONSIBILITIES

Asian Paints' governance structure comprises the Board of Directors, Committees of the Board and the Management. Corporate Governance at Asian Paints' is implemented through robust board governance processes, internal control systems & processes and strong audit mechanisms. These are articulated through the Company's various governance policies, Codes of Conduct, charters of various Committees of the Board and the Company's disclosure and reporting practices.

BOARD OF DIRECTORS

The Board of Directors ("the Board") of Asian Paints Limited, have a fiduciary responsibility to ensure that the Company's actions and objectives are aligned to sustainable growth and long-term value creation.

The Board is also responsible for:

- long-term business plan & strategy and monitoring its implementation.
- enhancing shareholder value and overseeing the interests of all stakeholders through effective management.
- monitoring the effectiveness of the Company's Corporate Governance practices.
- exercising effective control on the functioning of the Company to ensure fulfilment of stakeholder expectation and long-term value creation.

The Directors take active part in the deliberations at the Board and Committee meetings and provide guidance and advice to the management on various aspects of business, governance, compliance, etc.

COMMITTEES OF THE BOARD

The Board Committees have been constituted to deal with specific areas/activities as mandated by applicable rules and regulations or as delegated by the Board, which need a closer review.

The terms of reference of the Committees define the scope, powers, responsibilities, and composition of the Committees. The Chairperson of the respective Committee(s) brief the Board about the summary of the discussions held at the Committee meetings. The minutes of the meetings of all Committees are placed before the Board for their perusal. Further, there is effective cross committee discussion, wherever required, to ensure proper inter-committee co-ordination and to bring uniformity. The Chairpersons of the Committee(s) brief the Board on the summary of the discussions held and recommendations of the Committee members.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The terms of reference of the Committees are in line with the applicable provisions of the Listing Regulations, the Act and the Rules issued thereunder. The detailed terms of reference of the Committees can be accessed on the Company's website at <https://www.asianpaints.com/TOR.html>.

Report on Corporate Governance (Contd.)

MANAGEMENT

The management structure of the Company comprises the Managing Director & CEO and the members of the Steering Council and One Link group.

The One Link group comprises of the General Managers, Associate Vice Presidents, Vice Presidents, Senior Vice Presidents, Presidents and the Managing Director & CEO. The Managing Director & CEO leads the group.

The Steering Council comprises the Associate Vice Presidents, Vice Presidents, Senior Vice Presidents, Presidents and the Managing Director & CEO.

The One Link group steers the futuristic and innovation projects across functions and businesses which work with the breakthrough methodology of creating long lasting impact.

The One Link group is responsible for fulfilling the ESG commitments at the management level and a defined weightage has been assigned to fulfilment of ESG commitments in the goals of the members of the One Link group.

The Managing Director & CEO reports to the Board and is in charge of managing the affairs of the Company, executing business strategy in consultation with the Board and achieving annual and long-term business goals.

BOARD**Composition of the Board**

Asian Paints' values and believes in having a diverse Board. A diverse Board with differences in experience, thought, perspective, skill sets, gender and expertise will ensure constructive deliberations and effective decision making at the Board. The Asian Paints' Board has an optimum mix of Executive and Non-Executive Directors, in line with the applicable provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Directors on the Board are persons of eminence and bring a wide range of expertise, knowledge and experience to the Board thereby ensuring the best interest of the stakeholders and the Company.

As on 31st March, 2023, the Board comprised of 13 (thirteen) members, 6 of which were Independent Director(s), 6 were Non-Executive/Promoter Director(s) and 1 Managing Director & CEO.

The Chairman of the Board is an Independent Director. Detailed profiles of all the Board members, comprising their experience, expertise, etc., are available on the Company's website at <https://www.asianpaints.com/GovernanceStructure.html>.

During the year under review, Mr. Amit Syngle (DIN: 07232566) was re-appointed as the Managing Director & CEO of the Company from 1st April, 2023 to 31st March, 2028, not liable to retire by rotation.

Board Procedures

The Board, Committees of Board and Independent Directors meetings are pre-scheduled and an annual calendar of these meetings is circulated to the Directors and Committee members well in advance, to facilitate them to plan their schedules and to ensure meaningful participation in the meetings.

In case of special and urgent business matters, the Board/Committee(s) approval is taken by passing a resolution by circulation, as permitted by law, which is noted and then confirmed in the next Board/Committee meeting.

In order to facilitate effective discussions at the meetings of the Board, the agenda is bifurcated into items requiring approval and items which are to be taken note of by the Board and/or are circulated for the information of the members.

Clarification(s)/queries, if any, on the items which are to be taken on record by the Board are sought in advance and resolved before the meeting, to ensure focused and effective discussions at the meetings.

The Company has adopted a 'safety-first' approach for all its meetings and business decisions. All the quarterly meetings of the Board begin with an elaborate discussion on the Health and Safety initiatives, reportable incidents and corrective & preventive action taken by the management.

The discussions are then followed by review of the performance of the businesses *vis-à-vis* the Company Plan for the financial year and overall strategy, review of financial results, review of subsidiary's performance, review of compliance reports, fund position and investments status, industrial relations and environmental consents.

The Board also deliberates on succession planning of the Board, its Committees and senior management

personnel, strategic planning, governance & regulatory matters, financial position, declaration & recommendation of dividend, progress of ESG commitments of the Company and such other matters as required under the Act, the Listing Regulations and other applicable laws.

The Board reviews the strategy, budgets & business plans, capital expenditure on an annual basis. It provides guidance and strategic direction to the management in the light of the economic developments, both locally and internationally, sectoral changes, competition, government regulations, etc.

During the year under review, 8 meetings of the Board were held. The Board members are encouraged to

be present in person for the meetings of the Board, however, with the Board being represented by Independent Directors from various parts of the country, it may not be possible for all of them to be physically present at all meetings. The Company provides video conference facility to enable their participation.

The necessary quorum was present, either in person or by means of video conference, for all the meetings of the Board.

The composition of Board of Directors along with details of the meetings held during the financial year 2022-23 and attendance of Directors in person or through video conference, is detailed below:

Name of Director(s), Director Identification Number (DIN) & Nature of Directorship	Meeting dates								% of attendance
	1 10 th May, 2022	2 26 th July, 2022	3 20 th October, 2022	4 22 nd December, 2022	5 6 th January, 2023	6 19 th January, 2023	7 28 th February, 2023	8 29 th March, 2023	
Deepak Satwalekar (00009627) Non-Executive Chairman/ Independent									88
Manish Choksi (00026496) Non-Executive Vice Chairman/ Promoter									100
Ashwin Dani (00009126) Non-Executive Director/Promoter									100
Amit Syngle (07232566) Managing Director & CEO									100
Malav Dani (01184336) Non-Executive Director/Promoter									100
Amrita Vakil (00170725) Non-Executive Director/Promoter									100
Jigish Choksi (08093304) Non-Executive Director/Promoter									100
Nehal Vakil (00165627) Non-Executive Director/Promoter									100
Vibha Paul Rishi (05180796) Non-Executive Director/Independent									100
R Seshasayee (00047985) Non-Executive Director/Independent									88
Suresh Narayanan (07246738) Non-Executive Director/Independent									88
Pallavi Shroff (00013580) Non-Executive Director/Independent									88
Milind Sarwate (00109854) Non-Executive Director/Independent									100

Attended through video conference Attended in person Leave of absence

All the members of the Board of Directors, except Mr. R Seshasayee and Mrs. Pallavi Shroff, Independent Directors, attended the last Annual General Meeting ("AGM") of the Company held on 29th June, 2022 through video conference/ other audio visual means ("VC/OAVM").

Flow of information to the Board

The Board has unrestricted access to all Company related information including to members of the management. The Company Secretary ensures that the Board and the Committees of the Board are provided with the relevant information, details and documents required for decision making. The Chairman of the Board and the Company Secretary determine the agenda for every meeting in consultation with the Managing Director & CEO.

While preparing the agenda, explanatory notes, minutes of the meeting(s), adherence to the Act and the Rules made thereunder, Listing Regulations, Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") and other applicable laws is ensured.

With a view to ensure high standards of confidentiality of the agenda and other Board papers and to leverage technology and eliminate paper consumption, the Company circulates the agenda and explanatory notes to the Directors/Committee members, through a web-based application which can be securely accessed by the Directors/Committee members through their hand-held devices, laptop, iPads and browsers. This application meets high standards of security that are required for storage and transmission of documents for Board/Committee meetings.

All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. With the unanimous consent of the Board, all information which is in the nature of Unpublished Price Sensitive Information ("UPSI"), is circulated to the Board and its Committees at a shorter notice before the commencement of the meetings. The management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company.

The Company Secretary attends all the meetings of the Board and its Committees and is, *inter alia*, responsible for recording the minutes of such meetings. The Company Executives are also invited to join the meetings with permission of the Chairperson(s) of the Board/Committee meetings. The Company Executives joining the said meetings of Board/Committee is also an opportunity for the Board/Committee members to interact with the members of the management.

The draft minutes of the meetings of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standard on Meetings of the Board of Directors ("SS – 1") issued by ICSI. Further, the certified true copy of the minutes is also circulated to the Board and Committee(s) in accordance with SS – 1.

The Company adheres to the provisions of the Act and the Rules made thereunder, Secretarial Standards and the Listing Regulations with respect to convening and holding the meetings of the Board, its Committees and the General Meetings of the shareholders of the Company.

Post-meeting follow-up system

The governance processes in the Company include an effective post-meeting follow-up, review and reporting process for action taken report/pending for discussions of the Board and its Committees in the subsequent meetings.

Meetings of Independent Directors

During the financial year 2022-23, the Independent Directors met twice. At such meetings, the Independent Directors, *inter alia*, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to perform its duties effectively and reasonably, succession planning of the Independent Directors of the Board.

The details of the meetings held during the financial year 2022-23 and meetings attended by the Independent Directors of the Company, in person or through video conference, is detailed below:

Name of Independent Director(s)	Meeting dates	
	1	2
	6 th May, 2022	20 th October, 2022
Deepak Satwalekar		
R Seshasayee		
Vibha Paul Rishi		
Suresh Narayanan		
Pallavi Shroff		
Milind Sarwate		

Attended through video conference

Attended in person Leave of absence

Declarations from Independent Directors

- The Company has received declarations from the Independent Directors that they meet the criteria of Independence stipulated under Section 149 of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 16(1)(b), 25(1) and 25(8) of the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.
- The Independent Directors under Regulation 25(8) of the Listing Regulations have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent judgement and without any external influence.

Based on the declaration(s) received from the Independent Directors, supported by a Certificate from Company Secretary in practice, the Board has confirmed the veracity of such disclosures and confirmed that the Independent Directors fulfil the conditions of independence specified in the Act and the Listing Regulations and are independent of the management of the Company.

Key Board qualifications, expertise and attributes

The Board has identified individuals possessing wide experience and expertise in their areas of function, viz. Sales & Marketing, International business, General management and leadership, Financial & risk management skills and technical, professional skills and knowledge including legal, governance and regulatory aspects that allows them to make effective contribution to the Board and its Committees.

In terms of requirements of the Listing Regulations, the Board has identified the following skills/expertise/competencies of the Directors as on 31st March, 2023:

Sr. No.	Name of Director(s)	Skill/Expertise/Competency				
		Sales & Marketing experience: Exposure to sales and marketing management based on understanding of the consumers	International business experience: Experience in leading businesses in different geographies/markets around the world and emerging markets exposure	General management and leadership: Strategic planning, sustainability and protect interest of all stakeholders	Financial and risk management skills: Understanding the financial statements and financial controls, systems and processes & mergers and acquisitions	Technical, professional skills and knowledge including legal, governance and regulatory aspects
1.	Deepak Satwalekar	✓	✗	✓	✓	✗
2.	Manish Choksi	✓	✓	✓	✓	✓
3.	Ashwin Dani	✓	✓	✓	✓	✓
4.	Amit Syngle	✓	✓	✓	✓	✓
5.	Malav Dani	✓	✓	✓	✓	✗
6.	Amrita Vakil	✓	✗	✓	✓	✗

Non-Executive Directors with materially significant, pecuniary or business relationship with the Company

Except for the sitting fees and commission payable to the Non-Executive Directors annually in accordance with the applicable laws and with the approval of the Board and shareholders, there is no pecuniary or business relationship between the Non-Executive Directors and the Company.

Mrs. Pallavi Shroff, Independent Director of the Company, is the Joint-Managing Partner of Shardul Amarchand Mangaldas & Co., Solicitors & Advocates, from which the Company takes professional services. For details pertaining to transactions with Shardul Amarchand Mangaldas & Co. during the financial year 2022-23, refer Note no. 38 to the standalone financial statements of the Company forming part of this Integrated Annual Report.

The quantum of fees paid to Shardul Amarchand Mangaldas & Co. is an insignificant portion of their total revenue, thus, Shardul Amarchand Mangaldas & Co., is not construed as having any material association with the Company.

Report on Corporate Governance (Contd.)

Sr. No.	Name of Director(s)	Skill/Expertise/Competency				
		Sales & Marketing experience: Exposure to sales and marketing management based on understanding of the consumers	International business experience: Experience in leading businesses in different geographies/markets around the world and emerging markets exposure	General management and leadership: Strategic planning, sustainability and protect interest of all stakeholders	Financial and risk management skills: Understanding the financial statements and financial controls, systems and processes & mergers and acquisitions	Technical, professional skills and knowledge including legal, governance and regulatory aspects
7.	Jigish Choksi	✓	✗	✓	✗	✗
8.	Nehal Vakil	✗	✗	✓	✓	✗
9.	Vibha Paul Rishi	✓	✓	✓	✓	✗
10.	R Seshasayee	✓	✓	✓	✓	✓
11.	Suresh Narayanan	✓	✓	✓	✓	✗
12.	Pallavi Shroff	✓	✓	✓	✓	✓
13.	Milind Sarwate	✗	✗	✓	✓	✓

Directorship and Membership(s)/Chairpersonship(s) of Committees and Shareholding of Directors

All the Directors of the Company at the beginning of each financial year inform about their Directorships, Committee memberships/chairpersonships and as and when there is any change.

The details of Directorship, *inter-se* relationship, shareholding in the Company, number of Directorship(s) and Committee Membership(s)/Chairpersonship(s) held by the Directors of the Company in other public companies as on 31st March, 2023 are as under:

Name of Director(s)	Inter-se Relationship	No. of shares held along with % to the paid-up share capital of the Company ^{®#}	Number*	Directorship in other Companies	Membership and Chairpersonship of the Committees of the Board of other Companies [§]	
				Name of listed entities along with category	Chairperson	Member
Deepak Satwalekar	No	-	2	Independent Director of Home First Finance Company India Limited and Wipro Limited	2	2
Manish Choksi	Cousin of Jigish Choksi	23,81,040 (0.25%)	3	Independent Director of Vedant Fashions Limited and Torrent Pharmaceuticals Limited	-	2
Ashwin Dani	Father of Malav Dani	11,24,870 (0.12%)	3	Non-Executive Chairman of Hitech Corporation Limited	2	2
Amit Syngle	No	600 (0.00%)	-	-	-	-
Malav Dani	Son of Ashwin Dani	33,05,510 (0.34%)	1	Managing Director of Hitech Corporation Limited	-	-
Amrita Vakil	Cousin of Nehal Vakil	25,66,680 (0.27%)	3	Non-Executive Director of Elcid Investments Limited	-	1
Jigish Choksi	Cousin of Manish Choksi	19,95,180 (0.21%)	-	-	-	-
Nehal Vakil	Cousin of Amrita Vakil	57,38,489 (0.60%)	3	-	-	-
Vibha Paul Rishi	No	-	4	Independent Director of Tata Chemicals Limited, ICICI Prudential Life Insurance Company Limited, ICICI Bank Limited and Piramal Pharma Limited	2	4
R Seshasayee	No	1,496 (0.00%)	1	-	-	1
Suresh Narayanan	No	-	1	Chairman and Managing Director of Nestle India Limited	-	-

Name of Director(s)	Inter-se Relationship	No. of shares held along with % to the paid-up share capital of the Company ^{®#}	Number*	Directorship in other Companies	Membership and Chairpersonship of the Committees of the Board of other Companies [§]	
				Name of listed entities along with category	Chairperson	Member
Pallavi Shroff	No	-	5	Independent Director of Apollo Tyres Limited, InterGlobe Aviation Limited, PVR Inox Limited and One 97 Communications Limited	1	6
Milind Sarwate	No	35 (0.00%)	8	Independent Director of FSN e-Commerce Ventures Limited, Matrimony.com Limited, Mahindra and Mahindra Financial Services Limited, Metropolis Healthcare Limited and SeQuent Scientific Limited	4	9

Notes:

- * Excludes directorship in Asian Paints Limited, private companies, foreign companies, high value debt listed companies, companies incorporated under Section 8 of the Act and alternate directorships, if any.
- [§] For the purpose of calculating the limit of Committee membership and chairpersonship of a director, membership and chairpersonship of Audit Committee and Stakeholders Relationship Committee of public companies other than Asian Paints Limited have been considered.
- [®] As per the declarations made to the Company by the Directors with respect to the shares held in their own name or held jointly as the first holder or held on a beneficial basis as the first holder.
- [#] The Company has not issued any convertible instruments, hence no such instruments are being held by Non-Executive Directors.

Based on the intimations/disclosures received from the Directors, none of the Directors of the Company hold Memberships/Chairpersonships of Board/Committees, more than the limits prescribed under the Act and the Listing Regulations.

FAMILIARISATION PROGRAMME

The Company has a familiarisation programme for its Independent Directors and other Non-Executive Directors which, *inter alia*, includes briefing on:

- role, responsibilities, duties and obligations as a member of the Board.
- nature of business and business model of the Company.
- strategic directions for businesses.
- mergers & acquisitions and investment opportunities.
- Macro economic outlook and business conditions.
- Matters relating to governance.

In the Board meetings, all discussions on performance review of the businesses are preceded by a recap on the strategic direction adopted for the business, which provides good insights on the path forward for the businesses carried on by the Company to the Independent Directors and the other Non-Executive Directors on the Board.

An information pack is handed over to the new Director(s) on the Board, which includes, Company

profile, Company's Codes and Policies, strategy documents and any other operational information which will enable them to discharge their duties effectively.

Quarterly updates, strategic updates including press releases submitted with the stock exchanges are shared with the Board members to keep them abreast on the material developments relating to the Company.

The details of such familiarisation programmes for Independent Director(s) can be accessed on the Company's website at <https://www.asianpaints.com/FamiliarisationProgramme.html>.

COMMITTEES

As on 31st March, 2023, the Company had 6 Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Investment Committee.

During the year under review, the Shareholders Committee was dissolved and its terms of reference were merged with the Stakeholders Relationship Committee of the Board.

Report on Corporate Governance (Contd.)

AUDIT COMMITTEE

The Audit Committee comprises of 4 Independent Directors. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held during the financial year 2022-23 and attendance of the members of the Committee, in person or through video conference, is detailed below:

Name of Member(s)	Nature of membership	Meeting dates					
		1 9 th May, 2022 ⁵	2 25 th July, 2022 ⁵	3 19 th October, 2022 ⁵	4 21 st December, 2022	5 18 th January, 2023 ⁵	6 28 th March, 2023
Milind Sarwate*	Chairman						
R Seshasayee	Member						
Pallavi Shroff	Member						
Vibha Paul Rishi*	Member						

Attended through video conference Attended in person Leave of absence

Notes:

- The intervening period between 2 consecutive Audit Committee meetings was well within the maximum allowed gap of 120 days.
- ⁵ These meetings were adjourned to the next day for consideration of financial results, as applicable.
- * With effect from 1st April, 2022, Mr. Milind Sarwate has been appointed as the Chairman of the Committee and Mrs. Vibha Paul Rishi as a member of the Committee.
- [#] Mr. R Seshasayee was present in the meeting adjourned to the next day i.e. 20th October, 2022.
- Mr. R J Jeyamurugan is the Secretary to the Committee.

Governance

- The composition and terms of reference of the Audit Committee are in line with the applicable provisions of the Listing Regulations and the Act.
- The Audit Committee meets the Statutory Auditors and the Internal Auditor independently without the presence of any members of the management at least once in a year.
- The members of the Audit Committee are financially literate and have relevant experience in financial management.
- The Committee meets quarterly for consideration of financial results, review and approval of related party transactions.
- A dedicated meeting of the Committee is held to review the key internal audit observations, fixing the limits and governance for entering into related party transactions during the year.
- The meetings of the Audit Committee are also attended by the Managing Director & CEO, Statutory Auditors, Chief Internal Auditor, CFO & Company Secretary and other members of the Finance function of the Company.

Terms of reference

The Audit Committee is, *inter alia*, entrusted with the following key responsibilities by the Board of Directors of the Company:

Sr. No.	Activities of the Committee during the year	Frequency
1.	Overseeing the Company's financial reporting process and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval.	A
2.	Reviewing with the management standalone and consolidated financial results and annual financial statements and, if thought fit, recommend to the Board for approval.	Q
3.	Reviewing the Management Discussion and Analysis of the financial condition and results of operations.	A
4.	Reviewing, approving or subsequently modifying transactions of the Company with related parties.	Q/P
5.	Evaluating the internal financial controls and risk management policies of the Company.	A

Sr. No.	Activities of the Committee during the year	Frequency
6.	Recommending the appointment/re-appointment, remuneration, terms of appointment and scope of Auditors of the Company and approval of payment for any other service.	P/A
7.	Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process and audit reports submitted by the auditor.	Q/A
8.	Reviewing the adequacy of internal audit function and discussing with the internal auditors on the significant findings and further course adopted.	A
9.	Reviewing the grievance redressal mechanism of the Company and overseeing the functioning of the same.	Q
10.	Reviewing compliance with the provisions of Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 and verify adequacy of internal controls.	A

Frequency: **A** Annually **Q** Quarterly **P** Periodically **E** Event-based

Name of Member(s)	Nature of membership	Meeting dates					
		1 22 nd April, 2022	2 5 th May, 2022	3 6 th June, 2022	4 17 th October, 2022	5 19 th January, 2023	6 28 th February, 2023
Suresh Narayanan	Chairman						
Manish Choksi	Member						
R Seshasayee*	Member						

Attended through video conference Attended in person

Notes:

- * With effect from 1st April, 2022, Mr. R Seshasayee has been appointed as a member of the Committee.
- Mr. R J Jeyamurugan is the Secretary to the Committee.

Governance

- The composition and terms of reference of NRC are in line with the applicable provisions of the Listing Regulations and the Act.
- NRC also transacted some of the business under its terms of reference by passing resolution(s) by circulation during the year under review.

The Audit Committee obtains outside legal or other professional advice and secures attendance of outsiders with relevant expertise, as and when it considers necessary.

All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") comprises of 2 Independent Directors and a Non-Executive Director. The Chairman of the NRC is an Independent Director.

The composition of NRC of the Board of Directors of the Company along with the details of the meetings held during the financial year 2022-23 and attendance of the members of the Committee, in person or through video conference, is detailed below:

Terms of reference

The NRC is, *inter alia*, entrusted with the following key responsibilities by the Board of Directors of the Company:

Sr. No.	Activities of the Committee during the year	Frequency
1.	Formulating criteria for determining qualifications, positive attributes and independence of a Director.	P

Report on Corporate Governance (Contd.)

Sr. No.	Activities of the Committee during the year	Frequency
2.	Recommending to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.	E
3.	Devising a policy on Board Diversity.	E
4.	Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company.	A
5.	Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.	E
6.	Recommending to the Board all remuneration, in whatever form, payable to senior management.	A
7.	For every appointment of an Independent Director, NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.	E
8.	Specifying methodology for effective evaluation of performance of Board/ Committees of the Board and review the terms of appointment of Independent Director(s) on the basis of the report of performance evaluation of the Independent Director(s).	A
9.	Playing the role of Compensation Committee and to act as an administrator to the Employees' Stock Option Scheme of the Company.	P

Frequency: A Annually Q Quarterly P Periodically E Event-based

All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

SUCCESSION PLANNING

The Company believes that succession planning is imperative for a Company's continuity and sustainability.

It strives to maintain an appropriate balance of skills and experience within the organisation and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity. The NRC plays a pivotal role in identifying successors to the members of the Board and invests substantial time with the Managing Director & CEO on succession planning of Key Managerial Personnel and

senior management. It has adopted a methodical and fair process to select the suitable candidate. The succession plan is closely aligned with the strategy and long-term needs of the Company.

The Company has in place a Policy for Appointment of Independent Director on the Board of the Company. This Policy, *inter alia*, lists the process to be followed for appointment of Independent Director(s), criteria for shortlisting the candidates and critical attributes.

Before appointing an Independent Director, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an Independent Director. Thereafter, it reviews the profile of suitable candidates, interacts with them and then it selects the most suitable candidate for appointment.

NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy formulated as per the provisions of the Act and the Listing Regulations. The Policy outlines the role of NRC and the Board, *inter alia*, determining the criteria for Board membership, approving, and recommending compensation packages and policies for Directors and Senior Management and lay down the effective manner of performance evaluation of the Board, its Committees, and the Directors.

In accordance of the said Policy following is the criteria for payment of remuneration to Directors, senior management and other employees:

- Compensation to Managing Director:** The NRC shall approve compensation package of the Managing Director which shall be in accordance with the applicable law, in line with Company's objectives, shareholders interest and industry standards, subject to approval of the Board.
- Remuneration to Non-Executive Directors:** The NRC shall recommend to the Board for its approval, commission payable to the Non-Executive Directors, including Independent Directors, after reviewing payments made by similar sized, successful companies, after taking into account their contribution to the decision making at meetings of the Board/Committees, participation and time spent as well as providing strategic inputs and supporting the highest level of Corporate Governance and Board effectiveness.

- Compensation to senior management:** The NRC shall review performance of the senior management of the Company and shall ensure that the remuneration 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.
- Remuneration to other employees:** The Company regularly benchmarks the compensation levels and employee benefits in the market and makes necessary changes to remain consistent with the industry standards. The remuneration structure of employees is designed on principles of fairness, transparency and internal and external parity and involves an optimum balance of fixed and variable components.

DETAILS OF REMUNERATION PAID TO DIRECTORS DURING THE FINANCIAL YEAR 2022-23:

Non-Executive Directors

The shareholders of the Company at the AGM held on 26th June, 2014, approved a sum of not exceeding 1% of the net profits of the Company, per annum, calculated in accordance with Section 198 of the Act, to be paid to Non-Executive Directors in a manner as decided by the Board of Directors.

During the financial year 2022-23, sitting fees of ₹ 1,00,000 for attending each meeting of the Board of Directors, Audit Committee, Nomination and

Remuneration Committee and ₹ 40,000 for attending each meeting of the rest of the Committees and meeting of the Independent Directors was paid.

Managing Director & CEO

The structure of remuneration payable to the Managing Director & CEO involves a fair balance of fixed pay and variable component which is linked to achievement of certain year-on-year and long-term targets as determined by the NRC and the Board of the Company.

The variable pay achievement targets, *inter alia*, include revenue growth, specific targets for focused products, market share, ESG commitments, employee engagement & collaboration score and people development & succession planning for senior management.

The remuneration payable to all cadres of managerial employees, including the Managing Director & CEO is benchmarked annually and is reviewed by the NRC. In accordance with the Nomination and Remuneration Policy of the Company, the revisions to the remuneration payable to the Managing Director & CEO, CFO & CS and other senior managerial personnel is reviewed by the NRC based on their performance evaluation.

Details of the remuneration paid to the Directors for the services rendered and stock options granted during the financial year 2022-23, are as follows:

(Amount in ₹)

Name of Director(s)	Basic Salary	Perquisites	Sitting Fees	Commission	Total
Deepak Satwalekar	-	-	12,20,000	50,00,000	62,20,000
Manish Choksi	-	-	17,20,000	46,00,000	63,20,000
Ashwin Dani	-	7,35,000*	8,00,000	42,00,000	57,35,000
Amit Syngle # ^s	4,05,62,400	4,15,70,760	-	10,19,00,000	18,40,33,160
Malav Dani	-	-	12,80,000	44,00,000	56,80,000
Amrita Vakil	-	-	12,80,000	42,00,000	54,80,000
Jigish Choksi	-	-	10,80,000	42,00,000	52,80,000
Nehal Vakil	-	-	9,60,000	42,00,000	51,60,000
Vibha Paul Rishi	-	-	19,20,000	44,00,000	63,20,000
R Seshasayee	-	-	21,60,000	44,00,000	65,60,000
Suresh Narayanan	-	-	15,80,000	46,00,000	61,80,000
Pallavi Shroff	-	-	13,20,000	42,00,000	55,20,000
Milind Sarwate	-	-	14,80,000	48,00,000	62,80,000

Report on Corporate Governance (Contd.)

Notes:

- No stock options are granted to the Independent Directors and Promoter Directors of the Company.
- * Represents retiral benefits like pension and medical reimbursement as per his contract entered into with the Company in his erstwhile capacity as an Executive Director which ended on 31st March, 2009.
- # The remuneration paid to Mr. Amit Syngle, Managing Director & CEO, excludes performance-based incentive of ₹ 90,00,000 paid for financial year 2019-20. It also excludes ₹ 5,48,00,000 worth of stock options granted in accordance with the Asian Paints Employee Stock Option Plan 2021 ("2021 Plan") for the financial year 2022-23. The stock options would vest on fulfilment of vesting conditions in accordance with the 2021 Plan. Taxable value of perquisite for car allowance has been considered in the aforesaid computation.
- ⁵ Services of the Managing Director & CEO may be terminated by either party, giving the other party six months' notice or the Company paying six months' basic salary in lieu thereof. There is no separate provision for payment of severance pay.

PERFORMANCE EVALUATION

In terms of the requirements of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and its Committees.

The Company has a structured assessment process for evaluation of performance of the Board, its Committees and individual performance of each Director including the Chairman of the Board.

The evaluations are carried out in a confidential manner and the Directors provide their feedback by rating based on various metrics.

The Independent Directors at their separate meeting reviewed the performance of: Non-Independent Directors and the Board as a whole, the Chairman of the Board after considering the views of other Directors, succession planning, the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, questionnaires were circulated to the members of the Board and respective Committees soliciting their feedback on the performance of the Board, its Committees and individual Directors for the financial year 2022-23.

The overall performance evaluation exercise was completed to the satisfaction of the Board.

The outcome of evaluation was presented to NRC and the Board and key outcomes, actionable areas were discussed and the same would be acted upon.

The Board has resolved to engage an external leadership advisory firm once in 3 years to conduct the Board evaluation. The Board had engaged Egon Zehnder, a leadership advisory firm on Board matters, to conduct the Board evaluation for the financial year 2020-21.

Board and Individual Directors

The parameters of performance evaluation process for the Board, *inter alia*, includes composition of Board, process for appointment on the Board, succession planning, open and honest discussion, handling critical and dissenting suggestions, managing conflict of interest, attention to Company's long-term strategy, monitoring performance of the Company's core business, having information on key strategic matters and possible investment/acquisition opportunities, evaluation of the governance levels of the Company, quality of discussions at the meeting, adequacy of risk management measures, overall contribution of Board to the Company, etc.

The parameters of performance evaluation process for the Directors, *inter alia*, includes, effective participation in meetings of the Board, understanding of the roles, responsibilities and the business, domain knowledge, attendance of Director(s), etc. Independent Directors were evaluated by the entire Board with respect to fulfilment of independence criteria specified in the Listing Regulations and the Act and their independence from the management. Additional criteria for performance evaluation of Chairman of the Board includes ability to co-ordinate Board discussions, steering the meeting effectively, seeking views and dealing with dissent, etc.

The outcome of survey and feedback from Directors was discussed at the meeting of NRC and Board. The Directors were individually briefed about their performance by the Chairman of NRC and the Chairman of NRC was briefed about his performance by the Chairman of the Board.

Managing Director & CEO

The NRC evaluates the performance of the Managing Director & CEO by setting his Key Performance Objectives at the beginning of each financial year.

The Committee ensures that his Key Performance Objectives are aligned with the immediate and long-term goals of the Company.

The performance of the Managing Director & CEO *vis-à-vis* the Performance Objectives/Parameters set at the beginning of the financial year are also reviewed by the NRC during the year.

Committees of the Board

The performance evaluation of Committee(s) included aspects like degree of fulfilment of key responsibilities as outlined by the Charter of the Committee, adequacy of Committee composition, effectiveness of discussions at the Committee meetings, quality of deliberations at the meetings and information provided to the Committee(s), etc.

The feedback from members and the action suggested by the NRC and Board are discussed at the respective meetings of the Committee(s) of the Board of Directors for taking necessary action.

Synopsis of outcome of evaluations for the financial year 2022-23 and action plan

As an outcome of the performance evaluation, the Board noted the following:

- the Board as a whole is functioning effectively and has the required skill sets to govern the Company.
- the flow of information and quality of discussions at the meetings is robust, well intended and leads to clear decision.
- the Board is committed to enhancing the Company's governance practices.
- creation of succession pipeline for the members of the Board.
- the Board has sufficient engagement with the senior management.
- Committees of the Board function effectively.

The overall outcome of performance evaluation was positive and the Board would engage further on the areas to be actioned upon. These actionable areas would include enhanced focus and time spent on ESG commitments and long term succession pipeline for the members of the Board.

Progress on recommendations from last year's evaluation was also discussed. The Board noted that engagement with the senior management outside of Board meetings was enhanced and they were satisfied with the action taken.

EMPLOYEE STOCK OPTION PLAN ("ESOP")

With the approval of the shareholders at the AGM of the Company held on 29th June, 2021, the Company had introduced Asian Paints Employee Stock Option Plan 2021 ("2021 Plan"), to reward, incentivise and retain eligible employees.

The NRC plays the role of the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations").

The Asian Paints Employees Stock Ownership Trust ("ESOP Trust") is managed by Barclays Wealth Trustees (India) Private Limited, Independent Trustee. Information as required under the SEBI SBEB Regulations have been uploaded on the Company's website at <https://www.asianpaints.com/AnnualReports.html>

For further details, refer to the Board's Report/notes to the financial statements wherein detailed information has been provided.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee ("SRC") comprises of 1 Independent Director and 2 Non-Executive Directors. The Chairperson of the SRC is an Independent Director.

Report on Corporate Governance (Contd.)

The composition of the SRC of the Board of Directors of the Company along with the details of the meetings held during the financial year 2022-23 and attendance by the members of the Committee through video conference, is detailed below:

Name of Member(s)	Nature of membership	Meeting dates			
		1	2	3	4
		29 th July, 2022	28 th October, 2022	27 th January, 2023	16 th March, 2023
Vibha Paul Rishi*	Chairperson				
Jigish Choksi	Member				
Nehal Vakil*	Member				

Attended through video conference

Notes:

- * With effect from 1st April, 2022, Mrs. Vibha Paul Rishi has been appointed as the Chairperson of the Committee and Ms. Nehal Vakil as a member of the Committee.
- Mr. R J Jeyamurugan is the Secretary to the Committee and is a permanent invitee to the Committee.

Governance

- The composition and terms of reference of the SRC are in line with the applicable provisions of the Listing Regulations and the Act.
- The Committee has periodic interactions with the representatives of the TSR Consultants Private Limited, the Registrar and Share Transfer Agent of the Company. The Committee also invites shareholders for an interaction during the meeting to get feedback on investor services.
- Mr. R J Jeyamurugan, CFO & Company Secretary, is the Compliance Officer in accordance with Regulation 6 of the Listing Regulations. Mr. R J Jeyamurugan is an Associate member of ICSI and an Associate member of the Institute of Chartered Accountants of India.
- During the year under review, SRC:
 - transacted some of the business under its terms of reference by passing resolution(s) by circulation.
 - discussed on implementation of ESG strategy and the Company's progress and performance on its long-term ESG commitments and targets.
 - The Committee also discussed the suggestions, recommendations and feedback made by the analysts and institutional investors in their interactions & calls with the Company.

- adopted the Investors' Grievance Redressal Policy in order to help investors register and escalate their grievances and resolve them in a time bound manner. The Policy also embodies the process followed by the Company for handling investor complaints and the individuals/team responsible to address their grievances. The Investors' Grievance Redressal Policy have been uploaded on the website of the Company at <https://www.asianpaints.com/IGRPolicy.html>.

Terms of Reference

The SRC is, *inter alia*, entrusted with the following key responsibilities by the Board of Directors of the Company:

Sr. No.	Activities of the Committee during the year	Frequency
1.	Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.	Q
2.	Reviewing of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.	Q
3.	Issuing share certificates pursuant to duplicate/remat/renewal requests as and when received by the Company.	P

Sr. No.	Activities of the Committee during the year	Frequency
4.	Providing direction to the management on implementation of ESG Strategy.	P
5.	Providing oversight of the execution of the ESG Strategy and the Company's progress and performance on its long-term ESG commitments and targets.	P

Frequency: A Annually Q Quarterly P Periodically E Event-based

All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

The number of complaints received and redressed during the financial year 2022-23 is given in the

Name of Member(s)	Nature of membership	Meeting dates			
		1	2	3	4
		15 th July, 2022	14 th October, 2022	16 th January, 2023	24 th March, 2023
Malav Dani	Chairman				
Deepak Satwalekar	Member				
Amrita Vakil	Member				
Amit Syngle	Member				
Vibha Paul Rishi	Member				

Attended through video conference Attended in person

Note: Mr. R J Jeyamurugan is the Secretary to the Committee.

Governance

- The composition and terms of reference of the CSR Committee are in line with the applicable provisions of the Act.
- The meetings of the CSR Committee are also attended by members of the CSR Council of the Company as invitees. Further, employees responsible for the CSR activities on ground, are invited to the Committee meetings to give the members a first-hand account of the work done.
- The CSR Committee transacted some of the business under its terms of reference by passing resolution(s) by circulation during the year under review.

'General Shareholder Information' section, which forms part of this Integrated Annual Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ("CSR") Committee comprises of 2 Independent Directors, the Managing Director & CEO and 2 Non-Executive Directors.

The composition of the CSR committee of the Board of Directors of the Company along with the details of the meetings held during the financial year 2022-23 and attendance by the members of the Committee, in person or through video conference, is detailed below:

Terms of Reference

The CSR Committee is, *inter alia*, entrusted with the following key responsibilities by the Board of Directors of the Company:

Sr. No.	Activities of the Committee during the year	Frequency
1.	Recommending the amount of expenditure to be incurred on the activities.	A
2.	Monitoring implementation and adherence to the CSR Policy of the Company from time to time.	Q
3.	Preparing a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company.	P

Frequency: A Annually Q Quarterly P Periodically E Event-based

Report on Corporate Governance (Contd.)

All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

The details of the CSR initiatives as per the CSR Policy of the Company is available in the Board's Report forming part of this Integrated Annual Report. The CSR Policy of the Company has been uploaded on the Company's website at <https://www.asianpaints.com/CSRPolicy.html>.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") comprises of 2 Independent Directors, 1 Non-Executive Director and 1 member from the management of the Company. The Chairperson of the RMC is an Independent Director.

The composition of the RMC of the Board of Directors of the Company along with the details of the meetings held during the financial year 2022-23 and attendance of the members of the Committee through video conference is detailed below:

Name of Member(s)	Nature of membership	Meeting dates		
		1 8 th August, 2022	2 29 th November, 2022	3 20 th March, 2023
Vibha Paul Rishi	Chairperson			
Pallavi Shroff	Member			
Jigish Choksi*	Member			
P. Sriram#	Member			
Rahul Bhatnagar*	Member			

Attended through video conference

Leave of absence

Notes:

- * With effect from 1st April, 2022, Mr. Jigish Choksi, Non-Executive Director and Mr. Rahul Bhatnagar, President – Project Sales, R&T, Industrial JVs, have been appointed as the members of the Committee.
- # Mr. P. Sriram ceased to be the member of the Committee with effect from 20th January, 2023 on account of his cessation of employment with the Company.
- @ Mr. Amit Syngle has ceased to be the member of the Committee with effect from 1st April, 2022.
- Mr. R J Jeyamurugan is the Secretary to the Committee.
- The intervening period between 2 consecutive RMC meetings was well within the maximum allowed gap of 180 days.
- Mr. Alok Agrawal heads the Risks Management function of the Company.

Governance

- The composition and terms of reference of the RMC are in line with the applicable provisions of the Listing Regulations.
- The meetings of the RMC are also attended by the Chief Internal Auditor of the Company as an invitee.
- The RMC is responsible for oversight on overall risk management processes of the Company and to ensure that key strategic and business risks are identified and addressed by the management.
- During the year under review, a Risk Management Framework, *inter alia*, providing the guiding principle for risk management efforts in the Company was approved by the Board. The Risk Management Framework includes identification of risks, risk management process, reporting of risks to the management and disclosure of such risks to stakeholders which shall impact the going concern status of the Company.
- The Risk Management Policy of the Company articulates the Company's approach to address uncertainties in its endeavours to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of various stakeholders within the Company, the structure for managing risks and framework with respect to Risk Management and the Internal Financial Controls comprehensively address the key strategic/business risks, information technology, financial, cyber security risks and operational risks respectively.
- The Risk Management Policy of the Company has been uploaded on the Company's website at <https://www.asianpaints.com/RMPolicy.html>.

Terms of Reference

The RMC is, *inter alia*, entrusted with the following key responsibilities by the Board of Directors of the Company:

Sr. No.	Activities of the Committee during the year	Frequency
1.	To identify Company's risk appetite set for various elements of risk.	P
2.	To ensure appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.	P
3.	To review the appointment, removal, and terms of remuneration of the Chief Risk Officer (if any).	E

Sr. No.	Activities of the Committee during the year	Frequency
4.	To formulate a detailed risk management policy which shall include: <ol style="list-style-type: none"> A framework for identification of internal and external risks specifically faced by the listed entity. Measures for risk mitigation including systems and processes for internal control of identified risks. Business continuity plan. 	P
5.	To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.	P
6.	To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.	P
7.	To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise as and when required.	E

Frequency: A Annually Q Quarterly P Periodically E Event-based

Name of Member(s)	Nature of membership	Meeting dates							
		1 22 nd July, 2022	2 23 rd August, 2022	3 13 th September, 2022	4 3 rd October, 2022	5 22 nd December, 2022	6 6 th January, 2023	7 10 th March, 2023	8 17 th March, 2023
R Seshasayee	Chairman								
Deepak Satwalekar	Member								
Manish Choksi	Member								
Malav Dani	Member								
Suresh Narayanan	Member								
Amit Syngle	Member								
Amrita Vakil*	Member								

Attended through video conference Attended in person Leave of absence

Notes:

- * With effect from 1st April, 2022, Ms. Amrita Vakil has been appointed as a member of the Committee.
- Mr. R J Jeyamurugan is the Secretary to the Committee and is a permanent invitee to the Committee.

The Committee obtains outside legal or other professional advice and secures attendance of outsiders with relevant expertise, if it considers necessary.

All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

INVESTMENT COMMITTEE

Apart from the above statutory Committees, the Board has constituted an Investment Committee with an objective to focus and report to the Board on areas of strategic focus and significance for the Company.

The Investment Committee comprises of 3 Independent Directors, 3 Non-Executive Directors and the Managing Director & CEO. The Chairman of the Investment Committee is an Independent Director.

The composition of the Investment Committee of the Board of Directors of the Company along with the details of the meetings held during the financial year 2022-23 and attendance of the members of the Committee, in person or through video conference, is detailed below:

Report on Corporate Governance (Contd.)

Terms of Reference

The terms of reference of the Investment Committee, *inter alia*, includes reviewing and evaluating proposals for investment (including acquisitions), divestments, strategic alliances/technological tie ups, large projects requiring capital expenditure based on strategic plans of the Company or its subsidiaries and making appropriate recommendations to the Board of the Company.

It is also responsible for reviewing the post transaction completion and integration processes and reviewing if the status is in line with the plans for acquisitions/strategical alliances/technological tie ups.

GENERAL MEETINGS

Details of the last 3 AGMs of the Company and summary of Special Resolution(s) passed therein, if any, are as under:

Financial Year(s)	Date and Time	Location	Special Resolution(s) passed
2019-20	5 th August, 2020 at 2.00 p.m.	Conducted through video conferencing/other audio visual means. Deemed location is the Registered Office of the Company at 6A, Shantinagar, Santacruz (East), Mumbai – 400 055	Continuation of directorship of Mr. Ashwin Dani as a Non-Executive Director of the Company beyond 75 years of age.
2020-21	29 th June, 2021 at 11.00 a.m.		<ol style="list-style-type: none"> 1 Re-appointment of Mr. R Seshasayee as an Independent Director of the Company. 2 Continuation of Directorship of Mr. R Seshasayee as an Independent Director of the Company beyond 75 years of age. 3 Formulation of the Asian Paints Employee Stock Option Plan 2021 and grant of stock options to the eligible employees of the Company under the 2021 Plan. 4 Formulation of the Asian Paints Employee Stock Option Plan 2021 and grant of stock options to the eligible employees of the Company's subsidiaries under the 2021 Plan. 5 Secondary acquisition of equity shares of the Company by the Asian Paints Employees Stock Ownership Trust for the implementation of the Asian Paints Employee Stock Option Plan 2021. 6 Change of place of keeping and inspection of Register and Index of Members, returns, etc.
2021-22	29 th June, 2022 at 11.00 a.m.		Nil

During the last 3 years, all the resolutions were approved by the shareholders of the Company.

CEO/CFO CERTIFICATION

As required under Regulation 17(8) of the Listing Regulations, the CEO/CFO certificate for the financial year 2022-23 signed by Mr. Amit Syngle, Managing Director & CEO, and Mr. R J Jeyamurugan, CFO & Company Secretary, was placed before the Board at its meeting held on 11th May, 2023 and is annexed to this Integrated Annual Report as Annexure (A).

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

As required by Schedule V of the Listing Regulations, the Auditors Certificate on Corporate Governance is annexed to this Integrated Annual Report as Annexure (B).

POSTAL BALLOT

Special Resolution passed through Postal Ballot during the financial year 2022-23 is as follows:

Appointment of Mr. Milind Sarwate (DIN: 00109854) as an Independent Director of the Company to hold office for 5 consecutive years from 21st October, 2021 to 20th October, 2026.

Approval of the Shareholders was sought vide Special Resolution for appointment of Mr. Milind Sarwate (DIN: 00109854) as an Independent Director of the Company to hold office for 5 consecutive years from 21st October, 2021 to 20th October, 2026.

Mr. Makarand M. Joshi (Membership No.: 5533, COP: 3662), failing him, Ms. Kumudini Bhalerao (Membership No.: 6667, COP: 6690), Partners of Makarand M. Joshi & Co., Practicing Company Secretaries, were appointed as the Scrutinizer for carrying out the Postal Ballot voting process through electronic means in a fair and transparent manner.

Procedure adopted for Postal Ballot

In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs ("MCA"), the Company provided electronic voting facility to all its members.

The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing electronic voting facility to all its members.

The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories/TSR Consultants Private Limited, Company's Registrar and Share Transfer Agent. The Company also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date.

The Scrutinizer submitted his report to the CFO & Company Secretary of the Company, after the completion of scrutiny and the consolidated results of the voting by postal ballot were then announced by the CFO & Company Secretary on Wednesday, 20th April, 2022, as authorised by the Board of Directors of the Company. 88.39% of votes were cast in favour and 11.61% of votes were cast against the said resolution.

The results were displayed at the registered office of the Company and on the Company's website at www.asianpaints.com and were available on the website of the Stock Exchanges and NSDL. The results were also on voluntary basis intimated through Press Release in newspapers.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Integrated Annual Report.

The details of the previous postal ballots are available on the website of the Company at <https://www.asianpaints.com/PostalBallot.html>.

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

- a. The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of the Listing Regulations.
- b. **Related Party Transactions ("RPTs"):**

During the year under review,

 - i. all RPTs entered into by the Company, were approved by the Audit Committee and were in the ordinary course of business and at arm's length basis. The Audit Committee also granted prior omnibus approval for RPTs which would be in the ordinary course of business and on an arm's length basis and are repetitive in nature and also for unforeseen transactions, in line with the Policy on Dealing with and Materiality of Related Party Transactions and the applicable provisions of the Act read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force).
 - ii. the Audit Committee reviewed on a quarterly basis, the details of RPTs, entered into by the Company pursuant to the omnibus approval granted.

Report on Corporate Governance (Contd.)

- iii. the Company did not enter into any material RPTs nor did it enter into any significant transaction with its related parties that may have a potential conflict with the interests of the Company.
- iv. the RPTs undertaken by the Company were in compliance with the provisions set out in the Act read with the Rules issued thereunder and relevant provisions of the Listing Regulations.
- v. The business rationale for the transactions with related parties and details of the same forms part of the Board's Report and Notes to financial statements of this Integrated Annual Report.
- vi. the Company has amended the Policy on Dealing with and Materiality of Related Party Transactions in order to enhance the governance mechanism detailed in the policy and, to revise the threshold limits for RPTs in the ordinary course of business and on arm's length basis. The Policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website and can be accessed at <https://www.asianpaints.com/RPTPolicy.html>.
- vii. The details of remuneration paid to the employee of the Company, who are relative(s) of Director(s) as on 31st March, 2023 is as under:

Name of the Employee	Nature of relationship with Director(s)	Remuneration (in ₹)
Varun Vakil	Relative of Amrita Vakil & Nehal Vakil	93,02,418*

Notes:

- a. * excludes eligible payout of deferred incentive.
- b. In terms of Section 177 and other applicable provisions, if any, of the Act read with the Rules issued thereunder and the Listing Regulations, the appointment and remuneration payable to the aforesaid employee is approved by NRC and the Audit Committee and is noted by the Board of the Company and is at arm's length and in the ordinary course of business of the Company.
- viii. Pursuant to Regulation 23(9) of the Listing Regulations, the Company has filed the half-yearly reports on related party transactions with the stock exchanges on which the shares of the Company are listed.

Report from an independent firm of accountants

The Company has obtained a report from an independent firm of accountants that the Company's process of determination that the transactions with related parties are at arm's length and in the 'ordinary course of business', is appropriate and that relevant approvals under the Act and the Listing Regulations have been obtained for such transactions.

- c. No loans/advances in the nature of debt were given to firms/companies in which Directors are interested.
- d. **Vigil Mechanism and Whistle Blower Policy:**
The Company is committed to highest standards of ethical, moral and legal business conduct. The Company has adopted a Whistle Blower Policy and an effective vigil mechanism system to provide a formal mechanism to its Directors, employees and business associates to voice concerns in a responsible and effective manner regarding suspected unethical matters involving serious malpractice, abuse or wrongdoing within the organisation and also safeguards against victimisation of Directors/employees and business associates who avail of the mechanism.

During the year under review, the Whistle Blower Policy was amended to formally extend the whistle blower mechanism to all stakeholders of the Company including customers, suppliers, shareholders, and business associates, allowing them to also file protected disclosures in a prescribed manner.

The vigil mechanism as envisaged in the Act and the Listing Regulations is implemented through the Code of Conduct and Whistle Blower Policy.

The scope of the vigil mechanism also enables its stakeholders to report on any cases of leakage of unpublished price sensitive information and consequent non-compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations").

In accordance with the Policy, an Ethics Committee has been constituted comprising of the Managing Director & CEO, the CFO & Company Secretary and the Chief Human Resources Officer for receiving and investigating all complaints and protected disclosures under this Policy.

Employees of the Company or business partners can make protected disclosures to the Ethics Committee through the Asian Paints Ethics Hotline (toll free number 000- 800-100-1622/web reporting facility <http://asianpaints.ethicspoint.com/>) and/or any other written communication by sending it to the Registered Office of the Company or via email to whistle.blower@asianpaints.com or oral means of communication.

The employees/Directors and business associates may, in exceptional cases, approach directly to the Chairman of the Audit Committee of the Board of the Company for registering complaints.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

No person was denied access to the Audit Committee of the Company with regards to the above.

The Whistle Blower Policy has been placed on the Company's website and can be accessed at <https://www.asianpaints.com/WBPolicy.html>.

- e. In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s), Promoter(s) and senior managerial personnel have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.
- f. In accordance with provisions of Regulation 26(5) of the Listing Regulations, senior management personnel have affirmed that they do not have any personal interest relating to material, financial and commercial transactions which may have a potential conflict with the interest of the Company at large.
- g. The Company has complied with all the requirements of the Stock Exchange(s) and SEBI on matters relating to Capital Markets.
- h. There were no non-compliances by the Company and no instances of penalties or strictures which were imposed on the Company by SEBI, Stock Exchange(s) on which the shares of the Company are listed or any statutory authority on any matter related to the capital market during the last 3 years.
- i. The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

Non-Mandatory Requirements:

- i. The Independent Chairman of the Company has been provided with a Chairman's Office at the Registered Office of the Company.
- ii. The Chairman of the Board is a Non-Executive, Independent Director and his position is separate from that of the Managing Director & CEO. Further, the Chairman of the Company is not related to the Managing Director & CEO.
- iii. Quarterly and half-yearly financial results of the Company including summary of the significant events for the period ended 30th September are sent to all the shareholders, who have registered their email addresses with the Company and stock option grantees of the Company.
- iv. The Company discusses with the Institutional Investors and Equity Analysts on the Company's performance on a periodic basis and presentations, if any, made during such meetings and calls are also available on the website of the Company at <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=investor-presentations>
- v. During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- vi. The Chief Internal Auditor reports functionally to the Audit Committee of the Company and administratively to the Managing Director & CEO. He participates in the meetings of the Audit Committee of the Board of the Company and presents his internal audit observations to the Audit Committee and also participates in the meetings of the Risk Management Committee.

Report on Corporate Governance (Contd.)

- vii. The Company releases audited standalone financial results every quarter.
- viii. The Integrated Report has been prepared as per the Integrated Reporting <IR> framework by International Integrated Reporting Council.

Reasonable and limited assurance engagement on the agreed indicators in the Integrated Report including the Business Responsibility and Sustainability Report has been provided by Price Waterhouse Chartered Accountants LLP (FRN 012754N/N500016), in accordance with the International Standards on Assurance Engagements (ISAE) 3000 (revised), ISAE 3410, Assurance Engagements on Greenhouse Gas Statements issued by the International Auditing and Assurance Standard Board (IAASB). The report is annexed to this Integrated Annual Report.

j. **Subsidiary companies:**

The Company does not have any material subsidiary company in terms of Regulation 16 of the Listing Regulations. The synopsis of the minutes of the Board meetings of the subsidiary companies are placed at the Board meeting of the Company on quarterly basis and the minutes are uploaded on a secured web-based platform, for easy accessibility by the Directors. The Audit Committee reviews the financial statements including investments by the unlisted subsidiaries of the Company.

The management periodically brings to the notice of the Audit Committee and the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by unlisted subsidiaries, if any.

The Policy for determining Material Subsidiaries has been uploaded on the Company's website at <https://www.asianpaints.com/PolicyforMaterialSubsidiaries.html>.

k. **Website:**

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website at <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-at-asian-paints>.

This section includes detailed information about the Company. It includes details relating to the financial results declared by the Company, annual reports, presentations made by the Company to investors, press releases, shareholding patterns and such other material information which is relevant to shareholders.

The Company ensures the content on the websites is correct and updated on time-to-time basis.

l. **Secretarial Compliance Report:**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24A of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder.

The said Secretarial Compliance Report is in addition to the Secretarial Audit Report by Practicing Company Secretary under Form No. MR-3 and is required to be submitted to the Stock Exchanges within 60 days from the end of the financial year.

The Company has engaged the services of Dr. K. R. Chandratre (CP No.: 5144), Practicing Company Secretary and Secretarial Auditor of the Company, for providing this certification.

The Company is publishing the said Secretarial Compliance Report, on voluntary basis and the same has been annexed to the Board's Report forming part of this Integrated Annual Report.

m. **Certificate from Practicing Company Secretary:**

Certificate as required under Part C of Schedule V of the Listing Regulations, received from Mr. Makarand M. Joshi (COP: 3662), Partner of Makarand M. Joshi & Co., Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed and/or continuing as Directors of the Company by the SEBI/MCA or any such statutory authority, was placed before the Board of Directors at their meeting held on 11th May, 2023 and is set out as Annexure (C) to this Integrated Annual Report.

n. **Total fees paid to Statutory Auditors of the Company:**

Total fees for the financial year 2022-23, paid by the Company and its subsidiaries, on a consolidated basis, to Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, for all services taken from them is as follows:

Particulars	Amount (₹ In crores)
Statutory Audit Fees	3.51
Tax Audit Fees	0.24
Others (includes Other Services, Out-of-pocket expenses, etc.)	0.27
Total	4.02

- o. The Company has been impleaded in certain legal cases related to disputes over title to shares arising in the ordinary course of share transfer operations. However, none of these cases are material in nature, which may lead to material loss or expenditure to the Company.

p. **Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, the Company has adopted a gender neutral Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace, for the prevention of sexual harassment which is aimed at providing all employees a safe, secure and dignified work environment and constituted an Internal Complaints Committee to deal with complaints relating to sexual harassment at workplace.

Further, the Policy also gives shelter to contract workers, probationers, temporary employees, trainees, apprentices of the Company and any person visiting the Company at its office.

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details relating to the number of complaints received and disposed off during the financial year 2022-23 are as under:

Particulars	Number of complaints
Filed during the financial year	5
Disposed off during the financial year	4
Pending as at the end of the financial year	1*

Note: * Case pending for resolution is not beyond 90 days

The Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace has been uploaded on the Company's website at <https://www.asianpaints.com/POSHPolicy.html>.

q. **Code of Conduct for Employees:**

The Company has adopted a Code of Conduct for Employees which provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all, and to avoid practices like bribery, corruption and anti-competitive practices.

Employees are mandated to undergo video based training modules and case studies embodying real-life examples upon joining the organisation as a part of their induction and annually as a part of periodic refresher trainings for all employees.

The Code of Conduct for Employees enjoins that everyone in the organisation must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline.

During the year under review, the Code of Conduct for Employees was amended for aligning the same to the Asian Paints' charter, its values, ESG matrices and focus areas, to include the policies and practices followed by the Company, to include guiding principles on which the Company conducts its business and implementation by employees of guiding principles.

The Code of Conduct for Employees is available on the website of the Company at <https://www.asianpaints.com/EmployeeCoC.html>.

Report on Corporate Governance (Contd.)

r. **Code of Conduct for Board Members and Senior Management Personnel:**

The Company has adopted a Code of Conduct for Board Members and Senior Management Personnel which provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all, and to avoid practices like bribery, corruption and anti-competitive practices.

During the year under review, the Code of Conduct for Board and Senior Management was amended to amend the definition of senior management thereby including the functional heads in addition to all senior management personnel identified as per the cadre in the Company.

All members of the Board and senior management personnel have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2022-23. A declaration to this effect duly signed by Mr. Amit Syngle, Managing Director & CEO of the Company is annexed as Annexure (D) to this Integrated Annual Report.

The Code of Conduct for Board Members and Senior Management Personnel is available on the website of the Company at <https://www.asianpaints.com/CodeofConductBODSM.html>.

The Board of Directors shall review this Code once in 3 years and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website.

s. **Code of Conduct for Business Partners**

During the year under review, the Company adopted a formal Code of Conduct for its Business Partners (Business Partners includes suppliers/dealers/service providers/vendors/traders/agents/consultants/contractors/sub-contractors/joint venture partners/third parties, acting directly and/or through their representatives, engaged by Asian Paints, in the normal course of business).

The Company has developed the Code of Conduct for Business Partners to emphasise its commitments in the areas of business integrity, human rights, labour practices and environment stewardship. The Code of Conduct for Business Partners is available on the website of the Company at <https://www.asianpaints.com/CodeofConductforBusinessPartners.html>.

t. **Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons:**

In accordance with the SEBI Insider Trading

Regulations, the Company has a Code of Conduct to Regulate, Monitor and Report trading by Designated Person ("Code for Prevention of Insider Trading") and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure"). Further, the Company has established systems and procedures to prohibit insider trading activity.

The Code for Prevention of Insider Trading is reviewed and amended suitably from time to time, to incorporate the amendments carried out by SEBI. During the year under review, the Code for Prevention of Insider Trading was amended to revise certain definitions forming part of Code for Prevention of Insider Trading.

All compliances relating to the Code of Conduct for Prevention of Insider Trading are being managed through a web-based portal onboarded by the Company. The Company periodically circulates the informative emails on Prevention of Insider Trading, Do's and Don'ts, etc. to the employees to familiarise them with the provisions of the Code for Prevention of Insider Trading and educate and sensitize them on various aspects of Code for Prevention of Insider Trading. The management also conducted several trainings and workshops with the Designated Persons to create awareness on various aspects of the Code for Prevention of Insider Trading and the SEBI Insider Trading Regulations and to ensure that the internal controls are adequate and effective to ensure compliance.

These activities have created substantial awareness amongst the Designated Persons. During the year under review, the Audit Committee has reviewed the compliance with the provisions of the SEBI Insider Trading Regulations and has verified that the systems for internal controls are adequate and operating effectively.

The Audit Committee reviews cases of non-compliances, if any, and makes necessary recommendations to the Board with respect to action taken against such defaulters in accordance with the penalty framework.

The said non-compliances are promptly intimated to the Stock Exchanges in the prescribed format and penalty, if any, is being directly deposited by the Designated Person with SEBI's Investor Protection and Education Fund.

The Board has also formulated a Policy for determination of 'legitimate purposes' as a part of

the Code of Fair Disclosure as per the requirements of the SEBI Insider Trading Regulations.

The Code for Prevention of Insider Trading and Code of Fair Disclosure have been uploaded on the Company's website at <https://www.asianpaints.com/CodeforFairDisclosure.html>.

During the year under review, the Company engaged a reputed Practising Company Secretaries firm ("PCS") to audit the processes of the Company with respect to compliance requirements of the SEBI Prevention of Insider Trading Regulations.

The PCS found the practices and procedures to be in compliance with the SEBI Insider Trading Regulations and made certain recommendations to further strengthen the governance practices. The management has implemented the recommendations of the PCS.

u. **Policy on engagement of Statutory Auditors**

During the year under review, the Company has adopted Policy on engagement of Statutory Auditors of the Company. The objective of the Policy is to act as a guideline for establishing proper procedures for determining, *inter alia*, qualification, eligibility, and procedure for appointment/re-appointment/removal of the statutory auditors that conform with the extant norms of applicable laws and regulations. The Policy on engagement of Statutory Auditors is available at <https://www.asianpaints.com/AuditorsEngagementPolicy.html>.

v. **Advocacy Policy**

During the year under review, the Company had adopted the Advocacy Policy. The Policy states the commitment of the Company to open and transparent engagements that create the sustainable future, advance economic value, and promotes trust in Company's vision of 'Bringing joy to people's lives'. The Advocacy Policy is available at [AsianPaintsLimited-AdvocacyPolicy.pdf](https://www.asianpaints.com/AsianPaintsLimited-AdvocacyPolicy.pdf).

w. **Disclosure on resignation of Independent Directors**

None of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

x. There are no non-compliances of any requirements of Corporate Governance Report, as per sub-para (2) to (10) of Schedule V Part C of the Listing Regulations.

y. **Commodity price risk or foreign exchange risk and hedging activities**

The disclosure of commodity price risk or foreign exchange risk and hedging activities is given in the "General Shareholder Information" section, which forms an integral part of this Integrated Annual Report.

z. **Means of communication**

The Company promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company. For this purpose, it provides multiple channels of communications through dissemination of information on the online portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.

i) **Publication of financial results:**

Quarterly, half-yearly and annual financial results of the Company are published in leading English and Marathi language newspaper, viz., all India editions of Economic Times, Mumbai edition of Free Press Journal, Navshakti & Business Standard, NavGujarat Samay and Maharashtra edition of Maharashtra Times.

ii) **Website and News Releases:**

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' i.e. 'Disclosure under Regulation 46 of the Listing Regulations' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/Half-yearly/Nine-months and Annual financial results along with the applicable policies of the Company.

The Company's official news releases and presentations made to the institutional investors and analysts are also available on the Company's website at <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=investor-presentations>.

Quarterly Compliance Reports on Corporate Governance and other relevant information of interest to the Investors are also placed under the Investors Section on the Company's website.

Report on Corporate Governance (Contd.)

iii) Analysts presentations:

In compliance with Regulation 46 of the Listing Regulations, the presentations, audio recordings, video recordings and transcripts of investors conference call on performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders.

The Company also conducts calls/meetings with investors immediately after declaration of financial results to brief them on the performance of the Company. These calls are attended by the Managing Director & CEO, CFO & Company Secretary, Associate Vice President – Finance and representatives of Corporate Communications.

During the year under review, the Company held an investor meet to brief the stakeholders on the rationale for the investments made by the Company in Obgenix Software Private Limited (popularly known by the brand name "White Teak"), engaged in business of premium lighting products & fans and Weatherseal Fenestration Private Limited, (popularly known by its brand name "Weatherseal"), manufacturers of UPVC doors & windows, and the next step forward in the Company's foray of being a complete home décor solution provider.

The Company also uploaded on its website transcript and audio recordings of the said meet on a voluntary basis.

iv) Stock Exchange:

The Board of Directors has approved a Policy for determining materiality of events for the purpose of making disclosure to the Stock Exchanges.

The Managing Director & CEO and the CFO & Company Secretary are empowered to decide on the materiality of information for the purpose of making disclosures to the Stock Exchanges.

During the year, under review, the Policy was amended to exclude the list of material events/information replicated as per the Listing Regulations as an annexure to the Policy and revise the 'amendment to policy' clause to allow the management to amend the Policy in line with amendments to the law from time to time.

The Company makes timely disclosures of necessary information to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), where equity shares of the Company are listed, in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI.

The financials results of the Company are submitted to the Stock Exchanges immediately upon approval of the Board of Directors at the meeting and the meeting of the Board of Directors thereafter continues till its scheduled time, in order to minimise the time taken for dissemination of Unpublished Price Sensitive Information. The Policy for determining materiality of events is available at <https://www.asianpaints.com/MaterialityPolicy.html>.

v) Exclusive email ID for investors:

The Company has a designated email id i.e. investor.relations@asianpaints.com exclusively for investor servicing and the same is prominently displayed on the Company's website.

vi) NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & the Listing Centre:

NEAPS and BSE Listing are web-based application designed by NSE and BSE, respectively, for corporates to make submissions. All periodical compliance filings, *inter alia*, shareholding pattern, corporate governance report, corporate announcements, amongst others, are filed electronically in accordance with the Listing Regulations. Further, in compliance with the provisions of the Listing Regulations, all the disclosures made to the Stock Exchanges are in a format that allows users to find relevant information easily through a searching tool.

vii) Reminders to Investors:

Reminders are, *inter alia*, sent to shareholders for registering their PAN, KYC & Nomination detail and claimed unclaimed dividend and transfer of shares thereto.

viii) Green Initiatives:

In compliance with the provisions of Section 20 of the Act and as a continuing endeavour towards the 'Go Green' initiative, the Company proposes to send all correspondence/communications through email to those shareholders who have registered their email id with their depository participant's/Company's RTA.

General Shareholder Information

1. CORPORATE IDENTIFICATION NUMBER	L24220MH1945PLC004598
2. REGISTERED OFFICE	Asian Paints Limited 6A, Shantinagar Santacruz (East) Mumbai – 400 055
3. ANNUAL GENERAL MEETING	
Day & Date	Tuesday, 27 th June, 2023
Time	11.00 a.m. IST
Venue	Annual General Meeting ("AGM") would be held through video conference/other audio visual means [Deemed venue for meeting: Registered Office of the Company]
4. E-VOTING DETAILS	
Cut-off date	Tuesday, 20 th June, 2023
	Shareholders whose names appear in the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be eligible to vote either through remote e-voting or e-voting during the AGM.
E-voting start date and time	Friday, 23 rd June, 2023 at 9.00 a.m. IST
E-voting end date and time	Monday, 26 th June, 2023 at 5.00 p.m. IST
5. FINANCIAL CALENDAR	
Financial Year	1 st April to 31 st March
Tentative schedule for declaration of financial results during the financial year 2023-24	
Quarter ending 30 th June, 2023	Tuesday, 25 th July, 2023
Quarter and half-year ending 30 th September, 2023	Thursday, 26 th October, 2023
Quarter and nine-months ending 31 st December, 2023	Wednesday, 17 th January, 2024
Quarter and financial year ending 31 st March, 2024	Around 1 st week of May, 2024
6. LISTING DETAILS	
Name of Stock Exchange(s) & stock codes	Address
BSE Limited ("BSE") – 500820	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001
National Stock Exchange of India Limited ("NSE") – ASIANPAINT	Exchange Plaza, C-1, Block G Bandra Kurla Complex, Bandra (East) Mumbai – 400 051
7. ISIN FOR DEPOSITORIES	INE021A01026

Payment of Listing Fees: Annual listing fees for the financial year 2023-24 has been paid by the Company to BSE and NSE.

Payment of Depository Fees: Annual Custody/Issuer fees for the financial year 2023-24 has been paid by the Company to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

General Shareholder Information (Contd.)

8. SHAREHOLDERS' VALUE CREATION

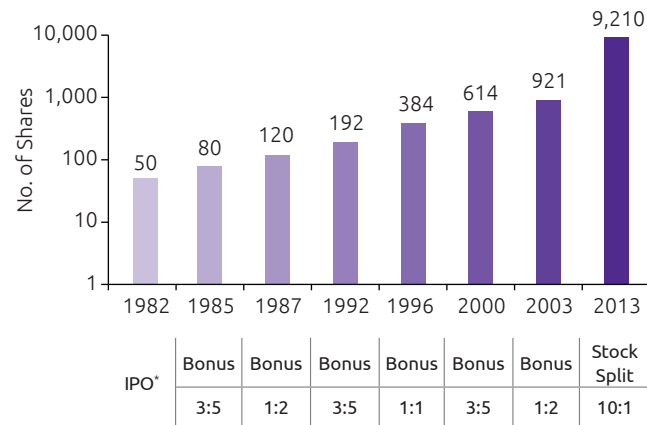
(i) Details of the dividend declared and paid by the Company for the last 5 years

Year	Percentage (%)	In ₹ per share (Face value of ₹ 1 each)	Dividend amount (₹ in Crores)
2017-18	870	8.70	834.50
2018-19	1,050	10.50	1,007.16
2019-20	1,200	12.00	1,151.04
2020-21	1,785	17.85	1,712.17
2021-22	1,915	19.15	1,836.86
2022-23 [^]	2,565	25.65	2,460.34

Notes:

[^] Includes the final dividend of ₹ 21.25 for the financial year 2022-23 recommended by the Board of Directors, subject to approval of shareholders at the ensuing AGM.

(ii) Bonus issues and stock split



* Shares of face value of ₹ 10 each issued at a premium of ₹ 13 per share.

The above graph depicts the increase in the number of Asian Paints shares as a result of the Company's bonus issues over the years and a stock split in 2013 in the ratio of 10:1. For example, if an investor held 50 shares in 1982 during Initial Public Offer ("IPO") and continued to hold it, he/she would have 9,210 shares today owing to the bonus share issues and stock split.

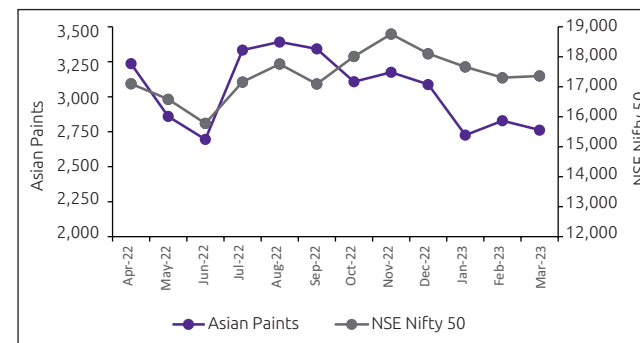
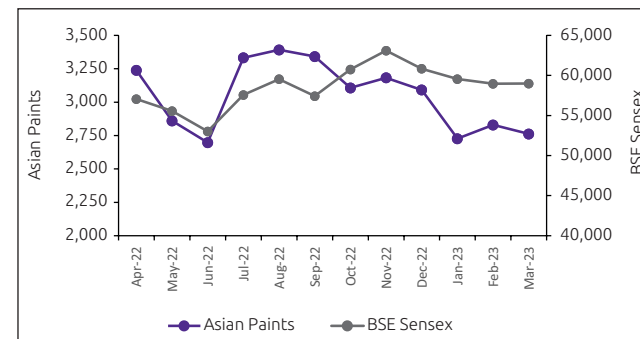
Over the course of 41 years since the IPO, the shareholder wealth has grown at a CAGR of ~ 28%.

9. MARKET PRICE DATA – THE MONTHLY HIGH AND LOW PRICES OF THE COMPANY'S SHARES AT BSE AND NSE FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2022	3,276.55	2,970.00	3,278.00	2,970.00
May, 2022	3,210.50	2,719.50	3,211.50	2,718.55
June, 2022	2,940.40	2,560.25	2,939.90	2,560.00
July, 2022	3,354.50	2,686.85	3,354.35	2,685.00
August, 2022	3,543.00	3,241.35	3,545.65	3,236.70
September, 2022	3,590.00	3,231.90	3,582.90	3,231.30
October, 2022	3,367.45	3,033.00	3,368.35	3,033.00
November, 2022	3,200.15	3,034.60	3,199.95	3,033.50
December, 2022	3,242.75	3,018.00	3,242.35	3,018.00
January, 2023	3,091.90	2,686.15	3,087.90	2,685.85
February, 2023	2,851.90	2,694.05	2,852.00	2,694.00
March, 2023	2,920.00	2,740.35	2,923.95	2,740.05

10. STOCK PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES

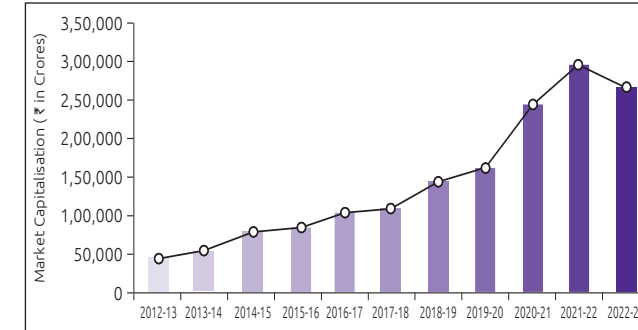
The chart below shows the comparison of the Company's monthly share price movement vis-à-vis the movement of the BSE Sensex and NSE Nifty 50 for the financial year ended 31st March, 2023 (based on the month end closing):



Source: BSE & NSE websites.

11. MARKET CAPITALISATION

The chart below represents the market capitalisation of the Company based on the year end closing prices quoted on BSE:



Source: BSE website.

12. IN CASE THE SECURITIES OF THE COMPANY ARE SUSPENDED FROM TRADING, REASONS THEREOF

The securities of the Company were not suspended from trading during the year under review.

13. REGISTRAR AND SHARE TRANSFER AGENT & SHARE TRANSFER SYSTEM

TSR Consultants Private Limited ("TSR") is the Registrar and Share Transfer Agent ("RTA") of the Company. Transmission, dematerialisation of shares, issue of duplicate share certificates, dividend payment and all other shareholder related matters are attended to and processed by the Company's RTA.

Shareholder transactions

With effect from 1st April, 2019, Securities and Exchange Board of India ("SEBI") has barred physical transfer of shares of listed companies and mandated transfers only in demat mode.

SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors has mandated the listed entities to issue securities for the following service requests only in dematerialised form: issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Further, during the year under review SEBI has also simplified the process for transmission of shares and issue of duplicate share certificates to make it more efficient and investor friendly.

The manner and process of making application as per the aforesaid revised framework and operational guidelines thereto is available on the website of the RTA at <https://www.tcplindia.co.in/client-downloads.html> and the Company at <https://www.asianpaints.com/ShareholderServiceRequest.html>.

Requests for dematerialisation of shares are processed by RTA and confirmation thereof is given to the respective depositories i.e., NSDL and CDSL, within the statutory time limit from the date of receipt of share certificates after due verification.

The Board of Directors of the Company have delegated the authority to approve the transmission, dematerialisation of shares, etc. jointly to Managing Director & CEO and CFO & Company Secretary of the Company. A summary of approved transmissions, dematerialisation of shares, etc. is placed before the Board of Directors from time to time as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Transactions involving issue of share certificates, namely, issuance of duplicate share certificates, split, rematerialisation, consolidation and renewal of share certificates, etc. are approved by the Stakeholders Relationship Committee of the Board of Directors of the Company.

The Company on a yearly basis files with the Stock Exchanges:

- a compliance certificate duly signed by both, the Compliance Officer of the Company and the authorised representative of the RTA certifying that all activities in relation to share transfer facility is maintained by TSR Consultants Private Limited, Registrar and Share Transfer Agent registered with the SEBI.
- a certificate of compliance from a Company Secretary in practice confirming issue of share certificates within a period of 30 days of lodgement of the investor service request as prescribed under Regulation 40(9) of the Listing Regulations.

The Company along with RTA has framed Standard Operating Procedure(s) ("SOPs") for dealing and addressing all the investor service requests. The Company and RTA constantly evolves on these process documents to ensure that the shareholder practices are investor friendly and effective in time.

General Shareholder Information (Contd.)

During the year, all the request(s) received from the shareholders by the Company or its RTA were addressed in accordance with the timelines as provided by the Statutory Authorities, from time to time.

Legal proceedings

There are certain pending cases related to disputes over title to shares in which the Company had been made a party, however, these cases are not material in nature.

Shareholder engagement

The officials of the Company and RTA on a continuous basis engages with the shareholders, to explain them the procedure and documents required for processing their service requests. Once the Company or RTA establishes contact with the shareholders, all the efforts are made to enable the shareholders to submit requisite and valid documents and approve their service request in one go.

The Company has always regarded shareholder engagement as one of the key anchors towards achieving a better corporate governance.

14. INVESTOR GRIEVANCE & INVESTOR CONTACTS

The Company has authorised the Stakeholders Relationship Committee ("SRC") of the Board of Directors to examine and redress complaints by shareholders and investors. The status of quarterly complaints is reported to the Board of Directors.

The Company and its RTA constantly monitors the Investor Complaint Module as available on the BSE Corporate Compliance & the Listing Centre, NSE Electronic Application Processing System and SEBI Complaints Redress System ("SCORES") to track and redress the investor complaints in a speedy manner.

SEBI has requested the members to approach the Company directly at the first instance for their grievance. If the Company does not resolve the complaint of the shareholders within stipulated time, then they may lodge the complaint with SEBI/Stock Exchanges for further action.

The Company attended most of the shareholder correspondence received through electronic communication within a period of 7 days and postal communication within a period of 12 days from the date of receipt. The exceptions have been for cases constrained by disputes or legal impediments.

During the year under review, the Company received following complaints:

Nature of complaints	Number of complaints received	Number of complaints redressed	Number of pending complaints
Non-receipt of annual report	14	14	0
Non-receipt of dividend	40	40	0
IEPF related	12	12	0
Issue of share certificate	18	18	0
KYC updation	11	11	0
Others	23	21	2
Total	118	116	2

Notes:

- No complaint outstanding as on 1st April, 2022.
- Nature of complaints in the category "Others" includes non-receipt of split shares, legal matters, TDS on dividend, etc.
- 2 complaints pending as on 31st March, 2023 have been addressed, however, the same were pending then for closure by SEBI.
- To the best of our knowledge, all the complaints were resolved to the satisfaction of the complainants.

For any grievances/complaints, shareholders may contact the RTA at csg-unit@tcplindia.co.in. For any escalations, shareholders may write to the Company at investor.relations@asianpaints.com.

Investors' Grievance Redressal Policy

The Company believes that shareholders of the Company should be able to communicate their grievances and obtain redressal for violation of their rights. In order to facilitate this, the Company must have a transparent framework for handling shareholder grievances, which would help shareholders to register and escalate their grievances to the relevant authorities.

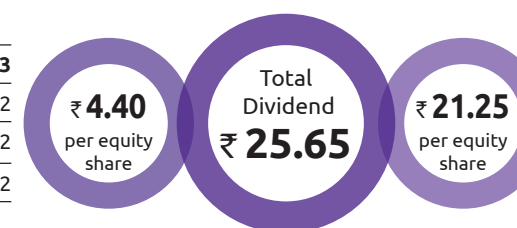
In continuation of the Company's endeavour to strengthen its investor relations and corporate governance practices, the Company during the year under review has adopted an Investors' Grievance Redressal Policy covering the following:

- Classification of correspondence versus complaints.
- Identified list of personnel from the Company for redressal of complaints.
- Process followed by the Company for handling investor complaints.
- Escalation matrix for investor grievances and resolution mechanism.

The members may access the said Policy on the website of the Company at <https://www.asianpaints.com/IGRPpolicy.html>.

15. DIVIDEND

Interim Dividend for FY 2022-23
Declaration date: 20 th Oct, 2022
Record date: 1 st Nov, 2022
Payment date: 10 th Nov, 2022



Dividend payout ratio for the financial year 2022-23 is 60%

Final Dividend for FY 2022-23*
Date of recommendation: 11 th May, 2023
Record date: 9 th Jun, 2023
Payment date: on or after 30 th Jun, 2023

* subject to approval of shareholders at the ensuing 77th AGM.

The Company provides the facility for remittance of dividend to members through DC (Direct credit)/NACH (National Automated Clearing House)/NEFT (National Electronic Funds Transfer). In cases where the core banking account details are not available, the Company will issue the dividend warrants/demand drafts mentioning the existing bank details available with the Company.

Members who have not opted for remittance of dividend through electronic mode and wish to avail the same are required to provide their bank details, including IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), to their respective Depository Participants ("DPs") for shares held in demat form or to the Company's RTA for shares held in physical form, as the case may be, in order to ensure safe and speedy credit of their dividend into their Bank account.

Dividend income is taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. A separate email communication was sent to the members on Friday, 12th May, 2023, informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents are available on the Company's website at <https://www.asianpaints.com/TDSExemptionForms.html>.

The Company sends TDS certificate to the shareholders at their registered email id or postal address, as the case may be, post payment of the dividend in terms of applicable provisions of the law.

Voluntary measures to reduce quantum of unclaimed dividend

The Company, *inter alia*, has undertaken following initiatives during the year under review to reduce the quantum of unclaimed dividend(s):

- Half-yearly reminders are sent to the shareholders of the Company to claim their outstanding dividend(s).
- Suo motu* credit of outstanding dividend(s) are being made to the bank account(s) of shareholders on registration of their bank details.

Details of unclaimed dividend

The details of the outstanding unclaimed dividend and corresponding due dates for transfer to IEPF as on 31st March, 2023 are as under:

Sr. No.	Particulars of dividend	Amount (in ₹)	Due dates of transfer to IEPF
1.	Final Dividend 2015-16	1,69,90,258.80	2 nd September, 2023
2.	Interim Dividend 2016-17	96,47,352.00	30 th December, 2023
3.	Final Dividend 2016-17	2,55,04,618.05	2 nd September, 2024
4.	Interim Dividend 2017-18	90,05,804.60	28 th December, 2024
5.	Final Dividend 2017-18	1,88,45,737.90	1 st September, 2025
6.	Interim Dividend 2018-19	83,26,585.93	26 th December, 2025
7.	Final Dividend 2018-19	2,18,32,442.10	31 st August, 2026
8.	1 st Interim Dividend 2019-20	91,54,814.05	26 th December, 2026
9.	2 nd Interim Dividend 2019-20	2,14,74,796.20	30 th April, 2027
10.	Final Dividend 2019-20	33,76,063.00	12 th October, 2027

General Shareholder Information (Contd.)

Sr. No.	Particulars of dividend	Amount (in ₹)	Due dates of transfer to IEPF
11.	Interim Dividend 2020-21	73,92,304.50	18 th January, 2028
12.	Final Dividend 2020-21	3,38,52,879.00	1 st September, 2028
13.	Interim Dividend 2021-22	83,51,037.00	21 st December, 2028
14.	Final Dividend 2021-22	3,59,33,682.00	30 th August, 2029
15.	Interim Dividend 2022-23	1,01,69,359.00	21 st December, 2029

16. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Sections 124 and 125 of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) ("IEPF Rules"), dividend, if not paid or claimed for a period of 7 years from the date of transfer to Unclaimed Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the year under review, the Company had sent individual notices and issued advertisements in the newspapers, requesting the shareholders to claim their dividends in order to avoid transfer of shares/ dividends to the IEPF. Details of the unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the website of the Company at <https://www.asianpaints.com/IEPF.html>.

The details of the unclaimed dividends and corresponding shares transferred to IEPF during the financial year 2022-23 are as follows:

Particulars	Amount of unclaimed dividend (in ₹)	No. of shares
Final Dividend 2014-15	1,00,44,118	2,01,311
Interim Dividend 2015-16	47,89,874	56,487
Total	1,48,33,992	2,57,798

Notes:

- As on 31st March, 2023, the Company has transferred to IEPF an amount of ₹ 5,85,66,305.30 after deduction of applicable tax as corporate benefits (dividend) arising on shares already transferred to IEPF.
- Total number of shares outstanding in the demat account of the IEPF Authority as on 31st March, 2023 stood at 13,35,885 shares in comparison to 11,07,007 shares as on 31st March, 2022. Total number of shares released by IEPF Authority in favour of the shareholders during the financial year 2022-23 is 28,920 shares.
- In the financial year 2023-24, the Company would be transferring unclaimed final dividend amount for the financial year ended 31st March, 2016 on or before 2nd September, 2023 and unclaimed interim dividend amount for the financial year ended 31st March, 2017 on or before 30th December, 2023 to the IEPF.

Change in process of claiming shares and dividend from IEPF

IEPF Authority vide its Office Memorandum dated 20th July, 2022 has revised the process of claiming the shares and dividends from IEPF Authority, whereby the claimant(s) are now advised to first approach the Company for entitlement letter along with all the required documents before filing of claim application with the IEPF Authority.

Once the Company has received and verified all the requisite documents it will then issue an entitlement letter along with all the required details to file web form IEPF-5 within a period of 30 days. The claimant(s) shall thereafter file web form IEPF-5 with the IEPF Authority along with entitlement letter and other supporting documents.

The claimant(s) shall then submit the self-attested copy of form IEPF-5, its acknowledgment and duly executed Indemnity Bond in an envelope marked as "Claim for refund from IEPF Authority" at the registered office address of the Company in the name of the "Nodal Officer of the Company", to enable the Company to file the e-verification report of the claim within the prescribed timeline of 30 days.

This process will reduce the instance of claim applications being rejected by the Company/IEPF Authority on account of incomplete and/or non-receipt of required documents.

Nodal and Deputy Nodal Officer

In accordance with the IEPF Rules, the Board of Directors of the Company have appointed the following as the Nodal Officer and Deputy Nodal Officer:

Nodal Officer	Deputy Nodal Officer
R J Jeyamurugan CFO & Company Secretary	Saloni Arora Deputy Company Secretary

Contact information of the Nodal Officer for the purpose of co-ordination with the IEPF Authority are available on the website of the Company at <https://www.asianpaints.com/IEPF.html>.

IEPF assistance week organised by the Company

In order to assist shareholders of the Company whose shares and/or dividend(s) were transferred to IEPF, the Company organised "IEPF Assistance Week" from Monday, 20th March, 2023 to Friday, 24th March, 2023. The said programme was organised both virtually and in person at the registered office of the Company.

During IEPF assistance week, officials of the Company and TSR assisted the claimants in understanding the procedure for filing claim application, reviewing the documents, resolving discrepancies in their application, e-filing web form IEPF-5 and seeking the status of the claim application filed with the IEPF Authority.

The Company assisted around 100+ shareholders/claimants during this week.

Initiatives launched by the IEPF Authority

a. Special window facility for senior citizens

IEPF Authority vide its Circular dated 7th June, 2022 has launched a special window facility for senior citizens of age 75 years & above as part of Azadi Ka Amrit Mahotsav, an initiative of Government of India to commemorate 75 years of Independence. As part of the said facility, the claim applications made by the senior citizens of age 75 years and above are auto-prioritised in MCA-21 system after receipt of e-verification report from the companies.

b. Stakeholders' facilitation services

In furtherance to responsive governance and better facilitation to the stakeholders at large, the IEPF Authority in addition to its existing service helpline has launched an exclusive facilitation service for all the stakeholders on every working Friday between 3:00 p.m. to 5:00 p.m. through video conferencing mechanism with effect from 1st April, 2022. During the said video conference, senior officers of IEPF Authority are available to respond to queries and resolve grievances of stakeholders.

Further details in this regard is available on the website of IEPF Authority at www.iepf.gov.in.

17. DISCLOSURE IN RESPECT OF EQUITY SHARES TRANSFERRED TO UNCLAIMED SUSPENSE ACCOUNT AND SUSPENSE ESCROW DEMAT ACCOUNT

Asian Paints Limited – Unclaimed Suspense Account

In accordance with the requirements of Regulations 34 and 39 read with Schedule V(F) of the Listing Regulations details of equity shares in Asian Paints Limited – Unclaimed Suspense Account are as follows:

	Particulars	No. of shareholders	No. of equity shares
Opening Balance	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying as on 1 st April, 2022	272	5,08,410
Less	Number of shareholders who approached the Company for transfer of shares and shares transferred from unclaimed suspense account during the year	16	21,180
Less	Number of shareholders whose shares got transferred from unclaimed suspense account to IEPF during the year	59	1,62,860
Closing Balance	Aggregate number of shareholders and outstanding shares lying in the unclaimed suspense account as on 31 st March, 2023	197	3,24,370

General Shareholder Information (Contd.)

Asian Paints Limited – Suspense Escrow Demat Account

In accordance with the requirements of SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated 25th January, 2022 the Company has opened a Suspense Escrow Demat Account with the DP for transfer of shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the shareholders in lieu of physical share certificate(s) to enable them to make a request to DP for dematerialising their shares.

During the year under review, 2000 shares pertaining to 1 shareholder were transferred to the Company's Suspense Escrow Demat Account. Further, no request was received from shareholder for release of

shares from the said suspense escrow demat account of the Company.

All the corporate benefits against these shares like bonus shares, split, etc., would also be transferred to Unclaimed Suspense Account and Suspense Escrow Demat Account of the Company. While the dividend for the shares which are lying in Unclaimed Suspense Account and Suspense Escrow Demat Account would be credited back to the relevant dividend accounts of the Company.

The voting rights on shares lying in Unclaimed Suspense Account and Suspense Escrow Demat Account shall remain frozen till the rightful owner claims the shares.

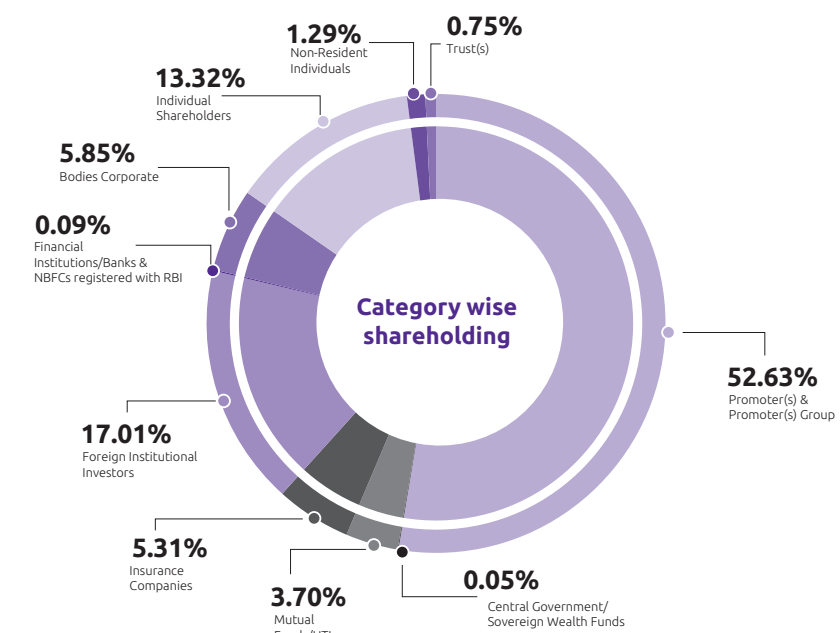
18. SHAREHOLDING DETAILS**Distribution of shareholding of shares of the Company as on 31st March, 2023**

No. of shares	No. of shareholders	% to total	Shareholding	% to total
Upto 50	9,58,065	84.86	1,10,28,833	1.15
51-100	76,296	6.76	58,31,714	0.61
101-200	41,873	3.71	62,36,565	0.65
201-300	13,418	1.19	33,90,187	0.35
301-400	6,272	0.55	22,32,076	0.23
401-500	4,817	0.43	22,61,677	0.23
501-1,000	9,048	0.80	67,82,714	0.71
1,001-5,000	13,067	1.16	3,26,77,879	3.41
5,001-10,000	3,296	0.29	2,52,02,216	2.63
10,001 and above	2,888	0.25	86,35,53,929	90.03
Total	11,29,040	100.00	95,91,97,790	100.00

Shareholding Pattern of the Company

Category of shareholder(s)	31 st March, 2023		31 st March, 2022		Change (%)
	No. of shares	% of Total no. of shares	No. of shares	% of Total no. of shares	
(A) SHAREHOLDING OF PROMOTER(S) & PROMOTER(S) GROUP					
(1) Individuals/Hindu Undivided Family	10,05,01,601	10.48	10,05,01,601	10.48	0.00
(2) Bodies Corporate	40,34,97,883	42.07	40,34,97,883	42.07	0.00
(3) Trust	7,85,700	0.08	7,85,700	0.08	0.00
Total Shareholding of Promoter(s) & Promoter(s) Group (A)	50,47,85,184	52.63	50,47,85,184	52.63	0.00

Category of shareholder(s)	31 st March, 2023		31 st March, 2022		Change (%)
	No. of shares	% of Total no. of shares	No. of shares	% of Total no. of shares	
(B) PUBLIC SHAREHOLDING					
(1) Institutions					
i) Mutual Funds/UTI	3,54,80,427	3.70	3,04,89,736	3.18	0.52
ii) Financial Institutions/Banks	9,03,643	0.09	5,73,722	0.06	0.03
iii) Central Government/Sovereign Wealth Funds	4,47,719	0.05	4,03,162	0.04	0.01
iv) Insurance Companies	5,09,60,273	5.31	3,23,11,398	3.37	1.94
v) Foreign Institutional Investors	16,31,74,737	17.01	18,65,30,056	19.45	(2.44)
Sub-total (B)(1)	25,09,66,799	26.16	25,03,08,074	26.10	0.06
(2) Non-Institutions					
i) Bodies Corporate	5,61,12,731	5.85	6,00,32,192	6.26	(0.41)
ii) Individuals					
(a) Individual shareholders holding nominal share capital up to ₹ 1 lakh	11,93,18,506	12.44	11,76,09,621	12.26	0.18
(b) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	84,10,007	0.88	83,77,394	0.87	0.01
iii) Non-Resident individuals	1,23,41,659	1.29	1,21,04,118	1.26	0.03
iv) NBFCs registered with Reserve Bank of India (RBI)	6,248	0.00	6,216	0.00	0.00
v) Trust(s)	72,56,656	0.75	59,74,991	0.62	0.13
Sub-total (B)(2)	20,34,45,807	21.21	20,41,04,532	21.27	(0.06)
Total Public Shareholding (B)=(B)(1)+(B)(2)	45,44,12,606	47.37	45,44,12,606	47.37	-
Total (A)+(B)	95,91,97,790	100.00	95,91,97,790	100.00	-

Category wise shareholding as on 31st March, 2023

General Shareholder Information (Contd.)

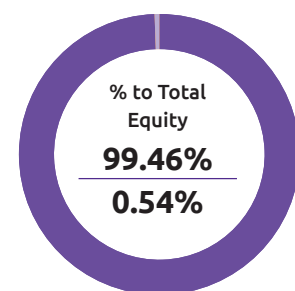
Top 10 shareholders of the Company as on 31st March, 2023

Sr. No.	Name of shareholder(s)	Category	Sub-category	No. of shares held*	% of shares held
1.	Smiti Holding and Trading Company Private Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	5,53,39,068	5.77
2.	Sattva Holding and Trading Private Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	5,47,89,183	5.71
3.	Teesta Retail Private Limited	Public	Bodies Corporate	4,69,87,850	4.90
4.	Geetanjali Trading and Investments Private Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	4,57,06,140	4.77
5.	Life Insurance Corporation of India	Public	Insurance Companies	3,64,76,385	3.80
6.	Elcid Investments Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	2,83,13,860	2.95
7.	Gujarat Organics Private Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	2,31,50,730	2.41
8.	Sudhanava Investments and Trading Company Private Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	1,90,01,760	1.98
9.	Rupen Investment and Industries Private Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	1,88,49,825	1.97
10.	Satyadhama Investments and Trading Company Private Limited	Promoter(s) & Promoter(s) Group	Promoter(s) Group	1,83,34,280	1.91
Total				34,69,49,081	36.17

* shareholding has been consolidated on the basis of the name of the first holder and Permanent Account Number ("PAN").

19. DEMATERIALISATION OF SHARES

Break up of shares in physical and demat form

31ST MARCH, 2023

Number of shareholders
11,29,040

11,26,628 (Demat Segment) | 2,412 (Physical Segment)

Number of shares
95,91,97,790

95,40,47,308 (Demat Segment) | 51,50,482 (Physical Segment)

Demat Segment | Physical Segment

The Company's equity shares are actively traded on BSE and NSE. The Company's shares are also available for trading in the Futures & Options segment.

The shareholders holding shares in physical form are requested to dematerialise their shares for safeguarding their holdings and managing the same hassle free.

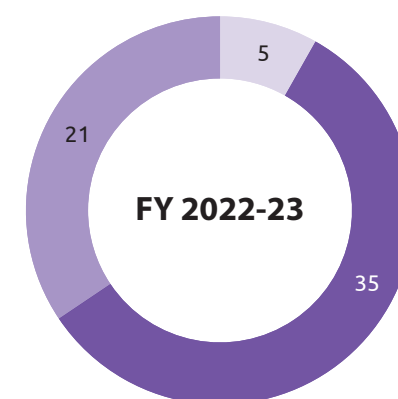
Shareholders are accordingly requested to get in touch with any of the DP registered with SEBI to open a demat account. The shareholders may also visit website of Depositories viz. NSDL or CDSL for further understanding of the demat procedure.

Reconciliation of share capital audit

As required by the Listing Regulations, quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Auditor's Certificate in regard to the same is submitted on quarterly basis to BSE and NSE and is also placed before the Board of Directors of the Company.

20. INVESTOR CONFERENCES/EVENTS HELD IN FINANCIAL YEAR 2022-23

The Company holds investor meets/calls after announcement of every quarterly results, which is accessible to all stakeholders. The Company also participates in various investor meetings/conferences wherein the management interacts with investors in one-on-one or group physical/virtual meetings. The details of such calls and participation in the investor conferences are intimated to the exchanges as well as updated on the website of the Company.



Investor Calls (one-on-one events) | Conference Calls (group events) | Company Events

21. OUTSTANDING INSTRUMENTS AND THEIR IMPACT ON EQUITY

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on 31st March, 2023.

22. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

a) Risk management policy of the listed entity with respect to commodities or forex including through hedging:

The Company imports and locally buys certain raw materials, which are derivatives of various commodities, from various sources, for manufacturing paints and related products of the Company. Most of the significant raw materials are not commodities, *per se*, though some of them could be derivatives of commodities.

The Company does not undertake any commodity hedging activities.

The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies.

- b) Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:**
Not Applicable
- c) Commodity risks faced by the listed entity during the year and how they have been managed:**
Not Applicable

23. CREDIT RATINGS AND ANY REVISIONS THERETO FOR DEBT INSTRUMENTS OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL INVOLVING MOBILISATION OF FUNDS, WHETHER IN INDIA OR ABROAD

The Company has not issued any debt instruments and did not have any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad during the financial year ended 31st March, 2023.

CRISIL has rated the short-term borrowings and long-term borrowings of the Company as A1+ and AAA/Stable. There was no revision in the said ratings during the year under review.

24. PLANT LOCATIONS

The locations of the Company's paint manufacturing plants in India forms part of this Integrated Annual Report.

25. ADDRESS FOR CORRESPONDENCE

Registrar and Share Transfer Agent Contact Details

TSR Consultants Private Limited

C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai – 400 083
Tel. No.: +91 810 811 8484
Fax No.: +91 22 6656 8494
Toll Free No.: 1800 2100 124 (Exclusive for Asian Paints shareholders)
Email: csq-unit@tcplindia.co.in
Website: www.tcplindia.co.in

The details of collection centres are available on the website of RTA at <https://tcplindia.co.in/contact-us.html> and is also available on the website of the Company at www.asianpaints.com.

General Shareholder Information (Contd.)

The documents will also be accepted at the registered office of the Company.

Shareholders are requested to quote their folio no./ DP ID & Client ID, email address, telephone no. and full address while corresponding with the Company and its RTA.

26. ADDRESS OF THE REDRESSAL AGENCIES FOR INVESTORS TO LODGE THEIR GRIEVANCES

Regulatory Authorities:

Ministry of Corporate Affairs	'A' Wing, Shastri Bhawan Rajendra Prasad Road New Delhi – 110 001 Tel. Nos.: (011) 2338 4660, 2338 4659 Website: www.mca.gov.in
Securities and Exchange Board of India	Plot No. C4-A, 'G' Block Bandra-Kurla Complex Bandra (East) Mumbai – 400 051 Tel. Nos.: (022) 2644 9000/4045 9000/ (022) 2644 9950/4045 9950 Fax Nos.: (022) 2644 9019-22/4045 9019-22 Toll Free Investor Helpline: 1800-227-575 Email: sebi@sebi.gov.in Website: www.sebi.gov.in

Stock Exchanges:

BSE Limited	Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 Tel. Nos.: (022) 2272 1233/4 (022) 6654 5695 (Hunting) Fax No.: (022) 2272 1919 Website: www.bseindia.com
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel. Nos.: (022) 2659 8100/8114 (022) 6659 8100 Fax No.: (022) 2659 8120 Website: www.nseindia.com

Depositories:

National Securities Depository Limited	Trade World, A Wing, 4 th Floor Kamala Mills Compound, Lower Parel Mumbai – 400 013 Tel. Nos.: (022) 4886 7000/2499 7000 Email: info@nsdl.co.in Website: www.nsdl.co.in
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Depositories:

Central Depository Services (India) Limited	Marathon Futurex, A-Wing, 25 th Floor N M Joshi Marg, Lower Parel Mumbai – 400 013 Toll free No.: 1800-225-533 Email: complaints@cdslindia.com Website: www.cdslindia.com
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27. OTHERS

- a. **Details of utilisation of funds raised through preferential allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Listing Regulations:**
Not Applicable

- b. **Useful information for shareholders**

i. **Common and simplified norms for investor's service request**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (Contact Details, Bank Details and Specimen Signature) and Nomination details.

As per said Circular, it is mandatory for the shareholders holding securities in physical form to, *inter alia*, furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details were not available on or after 1st April, 2023 were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said timeline of 1st April, 2023 for freezing of folios has been extended to 1st October, 2023.

Dividend and other payments, if any, in respect of such frozen folios shall only be made electronically with effect from 1st April, 2024 upon registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under

the Prohibition of *Benami* Property Transactions Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31st December, 2025.

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in the prescribed form.

The shareholders holding shares in electronic form who have either not furnished nomination or submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before 30th September, 2023, failing which their trading accounts shall be frozen for

trading and demat account shall be frozen for debits.

The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <https://www.asianpaints.com/ShareholderServiceRequest.html> and its RTA at <https://www.tcplindia.co.in/client-downloads.html>.

Accordingly, the members are advised to register their details with the RTA or DP, as the case may be, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

Following are the standardised and simplified forms for availing various service requests with the Company/RTA:

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to RTA either by an email to csg-unit@tcplindia.co.in or by post to C-101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083.	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof	Form ISR-1
	Form for registration/updation of signature	Form ISR-1 , Form ISR-2 (as applicable)
	Form for nomination	Form SH-13
	Declaration to opt out of nomination	Form ISR-3
	Cancellation of nomination/change of nominee	Form SH-14
	Form for requesting issue of duplicate certificate and other service requests for shares, etc.	Form ISR-4
Demat	Request form for transmission of shares by nominee or legal heir	Form ISR-5
	The forms for above-mentioned service request are available on the website of the Company and RTA at Company: https://www.asianpaints.com/ShareholderServiceRequest.html RTA: https://tcplindia.co.in/client-downloads.html	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your respective DP.	

General Shareholder Information (Contd.)

ii. Consolidation of folios

Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with the share certificates so as to enable the Company to consolidate their holdings into one folio.

iii. Preservation of ownership documents

Shareholders are advised to keep copies of all their investment documentation i.e., share certificate, dividend counterfoil, Company communication in original, etc.

iv. Manner of postage of documents

Shareholders are advised to send share certificates, cheques, demand drafts, etc. through registered/speed post or courier.

v. Non-resident shareholders

Non-resident shareholders are requested to immediately notify the following to the RTA of the Company in respect of shares held in physical form and to their DPs in respect of shares held in dematerialised form:

- Indian address for sending all communications, if not provided so far.
- Change in their residential status on return to India for permanent settlement.
- Particulars of their Non-resident rupee account, whether repatriable or not, with a bank in India, if not furnished earlier.
- E-mail Id and Phone No(s).

vi. Email Id registration

To support the green initiative, shareholders are requested to register their email address with their DPs or with the Company's RTA, as the case may be. Communications in relation to the Company like Notice and Outcome of Board meetings, Dividend credit intimations, Notice of AGM and Integrated Annual Report are periodically sent electronically to such shareholders who have registered their email address.

In case of any change in relation to the email address, the members are required to intimate the same:

- For shares held in electronic form: to their respective DP.
- For shares held in physical form: to the Company/RTA in prescribed Form No. ISR-1 mentioned above at sr. no. (i) of point no.27(b) "Useful information for shareholders".

vii. Compulsory linking of PAN with Aadhaar

Under the provisions of the Income-tax Act, 1961 ("the IT Act"), every person who has been allotted a PAN as on 1st July, 2017 and is eligible to obtain Aadhaar number, shall link his PAN with Aadhaar number. The due date for linking PAN-Aadhaar number has been extended by the Central Board of Direct Taxes from 31st March, 2023 to 30th June, 2023. However, the taxpayers will be liable to pay a prescribed fee for the same from 1st April, 2022 to 30th June, 2023.

From 1st July, 2023, the PAN of taxpayers who have failed to link their Aadhaar number with PAN, as required, shall become inoperative and the consequences during the period that PAN remains inoperative will be as follows:

- No refund shall be made against such PANs.
- Interest shall not be payable on such refund for the period during which PAN remains inoperative.
- Freezing of physical folios wherein such PAN is recorded.
- TDS and TCS shall be deducted/collected at higher rate, as provided in the IT Act.

The PAN can be made operative again in 30 days, upon linking of Aadhaar number with PAN after payment of prescribed fee.

PAN can be linked with Aadhaar by accessing the following link <https://portal.incometax.gov.in/iec/fooservices/#/pre-login/bl-link-aadhaar>.

viii. Voting Rights

The fundamental voting principle is 'One Share-One Vote'.

Equity shares issued by the Company carry equal voting rights, with an exception, where voting rights in respect of the shares, if any, lying in the Unclaimed Suspense Account, Suspense Escrow Demat Account, shares transferred to IEPF and shares held by Asian Paints Employees Stock Ownership Trust are frozen till the rightful owner claims such shares and is transferred as such.

ix. Dealing with SEBI registered intermediaries

Shareholders are requested to deal only through SEBI registered intermediaries and give clear and unambiguous instructions to their broker/sub-broker/DPs.

x. Investor Charter

In order to facilitate investor awareness for various service requests, SEBI had prescribed Investor Charter for RTAs, *inter alia*, detailing the services provided to investors, rights of investors, timelines for various activities of RTAs, Do's and Dont's for Investors and Grievance Redressal Mechanism.

The Investor Charter of the Company's RTA is available on their website at <https://www.tcplindia.co.in/InvestorCharter.html>.

xi. Frequently Asked Questions

For ready reference, the Company has made available responses to frequently asked questions with respect to investor related services on its website at <https://www.asianpaints.com/ShareholderFAQs.html>.

xii. Revamping investor section of the Company's website

During the year under review, the Company has revamped investor section of its website to make it more seamless and information/disclosures readily accessible to the shareholders of the Company.

The investor section of the Company's website can be accessed at <https://www.asianpaints.com/more/investors.html>.

xiii. Investor Feedback Survey

TSR Consultants Private Limited, RTA of the Company is classified as a Qualified RTA ("QRTA") as per the criteria laid down by SEBI.

The QRTAs are required to conduct an annual investor feedback survey and publish the outcome on its website. RTA had conducted an investor feedback survey for the financial year ended 31st March, 2023, covering walk in investors and through email response. As per the results, 99.8% of the investors were satisfied with the services being extended by RTA.

The outcome of the investor feedback survey is available on the website of RTA at https://tcpl.linkintime.co.in/survey_result.html.

xiv. Standard operating procedures for dispute resolution under the Stock Exchange arbitration mechanism

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated 30th May, 2022 has prescribed SOPs in accordance with Regulation 40 of the Listing Regulations, for dispute resolution under the Stock Exchange arbitration mechanism for disputes between a Listed Company and/or Registrars to an Issue and Share Transfer Agents and its Shareholder(s)/Investor(s) which are emanating from investor services.

The Company along with its RTA has generated awareness to the investors on availability of dispute resolution mechanism with Stock Exchanges i.e., BSE and NSE against the Company and/or its RTA. The communication in this regard was sent through email and/or SMSes to all holders who held the shares of the Company in physical form.

The said SEBI Circular providing SOPs has been made available on the Company's website at <https://www.asianpaints.com/ShareholderServiceRequest.html>.

Annexure A to Report on Corporate Governance for the financial year ended 31st March, 2023

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Board of Directors
Asian Paints Limited

We hereby certify that on the basis of review of the financial statements and the cash flow statement for the financial year ended 31st March, 2023 and to the best of our knowledge and belief that:

- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We hereby certify that, to the best of our knowledge and belief, no transactions entered into during the financial year ended 31st March, 2023 are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

- significant changes, if any, in internal controls over financial reporting during the financial year ended 31st March, 2023;
- significant changes, if any, in accounting policies during the financial year ended 31st March, 2023 and that the same have been disclosed in the notes to the financial statements; and
- instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Amit Syngle
Managing Director & CEO

R J Jeyamurugan
CFO & Company Secretary

Place: Mumbai
Date: 11th May, 2023

Annexure B to Report on Corporate Governance for the financial year ended 31st March, 2023

CERTIFICATE ON COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY ASIAN PAINTS LIMITED RELATING TO CORPORATE GOVERNANCE REQUIREMENTS

I have examined compliance by Asian Paints Limited (the Company) with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) relating to Corporate Governance requirements for the year ended on 31 March, 2023.

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

I state that no complaint relating to investor's grievance received by the Company is pending unresolved as on 31 March, 2023.

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

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144

Place: Pune
Date: 11 May 2023

UDIN: F001370E000292551
Peer Review Certificate No.: 1206/2021

Annexure C to Report on Corporate Governance for the financial year ended 31st March, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Asian Paints Limited

We have examined the relevant disclosures provided by the Directors of Asian Paints Limited (as enlisted in Table A) CIN: L24220MH1945PLC004598; having registered office at 6A Shantinagar, Santacruz (East), Mumbai - 400 055, Maharashtra, India (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In our opinion and to the best of our knowledge and based on (i) Documents available on the website of the Ministry of Corporate Affairs ("MCA"); (ii) Verification of Directors Identification Number ("DIN") status at the website of the MCA (iii) Disclosures provided by the Directors (as enlisted in Table A) to the Company; and (iv) Debarment list of BSE Limited and National Stock Exchange of India Limited, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, MCA or any such other statutory authority during the financial year ended 31st March, 2023.

Table A

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1.	Mr. Deepak Satwalekar	00009627	30/05/2000
2.	Mr. Manish Choksi	00026496	22/10/2018
3.	Mr. Ashwin Dani	00009126	18/12/2003
4.	Mr. Amit Syngle	07232566	01/04/2020
5.	Mr. Malav Dani	01184336	21/10/2013
6.	Ms. Amrita Vakil	00170725	14/05/2014
7.	Mr. Jigish Choksi	08093304	01/04/2019
8.	Ms. Nehal Vakil	00165627	01/03/2022
9.	Mrs. Vibha Paul Rishi	05180796	14/05/2014
10.	Mr. Seshasayee Ramaswami	00047985	23/01/2017
11.	Mr. Suresh Narayanan	07246738	01/04/2019
12.	Mrs. Pallavi Shroff	00013580	01/04/2019
13.	Mr. Milind Sarwate	00109854	21/10/2021

For **Makarand M. Joshi & Co.,**
Company Secretaries

Makarand M. Joshi

Partner
FCS No. 5533
CP No. 3662
PR: 640/2019
UDIN: F005533E000270699

Place: Mumbai
Date: 08/05/2023

Annexure D to Report on Corporate Governance for the financial year ended 31st March, 2023

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2023.

Amit Syngle
Managing Director & CEO

Place: Mumbai
Date: 11th May, 2023

Business Responsibility and Sustainability Reporting

At Asian Paints, sustainability has been at the heart of our operations. We see our responsibility to take the lead in sustainable development not only as a duty to the society but also as an opportunity to do well by doing good. By embracing sustainable development and going beyond minimum information disclosure requirements and regulatory compliance, we aim to protect and deliver value to all our stakeholders.

Asian Paints has been an early proponent to embracing the Environment, Social and Governance (“ESG”) factors into what we do. From publishing our first Sustainability report in FY 2014-15 we have always endeavoured to provide enhanced disclosures.

We also adopted the Business Responsibility and Sustainability Reporting (“BRSR”) introduced by the Securities and Exchange Board of India (“SEBI”) containing enhanced ESG disclosures voluntarily for the financial year 2021-22. Continuing our journey towards sustainable development the below report speaks about the Company’s ESG approach including enhanced ESG voluntary leadership disclosures, which propels the business strategy to deliver our purpose of bringing joy to people’s lives.

Amit Syngle
Managing Director & CEO

Note: Identified indicators/parameters as included in this BRSR for the financial year ended 31st March, 2023 have been assured (Reasonable/Limited) by Price Waterhouse Chartered Accountants LLP. The Reasonable/Limited Assurance Report is annexed to this Integrated Annual Report on page no. 475

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	Response								
1.	Corporate Identity Number (CIN) of the Listed Entity	L24220MH1945PLC004598								
2.	Name of the Company	Asian Paints Limited								
3.	Year of incorporation	1945								
4.	Registered office address	6A, Shantinagar, Santacruz (East), Mumbai – 400 055, Maharashtra, India.								
5.	Corporate address	Same as mentioned in point no. (4).								
6.	E-mail	investor.relations@asianpaints.com								
7.	Telephone	(022) 62181000								
8.	Website	www.asianpaints.com								
9.	Financial year for which reporting is being done	April, 2022 to March, 2023								
10.	Name of the Stock Exchange(s) where shares are listed	a. BSE Limited (BSE) b. National Stock Exchange of India Limited (NSE)								
11.	Paid-up Capital	₹ 95,91,97,790								
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<table border="1"> <tr> <td>Name</td> <td>R J Jeyamurugan</td> </tr> <tr> <td>Designation</td> <td>CFO & Company Secretary</td> </tr> <tr> <td>Tel No.</td> <td>(022) 62181139</td> </tr> <tr> <td>E-mail</td> <td>investor.relations@asianpaints.com</td> </tr> </table>	Name	R J Jeyamurugan	Designation	CFO & Company Secretary	Tel No.	(022) 62181139	E-mail	investor.relations@asianpaints.com
Name	R J Jeyamurugan									
Designation	CFO & Company Secretary									
Tel No.	(022) 62181139									
E-mail	investor.relations@asianpaints.com									
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)?	The disclosures under this report are made on standalone basis for Asian Paints Limited.								

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of main activity	Description of business activity	Turnover of the entity (%)
1.	Sale of products	Manufacture/Purchase and sale of wide range of paints (Chemical and Chemical Products)	96.2

15. Products/Services sold by the entity (accounting for 90% of the entity’s turnover):

Sr. No.	Product/Service	NIC Code*	Total Turnover contributed (%)
1.	Manufacture of paints, varnishes, enamels, and thinners	202	96.2

*As per National Industrial Classification – Ministry of Statistics and Programme Implementation

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	11	227*	238 [§]
International [^]	-	-	-

* Includes warehouses, distribution centres and testing facilities.

[§] Does not include 24 locations (Colour Academies) where CSR activities are carried out.

[^] The international operations are carried out by the Company through its subsidiary companies and are outside the reporting boundary of this report.

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28
National (No. of Union Territories)	8
International (No. of Countries) [^]	12

[^] The international operations are carried out by the Company through its subsidiary companies and are outside the reporting boundary of this report.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of total turnover of the Company is 0.37%.

c. A brief on types of customers:

The Company is in the business of manufacturing, trading and selling wide range of paints and coatings, wallcoverings, adhesives, tools, home décor products like rugs, furnishings, and furniture, bath fittings and sanitaryware. The Company also provides various services like end-to-end design to execution services, safe painting solution, interior designing etc. The Company caters to a wide range of customers, including homeowners, large project sites, dealers, corporates, architects, interior designers, influencers, contractors through wholesalers and distributors, retailers, and e-commerce channels.

Business Responsibility and Sustainability Reporting (Contd.)

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	6,372	5,768	90.5	604	9.5
2.	Other than permanent (E)	7,838	6,924	88.3	914	11.7
3.	Total employees (D + E)	14,210	12,692	89.3	1,518	10.7
WORKERS						
4.	Permanent (F)	1,684	1,678	99.6	6	0.4
5.	Other than permanent (G)	16,142	15,735	97.5	407	2.5
6.	Total workers (F + G)	17,826	17,413	97.7	413	2.3

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the above indicator.

b. Differently abled employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	14	12	85.7	2	14.3
2.	Other than permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	14	12	85.7	2	14.3
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	5	5	100.0	-	-
5.	Other than permanent (G)	23	22	95.7	1	4.3
6.	Total differently abled workers (F + G)	28	27	96.4	1	3.6

Note: Limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the above indicator.

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	13*	4	30.8%
Key Management Personnel	2*	-	-

* Includes the Managing Director & CEO.

Notes:

- Key Management Personnel are Managing Director & CEO and CFO & Company Secretary.
- Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the above indicator.

20. Turnover rate (in %) for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees*	19.6	19.0	19.5	14.5	23.0	15.3	9.7	12.5	9.9
Permanent Workers*	2.2	-	2.2	1.8	-	1.8	2.1	-	2.1

* Only voluntary attrition & retirements considered.

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the above indicator.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures (A) (Note 1)	Indicate whether holding/subsidiary/associate/joint venture	% of shares held by the Company
A Subsidiaries of Asian Paints Limited			
1.	Asian Paints (Nepal) Private Limited	Subsidiary	52.71
2.	Asian Paints International Private Limited	Subsidiary	100
3.	Asian Paints Industrial Coatings Limited	Subsidiary	100
4.	Maxbhumi Developers Limited	Subsidiary	100
5.	Sleek International Private Limited	Subsidiary	100
6.	Weatherseal Fenestration Private Limited	Subsidiary	51
7.	Asian Paints (Polymers) Private Limited	Subsidiary	100
B Subsidiaries of Asian Paints International Private Limited (APIPL)			
8.	Enterprise Paints Limited	Subsidiary	100
9.	Universal Paints Limited	Subsidiary	100
10.	Kadisco Paint and Adhesive Industry Share Company	Subsidiary	51
11.	PT Asian Paints Indonesia	Subsidiary	100
12.	PT Asian Paints Color Indonesia	Subsidiary	100
13.	Asian Paints (South Pacific) Pte Limited	Subsidiary	54.07
14.	Asian Paints (S.I) Limited	Subsidiary	75
15.	Asian Paints (Bangladesh) Limited	Subsidiary	95.09
16.	Asian Paints (Middle East) SPC	Subsidiary	100
17.	SCIB Chemicals S.A.E.	Subsidiary	61.31
18.	Samoa Paints Limited	Subsidiary	80
19.	Asian Paints (Vanuatu) Limited	Subsidiary	60
20.	Causeway Paints Lanka (Pvt) Limited	Subsidiary	99.98
21.	A P International Doha Trading W.L.L. (Note 2)	Subsidiary	100
C Subsidiary of Enterprise Paints Limited			
22.	Nirvana Investments Limited	Subsidiary	100
D Subsidiary of Nirvana Investments Limited			
23.	Berger Paints Emirates LLC	Subsidiary	100
E Subsidiary of Universal Paints Limited			
24.	Berger Paints Bahrain W.L.L.	Subsidiary	100
F Joint Ventures of Asian Paints Limited			
25.	PPG Asian Paints Private Limited	Joint Venture	50
26.	Asian Paints PPG Private Limited	Joint Venture	50
G Associate of Asian Paints Limited			
27.	Obgenix Software Private Limited	Associate	49
H Subsidiaries of PPG Asian Paints Private Limited			
28.	Revocoat India Private Limited	Associate	100
29.	PPG Asian Paints Lanka Private Limited (Note 3)	Associate	100

Notes:

- Business responsibility initiatives disclosed are pertaining to Asian Paints Limited on standalone basis and does not include the information/initiatives undertaken, if any, by the companies indicated in column A.
- A P International Doha Trading W.L.L. is yet to commence operations.
- PPG Asian Paints Lanka Private Limited has ceased operations during FY 2022-23.

Business Responsibility and Sustainability Reporting (Contd.)

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes, as per section 135 of the Companies Act, 2013, provisions of CSR is applicable. A brief of the CSR vision of the Company and the activities undertaken has been detailed in the Social and Relationship Capital Section and Annual report on CSR Activities Section of this Integrated Annual Report.

(ii) Turnover of the Company for the year ended 31st March, 2023: ₹ 35,668.1 Crores

(iii) Net worth of the Company as at 31st March, 2023: ₹ 15,399.6 Crores

VII. Transparency and disclosures compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes Link to the Grievance Redressal Mechanism is http://asianpaints.ethicspoint.com/ . Grievances for all the CSR activities undertaken by the Company can also be communicated to the respective Plant heads and/or through email on csr@asianpaints.com .	-	-	-	-	-	-
Shareholders	Yes Link to the Grievance Redressal Mechanism is https://www.asianpaints.com/IGRPpolicy.html	118	2	Refer Note 2	34	-	-
Investors	Yes Link to the Grievance Redressal Mechanism is https://www.asianpaints.com/IGRPpolicy.html	-	-	-	-	-	-
Employees and workers	Yes Link to the Grievance Redressal Mechanism is http://asianpaints.ethicspoint.com/ .	5	1	-	9	2	-
Customers	Yes Link to the Grievance Redressal Mechanism is http://asianpaints.ethicspoint.com/ . Additionally, customers can lodge complaints by emailing at customercare@asianpaints.com and/or calling on Toll free No. 18002095678. Below is the link where all channels of communication are given: https://www.asianpaints.com/contact-us.html .	27,934	1,061	Refer Note 2	24,800	1,402	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partners	Yes Link to the Grievance Redressal Mechanism is http://asianpaints.ethicspoint.com/ .	-	-	-	-	-	-

Notes:

- For FY 2022-23 investor complaints also include 92 complaints received directly from shareholders as per guidelines from stock exchanges issued during the year. During the previous financial year, shareholder complaints received only through regulatory authorities were reported.
- The customer complaints open at the close of the year, *inter alia*, are on account of (i) re-opening/non-closure of complaints to the satisfaction of the customers (ii) pending customer acknowledgment for closure (iii) resolution in progress and (iv) complaints registered during last week of March, 2023.
- Number of complaints reported above represent genuine and agreed complaints.
- Limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the above indicator.

24. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Refer Managing Risks section of this Integrated Annual Report on page no. 54

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether the entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)						Yes			
b. Has the policy been approved by the Board? (Yes/No)						Yes*			
c. Web Link of the Policies, if available						Refer Note 1			
2. Whether the entity has translated the policy into procedures (Yes/No)						Yes			
3. Do the enlisted policies extend to your value chain partners? (Yes/No)						Yes, Code of Conduct for Business Partners extends to value chain partners.			

* The Advocacy Policy has been approved by the Managing Director & CEO of the Company.

Business Responsibility and Sustainability Reporting (Contd.)

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the entity and mapped to each principle.	Organisation for Economic Co-operation and Development (OECD), Principle of Corporate Governance, Corporate Governance Voluntary Guidelines, 2009, GRI standards.	ISO 14001, ISO 45001, ISO 9001, GRI standards.	Universal Declaration on Human Rights of the United Nations, ISO 45001, British Safety Council, GRI standards.	ISO 14001, GRI standards.	Universal Declaration on Human Rights of the United Nations, GRI standards.	ISO 14001, Indian Green Building Council (IGBC), GRI standards.	Universal Declaration on Human Rights of the United Nations, GRI standards.	CSR disclosures pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, GRI standards.	ISO 14001, Task Force on Climate-Related Financial Disclosures (TCFD) Framework, ISO 9001, ISO 27001, GRI standards.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set targets for ESG commitment for 2025 and 2030, <i>inter alia</i> , related to Products stewardship, Water neutrality, Energy conservation, Nature positive, Safe workplace, Energising, equitable & inclusive workplace, Water stewardship, Ethics, transparency, quality and accountability, World class governance and Sustainable supply chain management. For more information, refer the ESG Commitment section forming part of this Integrated Annual Report on page no. 34. The Company monitors the performance against the specific commitments on an ongoing basis.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The performance against the set targets undertaken for ESG has been published in the ESG Commitment section forming part of this Integrated Annual Report on page no. 34.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Mr. Amit Syngle, Managing Director & CEO of the Company is the director responsible for the business responsibility report. For the statement, refer the Managing Director & CEO statement at the beginning of the BRSR on page no. 240.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board is responsible for implementation and oversight of the business responsibility policies. The Board of Directors of the Company has empowered the Stakeholders Relationship Committee (SRC) to provide direction to the management and exercise oversight on the implementation of targets committed under ESG. Read more about the SRC in the Corporate Governance section of this Integrated Annual Report on page no. 209.								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? If yes, provide details.	The Board is responsible for decision making on all sustainability related issues. The Stakeholders Relationship Committee of the Board of Directors of the Company is responsible for providing direction to the management on ESG strategy and monitoring the progress and performance on its medium-term and long-term ESG commitments and targets.								
	Composition of Stakeholder Relationship Committee								
	Name of Director	Designation	Role						
	Vibha Paul Rishi	Independent Director	Chairperson						
	Jigish Choksi	Non-Executive Director	Member						
	Nehal Vakil	Non-Executive Director	Member						
	Mr. R J Jeyamurugan is the Secretary to the Committee.								

10. Details of review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee	Frequency (Annually/Half yearly/Quarterly/any other – please specify)									
		P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	The Managing Director & CEO reviews the performance of the systems and processes in place for NGRBC related principles. The Audit Committee reviews the performance and grievance redressal mechanisms as per the Code of Conduct of the Company.										Ongoing basis
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all the applicable statutory requirements and rectifies, non-compliance, if any. This is reviewed by the Audit Committee.										Quarterly and as when required as per statutory requirements.
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? If yes, provide name of the agency.											As a part of the oversight of the internal financial controls in the Company, the Management and Audit Committee reviews the adherence to the stated policies in the Company. The Internal Audit function assists the Audit Committee with the above. Further, independent assessment/evaluation is carried out periodically by external agencies.

Note 1:

Principle	Applicable Policies	Link for policies
Principle 1: Businesses should conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable	1. Code of Conduct for Employees, 2. Code of Conduct to Regulate, Monitor and Report Trading by Designated Person, 3. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, 4. Policy on dealing with and materiality of Related Party Transactions, 5. Whistle Blower Policy, 6. Code of Conduct for Business Partners, 7. Advocacy Policy, 8. Code of Conduct for Board and Senior Management Personnel, 9. Anti-Bribery and Anti-Corruption Position Statement	https://www.asianpaints.com/CGpolicies.html https://www.asianpaints.com/PositionStatement.html
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe	1. Environment, Health and Safety Policy, 2. Information Security Policy	https://www.asianpaints.com/CGpolicies.html
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains	1. Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace, 2. Code of Conduct for Employees, 3. Code of Conduct for Business Partners, 4. Environment, Health and Safety Policy, 5. Human Rights Position Statement	https://www.asianpaints.com/CGpolicies.html https://www.asianpaints.com/PositionStatement.html

Business Responsibility and Sustainability Reporting (Contd.)

Principle	Applicable Policies	Link for policies
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders	1. Corporate Social Responsibility Policy, 2. Customer Policy, 3. Code of Conduct for Employees, 4. Code of Conduct for Business Partners, 5. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, 6. Dividend Distribution Policy, 7. Advocacy Policy, 8. Policy on Equal Opportunity and Non Discrimination	https://www.asianpaints.com/CGpolicies.html https://www.asianpaints.com/CustomerPolicy.html
Principle 5: Businesses should respect and promote human rights	1. Code of Conduct for Employees, 2. Code of Conduct for Business Partners, 3. Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace, 4. Policy on Equal Opportunity and Non discrimination, 5. Nomination and Remuneration Policy	https://www.asianpaints.com/CGpolicies.html
Principle 6: Businesses should respect and make efforts to protect and restore the environment	Environment, Health and Safety Policy	https://www.asianpaints.com/EHSpolicy.html
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Advocacy Policy	https://www.asianpaints.com/CGpolicies.html
Principle 8: Businesses should promote inclusive growth and equitable development	1. Corporate Social Responsibility Policy, 2. Policy on Equal Opportunity and Non-discrimination	https://www.asianpaints.com/CGpolicies.html
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	1. Customer Policy, 2. Information Security Policy	https://www.asianpaints.com/CustomerPolicy.html https://www.asianpaints.com/CGpolicies.html

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1 to P9
The entity does not consider the principles material to its business (Yes/No)	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**PRINCIPLE 1**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by awareness programmes
Board of Directors	13 sessions	Outlook of paint industry and home décor sector, governance and regulatory compliance requirements, risk management and ESG commitments.	100
Key Managerial Personnel	16 sessions	Updates and awareness related to regulatory changes are provided for the benefit of the KMPs. Topics covered include: Corporate Governance, Companies Act, 2013, SEBI regulations as applicable to the Company, ESG matters, Code of Conduct for Employees and Prevention of Sexual Harassment at Workplace (POSH)	100
Employees other than BoD and KMPs	4196 unique employees attended 79 sessions	Values-based capability building programme, Code of Conduct for Employees, POSH, Well-being (financial, physical and mental) and safety related sessions, sensitisation of compliances under Code of Conduct to regulate, monitor, and report trading by Designated Persons, and Fair trade practices.	65.9
Workers	197 sessions	Health & Safety related trainings, Wellness sessions and Skill upgradation	100

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year.

Particulars	NGRBC Principle	Monetary/Non-monetary		Brief of the Case	Has an appeal been preferred? (Yes/No)
		Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)		
Penalty/Fine					
Settlement			Nil		
Compounding fee					

Note: Materiality threshold as specified in Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been applied for the purpose of this disclosure.

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed: Not applicable**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has a published position statement on anti-corruption and anti-bribery. The same is available on the Company's website at <https://www.asianpaints.com/PositionStatement.html>.

Business Responsibility and Sustainability Reporting (Contd.)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Particulars	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2022-23		FY 2021-22	
	Number	Brief details of the complaint	Number	Brief details of the complaint
Number of complaints received in relation to issues of conflict of interest of the Directors	1	The Company had received a complaint from an individual (ex-employee and a vendor of the Company), through the National Stock Exchange of India (NSE), alleging impropriety with respect to certain related party transactions entered into by the Company among other matters. The Company has appropriately responded to the allegations levied.	1	The Company had received a protected disclosure from an individual (not related to the Company), alleging impropriety with respect to certain related party transactions entered into by the Company. The complaint was investigated in accordance with the Company's whistle blower policy and after undertaking a detailed review of the transactions, the said complaint was closed as the inquiry concluded that the transactions were undertaken in compliance with law, and there was no basis for the allegations made.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-		-	

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest: Not Applicable**Leadership Indicators****1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

The Company is committed to conducting business in an ethical, fair, legally, socially and environmentally responsible manner. The Company's Business Partners are an integral part of the ecosystem, and the Company encourages the Business Partners to be responsible corporate citizens. The Company has in place a documented Code of Conduct for Business Partners to emphasise its commitments in the areas of business integrity, human rights, labour practices, environment stewardship etc.

All the agreements/contracts/purchase orders entered into by the Company with the business partners includes stated confirmation on the above mentioned aspects. The Code of Conduct for Business Partners is available at <https://www.asianpaints.com/CodeofConductforBusinessPartners.html>. The Company has also initiated taking confirmation from the business partners on acceptance and adherence to the Code of Conduct for Business Partners. The process of holding discussions and conducting awareness sessions with our value chain partners on these principles has been initiated.

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? If Yes, provide details of the same.

Yes, the Company has Code of Conduct for Board of Directors and Senior Management Personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company receives an annual declaration from its Board of Directors and Senior Management Personnel on the entities they are interested in, and ensures requisite approvals as required under the applicable laws are taken prior to entering into transactions with such entities. The policy is available on the Company's website at <https://www.asianpaints.com/CGpolicies.html>.

PRINCIPLE 2**Businesses should provide goods and services in a manner that is sustainable and safe****Essential Indicators****1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Particulars	FY 2022-23	FY 2021-22	Details: improvements in environmental and social impacts
R&D	1.4%	1.3%	The Company has an in-house Research & Technology (R&T) facility where experts/scientists work on various innovations/technologies including finding pathways for bringing on more sustainable and environment friendly products which includes low Volatile Organic Compound (VOC) paints, reducing/eliminating lead and heavy metals, etc. The Company has spent ₹ 105.4 Crores (only operating cost) on R&T expenses during FY 2022-23. These include expenses on multiple projects embodying several benefits including environmental and social benefits, however, separately identifying such costs is not feasible. The currently reported percentage of R&D include only separately identified expenses, excluding employee cost and other direct expenses of R&T.
Capex	8.5%	4.3%	The capital spends include investments in renewable energy, installation of environment monitoring systems, expenditure on energy efficient equipment, waste reduction & treatment infrastructure and automation of laborious activities among others.

2. a. Does the entity have procedures in place for sustainable sourcing?

Yes. During the year, the Company has published the Code of Conduct for Business Partners (the Code) which acts as the umbrella policy for driving the ESG agenda in its value chain. While the agreements/contracts/purchase orders also cover the principles covered under the Code which is agreed between both the Company and vendor, the Company has also initiated a process to get confirmation and acceptance of the Code from all its vendors. This initiative was launched in the first week of April 2023. As at the end of April, 2023, 1279 existing vendors have acknowledged/accepted the Code which forms more than 65% of raw material suppliers of the Company by value.

Vendor selection & on-boarding criteria include a necessary evaluation of compliance with environment-related regulations such as valid consent and other authorisations, availability of environment policy and management system as well as self-declaration on key Human Rights principles. During the year, 98 such suppliers were on-boarded based on the evaluation.

During the year, guided by the Code, the Company has developed Sustainable Supply Chain Framework, setting out approach, expectations, process and promises towards sustainability in the supply chain.

The Sustainable Supply Chain Framework has been discussed in detail under Manufactured Capital of the Integrated Annual Report on page no. 70.

b. If yes, what percentage of inputs were sourced sustainably?

The Company continuously assess the source of inputs from vendors and evaluates if these vendors are certified by third party agencies. Such information is gathered from public domain. Basis this assessment, more than 50% of the raw material procurement by value are certified to be compliant with social and environmental standards such as SA 8000, ISO 14001/EMS, OHSAS 18001/ISO 45001, EcoVadis rating (bronze or higher) or relevant labels like Rainforest Alliance, Rugmark, RSPO etc.

Business Responsibility and Sustainability Reporting (Contd.)

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Paint as a product is applied on surface and gets completely utilised once it reaches consumers. The Company's focus, however, is on reducing generation of dead, damaged, and defective materials. Such dead, damaged and defective stocks are collected back, reprocessed, and utilised to the maximum extent possible. The packaging material used by the Company is largely plastic. Additionally, the Company also deals in electric tools used while painting.

1. **Plastics (including packaging):** The Company follows the Extended Producer Responsibility (EPR) approach to manage downstream operations of plastic packaging waste ensuring compliance with the Plastic Waste Management Rules, 2016 (PWM). Further, the Company has increased the use of recycled plastic in a host of its product packaging. The total quantity of recycled plastic used in packaging was more than 5200 tonnes in FY 2022-23. This accounts for 7.8% of total plastic packaging.
2. **E-waste:** Ministry of Environment, Forest and Climate Change (MOEFCC) notified E-waste (Management) Rules, 2022 (E-waste Rules) effective from 1st April, 2023. These rules set EPR obligation for electric and electronic equipment/devices. Since the Company provides a range of painting-related electrical tools in the market, the obligation under these rules will apply to the Company. The Company will fulfill the EPR obligation as per the E-waste Rules and Central Pollution Control Board (CPCB) directions.
3. **Hazardous Waste:** Not applicable
4. **Other:** Not applicable

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable to the Company. The Company has been ensuring the collection and safe disposal of packaging waste through the EPR approach since 2018. The Company has collected over 4,900 MT of flexible plastics and over 49,000 MT of rigid plastic in FY 2022-23. The collection and responsible channelisation were ensured across 23 states.

Further, the notified E-waste (Management) Rules 2022 (E-waste Rules) effective from 1st April 2023 sets EPR obligation for the Electric and Electronic equipment/devices. Since the Company provides a range of painting-related electrical tools in the market, the obligation under E-waste Rules will apply to the Company. The Company will fulfil the EPR obligation as per the E-waste Rules and Central Pollution Control Board (CPCB) directions.

Leadership Indicator**1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Yes, the Company has leveraged Product Life Cycle Assessment studies based on ISO 14040 to identify hotspots related to Green House Gas (GHG) emissions. Product LCA is undertaken for top volume products in interior and exterior paints category. The key impacts covered under the LCA are global warming, water depletion, abiotic depletion, acidification, ecotoxicity, eutrophication, ozone depletion, photochemical ozone formation and human toxicity.

NIC Code	Name of the product/services	% of total Turnover contributed	Boundary for which the life cycle perspective/Assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communication in the public domain (Yes/No) If yes, provided the web-link
202	Product LCA for top-volume products across interior and exterior paints category.	32%	Cradle to grave	Yes	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

There are no significant social/environmental concerns and/or risks arising from production or disposal of products/services. However, based on the LCA study, the Company is working to mitigate certain identified hotspots in regard to the environmental impact of the product over the years. This has been discussed in detail in the Natural Capital section in this Integrated Annual Report on page 112. The key initiatives are listed below:

1. Emission reduction through formulation efficiency and process innovations results in emission reduction at the raw material stage which is a key contributor to Scope 3 emissions. During the year, the Company has realised reduction of 20,390 tCO₂e.
2. The Company has been working on increasing the durability of products. Products in SmartCare waterproofing and Ultima Protek range has durability of more than 10 years. Further, there are a host of products with durability of more than 5 years such as Apex Advance Dustproof, Apex Dustproof, Apex Shyne Dustproof, Aspira, Smartcare Damp proof & Smartcare Damp proof Advance.
3. The Company is constantly changing and improving paint formulations to offer low-VOC paints that ensure health and environmental benefits while providing higher performance levels. Further, Green Seal and Green Assure products are low VOC products as VOC is one of the important criteria to comply with these certification standards.
4. The Company has done extensive work to reduce overall water footprint by driving water conservation activity within plants, harvesting, and utilising rainwater in process and water recharge and conservation initiatives outside plants. During the year, the Company utilised 235 mega litres of rainwater in process and replenishing 382% of freshwater consumption at decorative paint manufacturing plants. Total specific non-process water consumption reduced by 53% since 2013-14 to 0.45 Kl/Kl at decorative paint manufacturing plants.

Name of products/services	Description of the risk/concerns	Action taken
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):

Resource efficiency forms an integral part of the Company's environmental strategy. Through continuous efforts, the Company strives to meet the needs of its customers. In doing so, resource management approach is optimised to efficiently utilise the raw materials and minimise material waste. To ensure the availability of raw materials required for business operations, resources are optimally utilised and ways are adopted to reuse, recycle and reintroduce excess material in production process without compromising the quality of products and solutions. Details of materials recycled or re-used are as under:

Input material	Recycled or re-used input material to total material (%)	
	FY 22-23	FY 21-22
Recycled Content in Plastic Packaging Procured	7.8	5.4
Wash Water reuse in process	5.7	5.6

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Values in metric tonnes	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (Including Packaging)	-	~53400	~500	-	8,805	3,572
E-Waste	-	-	-	-	-	-
Hazardous Waste	-	-	-	-	-	-
Other Waste	-	-	-	-	-	-

Note: Calculation methodology has been updated for above as per BRSR Guidelines

Business Responsibility and Sustainability Reporting (Contd.)

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product category	Reclaimed products and their packaging materials as % of total products sold in respective category.
Plastic Waste as part of Extended Producers Responsibility	100% of flexible packaging 77% of rigid packaging

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	5,768	5,768	100	5,768	100	-	-	5,745	99.6	1,327	23.0
Female	604	604	100	604	100	604	100	-	-	422	69.9
Total	6,372	6,372	100	6,372	100	604	9.5	5,745	90.2	1,749	27.4
Other than Permanent employees											
Male	6,924	6,924	100	6,924	100	-	-	-	-	-	-
Female	914	914	100	914	100	914	100	-	-	-	-
Total	7,838	7,838	100	7,838	100	914	11.7	-	-	-	-

Notes:

- Vendors are required to adhere to the statutory compliances as per applicable laws and rules thereunder.
- Day-care facilities are available on the Company premises (including plants) as per provisions of the Factories Act, 1948.
- Some locations do not fall under the Maternity Benefit Act, 1961 and accordingly do not meet the requirement of having a day care facility.

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1,678	1,678	100	1,678	100	-	-	1,678	100	60	3.6
Female	6	6	100	6	100	6	100	-	-	6	100
Total	1,684	1,684	100	1,684	100	6	0.4	1,678	99.6	66	3.9
Other than Permanent employees											
Male	15,735	15,536	98.7	15,735	100	-	-	15	0.1	1,595	10.1
Female	407	407	100	407	100	407	100	-	-	115	28.3
Total	16,142	15,943	98.8	16,142	100	407	2.5	15	0.1	1,710	10.6

Notes:

- Vendors are required to adhere to the statutory compliances as per applicable laws and rules thereunder.
- Day-care facilities are available on the Company premises (including plants) as per provisions of the Factories Act, 1948
- Some locations do not fall under the Maternity Benefit Act, 1961 and accordingly do not meet the requirement of having a day care facility.

2. Details of retirement benefits, for current and previous financial year:

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers	Deducted and deposited with the authority^	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers	Deducted and deposited with the authority^
PF	100	100	NA	100	100	NA
Gratuity	100	100	NA	100	100	NA
ESI	100	100	Yes	100	100	Yes

* Eligible as per statute

^The Provident Fund and Gratuity contributions are deposited with the Company's Trust Funds.

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

The Company has Policy on Equal Opportunity and Non-Discrimination basis which the Company is takes proactive measures to build systems and processes to ensure:

- That appropriate infrastructural facilities and amenities are provided to employees and workers with disabilities to enable them to discharge their duties safely and effectively in the establishment.
- The facilities are in compliance with the Harmonised Guidelines and Space Standards for Barrier Free Built Environment for Persons with Disability and Elderly Persons (as amended from time to time), issued by the Ministry of Urban Development, Government of India.
- Accessible environment and assistive devices as required are made available.

Accordingly, all employees/workers with disability are provided resources necessary for their smooth functioning and create an inclusive environment.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

Yes, the Company has a Policy on Equal Opportunity and Non-Discrimination which is available on the Company's website at <https://www.asianpaints.com/policyonequalopportunityandnondiscrimination.html>.

5. Return to work and retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male (%)	100	92.9	100	100
Female (%)	100	73.3	-	-
Total (%)	100	91.9	100	100

*None of the female permanent workers availed parental leave in this year.

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

Business Responsibility and Sustainability Reporting (Contd.)

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief:

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Grievances received from workers are duly recorded in the appropriate registers at the plant premises. Workers can raise grievances at http://asianpaints.ethicspoint.com/ . Grievances can also be raised through our toll free no. 000-800-100-1622, email at whistle.blower@asianpaints.com and/or by way of a letter addressed to the Ethics Committee at the Registered Office of the Company.
Other than Permanent Workers	
Permanent Employees	Yes. Employees can raise grievances with their reporting managers and/or HR business partners. Grievances can also be raised at http://asianpaints.ethicspoint.com/ , toll free no. 000-800-100-1622, email at whistle.blower@asianpaints.com and/or by way of a letter addressed to the Ethics Committee at the Registered Office of the Company.
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees/workers in respective category	No. of employees/workers in respective category, who are part of association(s) or Union	% (B/A)	Total employees/workers in respective category	No. of employees/workers in respective category, who are part of association(s) or Union	% (D/C)
	(A)	(B)	(B/A)	(C)	(D)	(D/C)
Total Permanent Employees	6,372	136	2.1	5,712	276	4.8
Male	5,768	131	2.3	5,198	263	5.1
Female	604	5	0.8	514	13	2.5
Total Permanent Workers	1,684	1,577	93.6	1,711	1,617	94.5
Male	1,678	1,577	93.9	1,705	1,617	94.8
Female	6	-	-	6	-	-

Note: Limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

8. Details of training given to employees and workers:

Category	FY 2022-23				FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation	Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)			No. (C)	% (C/A)		No. (E)
Employees									
Male	5,768	1,363	23.6	4,957	85.9	5,198		3,836	73.8
Female	604	111	18.4	514	85.1	514	*	359	69.8
Total	6,372	1,474	23.1	5,471	85.9	5,712		4,195	73.4
Workers									
Male	1,678	1,678	100	#		1,705	1,705	100	
Female	6	6	100	#		6	6	100	#
Total	1,684	1,684	100	#		1,711	1,711	100	#

* The Company provides regular trainings on health and safety to all its employees. The Company aims to provide various quality training and minimising workplace accidents without focusing upon the numbers of hours spent in training. We have now implemented a mechanism to track training undertaken.

* Trainings on skill upgradation includes both soft skill and functional skills. Such trainings are imparted by individual functions basis the need for their own department and are not specifically tracked.

9. Details of performance and career development reviews of employees and workers.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	5,768	5,768	100	5,198	5,198	100
Female	604	604	100	514	514	100
Total	6,372	6,372	100	5,712	5,712	100
Workers						
Male	1,678	1,678	100	1,705	1,705	100
Female	6	6	100	6	6	100
Total	1,684	1,684	100	1,711	1,711	100

Note: All our employees and workers are eligible to receive performance and career development reviews. For employees who have joined the Company during the period January to March, 2023 career development reviews would only have been received.

10. Health and safety management system:**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?**

Yes. In accordance with the Environment, Health and Safety Policy of the Company, Occupational Health and Safety Management System has been implemented at all in house manufacturing facilities and Research & Technology laboratory. Further, all other locations also comply with the applicable statutory requirement pertaining to health and safety. The Company's health and safety management system is based on ISO 45001, the International Standard for Occupational Health and Safety. During the year, 3 decorative paint manufacturing plants have received five-star rating by British Safety Council and 3 plants have received Sword of Honour from the British Safety Council.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has Environment, Health and Safety Policy. The health and safety guidelines are applicable to all operating locations of the Company and lay down required parameters to be followed at all locations. Some of the key processes for identifying work-related hazards and assessing risks on a routine and non-routine basis are given below:

- Hazard Identification and Risk Assessment (HIRA) is used for routine and non-routine activities.
- Hazard and Operability Study (HAZOP) is being used for identifying hazard related to chemical processes.
- Chemical Risk Assessment is used for identifying health hazards during handling of chemicals.
- Manual Material Handling Assessment Chart (MAC) tool is used to identify hazards during manual material handling activities.
- Fire Risk Assessment is done for handling fire related risks.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks (Yes/No):

Yes, all workers at plants can report work related hazards through an internal portal. All the work hazards reported are monitored and actioned upon through Department Safety Committee which in turn is supplemented by Apex Safety Committee at the plant. A process of 'stoppage of work due to unsafe act and unsafe condition' to safeguard employees' interest is in place to report or remove themselves from situations they believe could cause injury. At non-manufacturing locations, the workers approach the location head to report any work-related hazards and to remove themselves from such risks.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, all employees/workers are covered under the Company's health insurance and personal accident policy.

Business Responsibility and Sustainability Reporting (Contd.)

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 22-23*	FY 21-22*
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	0.05
	Workers	0.55	0.55
Total recordable work-related injuries [^]	Employees	-	3
	Workers	40	40
No. of fatalities	Employees	-	-
	Workers	-	-
No. of high consequence work-related injury or ill-health (excluding fatalities)	Employees	-	1
	Workers	-	-

*Details provided for the manufacturing sites only.

[^] Calculation methodology has been updated for above as per BRSR Guidelines.

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on the above indicators.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

In line with the Company's Environment, Health and Safety Policy, there are various measures taken to ensure access to a safe and healthy work-place to all employees and workers. The Company invests in technologies and processes to avoid and minimise the manual interfaces with machines. The Company ensures that all statutorily required norms are complied with and get third party safety audits done for validation.

The Company endeavours to design any new facility by using latest technology and include all possible safety measure such that there is near zero risk to human health. At the existing facilities, newer mechanism, machines, and techniques are put in place.

Performing internal and external studies and surveys:

The Company performs various internal and external studies like 'HIRA', 'HAZOP', chemical risk assessment, fire risk assessment, manual material handling assessments, quantitative risk assessment for chemical storage tank and surveys relating to structural stability, noise survey, illumination survey, etc. to identify process safety hazards and controls.

Safety Management Systems:

The health and safety management system is based on ISO 45001 - the International Standard for Occupational Health and Safety and is also designed to cater to the 'Five Star Integrated Audit' by British Safety Council which is a leading global recognition in the field of Occupational Health and Safety Systems. This covers eight decorative manufacturing plants, one industrial paint plant and one chemical plant and Research and Technology Laboratory. It covers our workforce including contractor workmen, drivers, cleaners as well as visitors etc.

Training:

The Company encourages and works on building Behaviour Based Safety Management to encourage adherence to safe behaviour and promote safety culture. It provides periodic trainings to employees on the manner of performing such assessments/surveys, handling hazardous chemicals and equipment. All employees and workers are trained on safety aspects which includes First - aid, Fire - fighting, Onsite Emergency Plan, Work permit system, HIRA, HAZOP etc.

Use of technology and other safety measures:

Most of the paint manufacturing process are automated/semi-automated and are controlled through Distributed Control System (DCS) and Manufacturing Excellence System (MES). All the new plants are highly automated with conveyors and robotics palletisation to reduce manual material handling thereby, creating safer work environment. Moving parts of machineries are equipped with machine guarding mechanism like separately demarcated routes for vehicles and pedestrians, installation of convex mirrors at blind corners for Material Handling Equipment (MHE) trucks, monitoring speed of all vehicular movements, installation of safety alarms, interlocks to eliminate hazard related to moving parts, etc.

Over and above, it is ensured that fire protection equipment such as hydrant system, water monitors, foam monitors, fire extinguishers, fire detection and sprinkler system are provided as per relevant Indian Standards. Pre-employment and annual medical examinations are carried out for employees and contractor workmen as per Company's Policy. Personal Protective Equipment (PPE) are identified for various activities and maintained in the form of PPE matrix for each section in the plants conforming to relevant Indian/International Standard as applicable.

Periodic equipment maintenance, review and testing:

There is a well-defined checklist basis which periodic safety inspections are carried out and actions are taken in a time bound manner. Regular inspections and maintenance are done by competent persons for various critical equipment, with necessary permits wherever needed, ensuring lockout tagout system is implemented.

Redressal and Investigation mechanism:

There are Safety Committees constituted at locations to ensure that safe work practices are in place. The Committees promote the participation of employees and workers to participate in ensuring workplace safety and have a well laid out procedure of investigation for work - related incidents, review and investigation along with implementation of corrective and preventive actions.

13. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

The Company encourages employees and workers to highlight any issues noticed towards working conditions and Health & Safety concerns at all its locations. The employees can lodge complaints on the internal portal of the Company as well. Throughout the year, the employees have raised many such queries/concerns on the portal which have been largely addressed by the Company. Such complaints are more in nature of flagging of possible need of repairs or availability of proper working conditions which are regular in nature and addressed as and when raised. These queries/concerns are not reported considering them trivial.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

% is based on cases which were due for an assessment either basis regulatory requirements and/or basis the Company's internal guidelines.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:

The Company continuously monitors and assesses its health and safety practices and working conditions. Investigation is conducted in case any incident is reported using various methodology to identify the root cause. The investigation team presents corrective and preventive measures which is reviewed at various levels by the local management and central teams. Such corrective actions are then deployed horizontally across locations.

Business Responsibility and Sustainability Reporting (Contd.)

Leadership Indicators:**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/No) (B) Workers (Yes/No)?**

Yes, the Company has extended life insurance or compensatory package in the event of death of both employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has a robust mechanism to ensure that all statutory dues have been deducted and deposited by the value chain partners. As per the business agreements/contracts and purchase orders, all vendors are obliged to make necessary statutory payments timely. The Company regularly verifies the payment made by vendors to various government authorities towards statutory payments internally or through third party audits. With such reviews, the Company internally rates the vendors on their compliance status. The Company issues notices or penalises them or ceases business dealing with defaulting vendors depending on the number of defaults.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	1	0	1
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, the Company has a transition assistance program across cadres right from junior level to senior management to provide guidance to new promotees to discharge their duties more effectively and develop their functional and behaviour skill sets. Each program is uniquely designed depending on the cadre and required developmental needs. The program also allows individuals to nominate themselves for one on one and group coaching programs which helps them in addressing any specific transitional need. In case of retirement, various insight sharing sessions are held with the employees to gain from their experiences. The Company engages with them to assist them in financial planning needs, if any. Refer the Human Capital Section of this Integrated Annual Report on page no. 86.

5. Details on assessment of value chain partners:

The Company has in place a Code of Conduct for Business Partners. Accordingly business partners are expected to provide a safe and healthy workplace for their employees and contractors. Business Partners must be compliant with local and national laws and regulations on Occupational Health and Safety, and have the required permits, licenses and permissions granted by local and national authorities.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working condition of value chain partners:

Not Applicable

PRINCIPLE 4**Businesses should respect the interests of and be responsive to all its stakeholders****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

Refer Addressing Stakeholder concerns section of this Integrated Annual Report on page no. 44.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Refer Addressing Stakeholder concerns section of this Integrated Annual Report on page no. 44.

Leadership Indicators**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Stakeholder engagement is a crucial process that contributes to growth ambitions. Refer Addressing Stakeholder concerns section of the Integrated Annual Report on page no. 44 which covers the process for consultation between stakeholders and the Board.

During the year, the Board has committed to certain ESG targets. The Company annually reports progress on these targets to update all stakeholders on ongoing initiatives. The comprehensive reporting approach demonstrates an unwavering dedication to provide stakeholders a transparent and holistic view of the Company's performance and progress toward achieving ESG commitments.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Company in consultation with the stakeholders has identified material environmental and social topics. Material topics were shortlisted and prioritised based on their impact on the stakeholders and the business. The details on the same have been provided in the Addressing Stakeholder concerns and Identifying Materiality Issues sections of this Integrated Annual Report from page no. 44 onwards.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups:

The Company identifies the need of communities including vulnerable and marginalised groups and accordingly works on various programs through Corporate Social Responsibility initiatives. The initiatives undertaken by the Company under the thrust areas of Corporate Social Responsibility initiatives are undertaken after assessing the need of the communities including the vulnerable/marginalised stakeholder groups and other members of the community. The Company has undertaken nutrition projects for children, adolescents, pregnant and lactating women and organised Eye Care programme for school students. The Colour Academies work on imparting skill education and enhancing productivity of the people in paint application/plumbing/carpenter training etc. and strives to make an impact on their lives by bringing positive economic, professional and inter personal & intrapersonal impact. For more information, please refer the Social and Relationship Capital section of this Integrated Annual Report on page no. 100.

Business Responsibility and Sustainability Reporting (Contd.)

PRINCIPLE 5**Businesses should respect and promote human rights****Essential Indicators****1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	6,372	4,096	64.3	5,712	5,364	93.9
Other than permanent	7,838	Refer note (ii)		5,701	Refer note (ii)	
Total Employees	14,210			11,413		
Workers						
Permanent	1,684	Refer note (ii)		1,711	Refer note (ii)	
Other than permanent	16,142	Refer note (ii)		12,899	Refer note (ii)	
Total Workers	17,826			14,610		

Notes:

- The trainings on human rights and other policies are a part of the Code of Conduct and other various awareness programmes. The Company has deployed an e-module on Code of Conduct for training of the employees.
- Several discussions are held with all employees and workers to create awareness around human rights and the Company's Code of Conduct. In addition to HR led sessions and e-module, all employees and workers (including new joiners) are trained/made aware of the Code of Conduct by their functional team leads. Such sessions are currently not tracked. This information will be available from FY 2023-24 onwards. Further, the Code of Conduct is available for reference on the Company's website and on the Company's intranet portal. They are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with: all applicable laws; rules and regulations; and all applicable policies and procedures adopted by the Company.
- Limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent										
Male	5,768	-	-	5,768	100	5,198	-	-	5,198	100
Female	604	-	-	604	100	514	-	-	514	100
Other than Permanent										
Male	6,924	-	-	6,924	100	5,386	-	-	5,386	100
Female	914	-	-	914	100	315	-	-	315	100
Worker										
Permanent										
Male	1,678	-	-	1,678	100	1,705	-	-	1,705	100
Female	6	-	-	6	100	6	-	-	6	100
Other than Permanent										
Male	15,735	13,311	84.6	2,424	15.4	12,103	12,103	100	-	-
Female	407	306	75.2	101	24.8	796	796	100	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category (in ₹)	Number	Median remuneration/salary/wages of respective category (in ₹)
Board of Directors (BOD)*	9	62,20,000	4	55,00,000
Key Managerial Personnel (KMP)**	2	11,04,79,404	-	-
Employees other than BOD and KMP	5,766	14,96,872	604	11,38,033
Workers	1,678	4,86,100	6	2,19,282

*Includes Managing Director & CEO

**Key Managerial Personnel are the Managing Director & CEO and CFO & Company Secretary

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, Ms. Savitha Shivsankar, the Chief Human Resources Officer of the Company, is responsible for addressing any human rights issues caused or contributed to by the business. Further, these cases are presented to the Audit Committee along with the status and its resolutions on a quarterly basis.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

The Company is committed to providing a safe and conducive work environment to all of its employees and workers. Transparency and openness are organisational values and are practised across all levels. Employees are encouraged to share their concerns with their reporting manager or the members of the Senior Management. Employees can reach out independently to the Human Resource function if they so choose to. The Company has an open-door approach, wherein any employee irrespective of hierarchy has access to the senior management. In addition, the Code of Conduct for Employees and the Whistle Blower Policy allows all our employees to report any kind of suspected or actual misconduct in the organisation in an anonymous manner including grievances related to human rights issues.

Refer to the Company's position statement on Human Rights at <https://www.asianpaints.com/PositionStatement.html>.

6. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remark	Filed during the year	Pending resolution at the end of year	Remark
Sexual Harassment	5	1*		3	1*	
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour			Nil			Nil
Wages						
Other human rights related issues						

*The case pending for resolution is not beyond 90 days - defined period for resolution as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 or POSH policy.

Note: Limited assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

The Company believes in the principle of natural justice and ensures full confidentiality of complainant is maintained during and after resolution of complaint. Such complaints are usually handled by senior members in the organisation. These members are trained on aspects like how such complaints must be handled, the rights of complainants, and manner of dealing with complaints and respondents, sensitivity and judgement to be applied on such matters.

Business Responsibility and Sustainability Reporting (Contd.)

The members handling such complaints maintain full confidentiality to protect the complainant during as well as after closure of complaints. The complainant is protected against any adverse action not limited to harassment, unfair termination of employment, demotion, suspension and biased behavior.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all critical human rights requirements are part of business agreements, purchase orders and contracts with suppliers. Further the Code of Conduct for Business Partners is applicable to all the suppliers and service providers according to which suppliers are expected to respect human rights and avoid causing/contributing to human rights infringements through their business actions.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	100
Discrimination at workplace	
Wages	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above: Not Applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints:

During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted:

The Company is committed to protecting and respecting Human Rights and remedying rights violations in case they are identified; for example, issues relating to human trafficking, forced labour, child labour, freedom of association, right to collective bargaining, equal remuneration and discrimination. The Company works towards providing equal employment opportunity, ensuring distributive, procedural, and interactional fairness, creating a harassment-free, safe environment and respecting fundamental rights. As an equal opportunity employer, no discrimination is tolerated on any aspect. Refer to the Company's Human Right Position Statement on our website at <https://www.asianpaints.com/PositionStatement.html>.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Differently abled employees located at Head Office have access to required facilities. The Company is taking appropriate measures to build systems and processes to ensure:

- That appropriate infrastructural facilities and amenities are provided to employees and workers with disabilities to enable them to discharge their duties safely and effectively in the establishment.
- The facilities are in compliance with the Harmonised Guidelines and Space Standards for Barrier Free Built Environment for Persons with Disability and Elderly Persons (as amended from time to time), issued by the Ministry of Urban Development, Government of India.
- That provision is made for an accessible environment and assistive devices as required are made available.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at workplace	
Child Labour	Nil*
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

* In accordance with the Company's policy on Code of Conduct for Business Partners all business partners must treat all employees with respect and dignity and exhibit zero tolerance towards unacceptable sexual harassment, workplace discrimination and must not engage in child labour, Forced Labour/Involuntary Labour, etc. They must provide safe and healthy workplace for their employees and contractors. Business Partners must be compliant with local and national laws and regulations on Occupational Health and Safety, and have the required permits, licenses and permissions granted by local and national authorities. They must also provide their employees with safe and humane working conditions. No complaints were received through the Whistle Blower mechanism.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above: Not Applicable

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Note: Current year numbers are reported on standalone basis instead of only 8 paint manufacturing facilities as reported for the last BRSR, the comparative numbers have accordingly undergone change.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: (In Giga Joules)

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)*	3,26,016	3,20,471
Total fuel consumption (B)*	8,59,664	8,55,782
Energy consumption through other sources (C)*	10,447	9,054
Total energy consumption (A+B+C)*	11,96,127	11,85,307
Energy intensity per rupee of turnover (Total energy consumption/turnover in ₹ Crores)	33.53 GJ/₹ Crore	40.15 GJ/₹ Crore

* Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicators.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable, as the Company does not fall in the category of industries mandated under PAT scheme.

Business Responsibility and Sustainability Reporting (Contd.)

3. Provide details of the following disclosures related to water, in the following format:

Water withdrawal by source (in kilolitres)

Parameter	FY 2022-23	FY 2021-22
(i) Surface water*	-	-
(ii) Groundwater*	59,394	56,749
(iii) Third party water*	9,73,670	9,39,226
(iv) Seawater/desalinated water*	-	-
(v) Others*	2,35,011	1,71,281
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)*	12,68,075	11,67,256
Total volume of water consumption (in kilolitres)*	12,68,075	11,67,256
Water intensity per rupee of turnover (Water consumed/turnover in Crores)	35.55 KL/₹ Crores	39.54 KL/₹ Crores

* Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

All our manufacturing plants are Zero Liquid Discharge facilities. Recognising the importance of water as a resource, we undertake several initiatives to optimise the consumption and reduce resultant wastewater generation through our reuse or recycle schemes. Such wastewater is further recovered and used back in process. The details of such initiatives can be found under Water Management & Waste Water Management head in the Natural Capital section of this Integrated Annual Report from page no. 112.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	NOx (g)	40.28	42.43
SOx	SO ₂ (g)	10.68	18.84
Particulate matter (PM)	SPM (g)	10.48	12.19
Persistent Organic Pollutants (POP)	-	-	-
Volatile Organic Compounds (VOC)	-	-	-
Hazardous Air Pollutants (HAP)	-	-	-

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)*	Metric tonnes of CO ₂ equivalent (tCO ₂ e)	74,419	75,499
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)*	Metric tonnes of CO ₂ equivalent (tCO ₂ e)	28,974	29,233
Total Scope 1 and Scope 2 emissions per rupee of turnover in Crores	tCO ₂ e/turnover in Crore	2.90 tCO ₂ e/₹ Crore	3.55 tCO ₂ e/₹ Crore

* Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

7. Does the entity have any project related to reducing Green House Gas (GHG) emission? If Yes, then provide details.

Yes, the Company is aligned to emissions management strategy with the global goals of minimising carbon footprint and mitigating climate change risks. Accordingly, processes are streamlined to move closer to the common goal. Reducing GHG emissions is not only a business imperative, but also forms a vital part of the Company's environmental strategy going forward. With the use of renewable energy sources, alternate fuel, and energy efficiency efforts, there is a reduction in emissions.

Reduction in electricity consumption:

The Company is committed to energy conservation and ensure efficient energy usage at all operational facilities. Energy management forms a vital part of approach toward sustainable operations. All the facilities operate with an aim to reduce energy consumption in the processes which have a direct impact on carbon emissions which has resulted in a 36% reduction in specific electricity consumption compared to FY 2013-14.

Renewable Electricity:

Renewable electricity generation is one of the identified focus areas and several investments have been made over the years to build infrastructure. Renewable electricity accounts for 62.2% of the total electricity consumption in FY 2022-23.

Switching to Greener Fuel:

The Company has replaced 4000KW diesel generators capacity with gas-based generators as secondary source of captive power consumption, raised in-house infrastructure for Piped Natural Gas (PNG) handling and has executed a long-term agreement with a vendor to move towards usage of cleaner fuels replaced heavy carbon emissive diesel with natural gas at its plant in Rohtak.

Similarly, all equipment connected to stacks (Thermopacs and boilers) run on PNG; and diesel generator sets (6x500 kVA) are replaced with gas-based generator sets (2X1765 kVA; 1x315 kVA) at Kasna Plant.

Further in a plant in Khandala, the Company has always been exploring Greener Fuels for meeting heating requirements in the plant; Liquid Natural Gas (LNG) and biogas are already in use.

Biogas is sourced from a vendor which is producing the biogas from Pune municipality food waste. Every 100 tons of food waste gives 4.5 tons of biogas. A biogas facility commissioned in the month of October, 2022. During the year, 20.18 tonnes of biogas was consumed.

8. Provide details related to waste management by the entity, in the following format:

Total Waste generated (in metric tonnes)

Parameter*	FY 2022-23	FY 2021-22
Plastic waste (A)	2,980.9	3,081.4
E-waste (B)	26.2	9.5
Bio-medical waste (C)	0.5	0.4
Construction and demolition waste (D)	3,915.6	2,108.5
Battery waste (E)	68.2	96.8
Radioactive waste (F)	-	-
Other Hazardous waste (G) (such as process waste, waste residue, chemical sludge etc.)	1,129.0	1,813.5
Other Non-hazardous waste generated (H) (such as metal waste, wooden waste, paper waste etc.)	9,690.3	10,259.2
Total (A + B + C + D + E + F + G + H)	17,810.7	17,369.3

* Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

Business Responsibility and Sustainability Reporting (Contd.)

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations
(in metric tonnes)

Parameter	FY 2022-23	FY 2021-22
Category of waste		
(i) Recycled	16,753.4	15,580.1
(ii) Re-used	-	-
(iii) Other recovery operations (co-processing)	410.4	932.9
Total	17,163.8	16,513

For each category of waste generated, total waste disposed of by nature of disposal method

(in metric tonnes)

Parameter	FY 2022-23	FY 2021-22
Category of waste		
(i) Incineration	428.8	611.3
(ii) Landfilling	218.1	245.2
(iii) Other disposal operations	-	-
Total	646.9	856.5

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by the Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste generation is an inevitable part of manufacturing process, thus the Company takes efforts to create value from waste. With an aim to divert a significant quantum of waste from going to landfills, systems and procedures are adopted that help in repurpose used material and reintroduce excess material into production process. The Company follows the '3R' strategy of Reduce, Reuse and Recycle for waste management and follows legally prescribed procedures, apply environmentally sound disposal techniques for disposing of hazardous waste and the non-hazardous waste is sent to authorised recyclers. A detailed description has been provided in the Natural Capital section of Integrated Annual Report on page no 112.

Safety and environmental sustainability are integral parts of strong product development processes established by the Company. These processes are built on advanced IT platforms which enable the Company's state-of-the-art Research & Technology Centre in Mumbai to screen and prevent the entry of potentially hazardous raw materials right at the development stage.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Environment Impact Assessment Notification, 2006 (EIA) mandates the Company to undertake a study for establishment or expansion of an integrated paint manufacturing plant or synthetic organic chemicals manufacturing plant. Details of EIA study undertaken during the year is provided below:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Expansion of Pentaerythritol production	S.O.1533 EIA Notification 2006	12 th Aug 2022 (Date of submission of EIA)	Yes	Yes	Welcome to PARIVESH (environmentclearance.nic.in)

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From Renewable Sources		
Total electricity consumption (A)	2,02,731	1,95,304
Total fuel consumption (B)	2,067	823
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	2,04,798	1,96,127
From Non Renewable Sources		
Total electricity consumption (D)	1,23,284	1,25,168
Total fuel consumption (E)	8,57,598	8,54,959
Energy consumption through other sources (F)	10,447	9,053
Total energy consumed from non-renewable sources (D+E+F)	9,91,329	9,89,180

Note: Reasonable assurance has been carried out by Price Waterhouse Chartered Accountants LLP on above indicator.

2. Provide the following details related to water discharged:

This is not applicable. As all our decorative manufacturing plants are zero liquid discharge facilities.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):
For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

As per recent assessment report released by Central Ground Water Authority (CGWA) in December, 2022, none of the Company's plants are located in the water stress area. Thus, the disclosure is not applicable.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent (tCO ₂ e)	33.0 Lakhs	32.0 Lakhs
Total Scope 3 emissions per rupee of turnover	tCO ₂ e/turnover in ₹ Crore	92.52 tCO ₂ e/₹ Crore	108.41 tCO ₂ e/₹ Crore

Business Responsibility and Sustainability Reporting (Contd.)

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

This is not applicable. The Company operates from sites which are located in industrial areas and are not close to ecologically sensitive areas. However, biodiversity initiatives are being undertaken, details of which can be referred to in the Natural Capital section of Integrated Annual Report on page no. 112.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative.
1.	Emission reduction through formulations and process innovations.	Please refer Product Stewardship section in Natural Capital	Avoidance of 20,390 tCO ₂ e in the financial year
2.	Use of recycled content in plastic packaging	Please refer Natural Capital section	5,200 tonnes of recycled content in plastic packaging in FY 2022-23
3.	Water replenishment and conservation outside factory premises	Please refer Water Management section in Natural Capital	In FY 2022-23, the Company has replenished 382% of the total water that is used in manufacturing sites
4.	Multi-modal outbound logistics – Sea & multi-modal	Please refer Water Management section in Natural Capital	Reduce more than 3,000 tCO ₂ e in FY 2022-23

Note: For more Company and plant-specific initiatives, please refer to the Natural Capital of Integrated Annual Report on page no. 112 onwards.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link:

The Company has a standardised disaster management and business continuity plan in place which ensures resilient business operations and utmost safety of employees and the Company's assets. The business continuity plans are integrated in our Enterprise Risk Management program and guide our response to disruptions to our operations. This covers various scenarios as a part of risk management processes and provides for risk mitigation and management in case of uncertainties.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:

The Company has in place sustainability targets which serve as a tool to mitigate and tackle the issues that arise from our value chain partners. For details of our mitigation plans, refer the Manufactured capital section and Managing Risks section of this Integrated Annual Report.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

100% of new suppliers (98 new suppliers introduced in FY 2022-23) were screened using environmental criteria.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

The Company is affiliated with 7 (seven) trade and industry chambers/associations.

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	The Confederation of Indian Industry (CII)	National
2.	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3.	The Public Affairs Forum of India	National
4.	India Paint Association (IPA)	National
5.	The Advertising Standards Council of India (ASCI)	National
6.	Indian Society of Advertisers (ISA)	National
7.	Associated Chambers of Commerce and Industry (ASSOCHAM)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
-	-	-

Note:

The Competition Commission of India (CCI) had passed a *prima facie* Order dated 14th January, 2020 directing the Director General (DG) to conduct an investigation against the Company under the provisions of the Competition Act, 2002. The DG submitted a detailed report to the CCI. Based on the findings of the DG's report and after hearing both the parties, the CCI passed a favourable Order on 8th September, 2022 dismissing the allegations relating to abuse of dominance and anti-competitive agreements made by the competitor. The competitor has now filed an appeal against CCI's Order before the National Company Law Appellate Tribunal. The said appeal is pending for hearing.

Business Responsibility and Sustainability Reporting (Contd.)

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly /Others – please specify)	Web Link, if available
1.	Plastic waste management through Extended Producer Responsibility.	The Company represents itself in key business associations and/or directly at the government forums in a responsible and transparent manner. The issues taken up are generally related to ease of doing business and only authorised representatives of the Company can interact with these institutions.	No, the information is generally not available in the public domain. These representations are directly made via mail or letters, either directly or through the industry chamber/ associations.	Advocacy policy will be reviewed once in 3 years.	AsianPaintsLimited-AdvocacyPolicy.pdf
2.	Engagement on 'Ease of Doing Business' initiatives on harmonising State and Central laws and compliances.				
3.	Consensus building on integration of state approvals in National Single Window System to simplify the process of applying for regulatory approvals and compliances for the investor.				
4.	Engaged on changes in the Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011 on decriminalising of various offence.				
5.	Representation made on the proposed draft Digital Personal Data Protection Bill, 2022.				
6.	Provided inputs on amending Paint standards proposed by Bureau of Indian Standards.				
7.	Pre-Budget recommendation.				
8.	Recommendations given on sustainable and inclusive growth of manufacturing sector in India to Federation of Indian Chambers of Commerce & Industry (FICCI).				
9.	Provided inputs for making manufacturing more competitive in India to FICCI.				
10.	SEBI consultation paper on various amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Strengthening Corporate Governance, Strengthening Compliance, review of disclosure requirements for material events or information.				

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**
Not Applicable

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**
Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community:**

The Company works closely with the community in the identified areas of contribution in the thrust areas for carrying out the Corporate Social Responsibility initiatives. Within the area of work, the employees of the Company work with the communities to understand the impact of the projects on the intended beneficiaries. These interactions provide the people with ample opportunities to gauge and address community concerns. Based on these interactions, we have not encountered any specific grievances from the community at present.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs (%)	18.4	15.2
Sourced directly from within the district and neighboring districts (%)*	28.0	26.8

* The raw material and packing material purchases from within the same State where the Company's manufacturing/contract manufacturing facilities are located have been considered for sourcing from within the district and neighbouring districts.

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**
Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr no.	State	Aspirational District	Amount spent (in ₹)
		Nil	

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No):**

The Company gives priority to suppliers in local community for sourcing of input material, barring speciality chemicals which are procured from buyers who may not be available in local vicinity.

- b. **From which marginalised/vulnerable groups do you procure?**

Refer point 4 of principle 8 above

- c. **What percentage of total procurement (by value) does it constitute?**

Refer point 4 of principle 8 above

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr. No.	Intellectual property based on traditional knowledge	Owned/acquired (Yes/No)	Benefits shared (Yes/No)	Basis of calculating benefits shared
-	-	-	-	-

The Company owns various Intellectual Property based on traditional knowledge. However, no benefit is derived or shared with any party.

Business Responsibility and Sustainability Reporting (Contd.)

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Not Applicable

6. Details of beneficiaries of CSR project

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalised groups
1.	Health & Hygiene	3,65,000+	8
2.	Colour Academy	5,10,000+	Colour Academies work on imparting skill education and enhancing productivity of the people in paint application/plumbing/carpenter training etc.

Refer to the corporate social responsibility explained in the Social and Relationship Capital in the Integrated Annual Report on page no. 100

PRINCIPLE 9**Businesses should engage with and provide value to their consumers in a responsible manner****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company treats customer complaints with utmost importance and believes that it needs to be agile, transparent, and solution-oriented to resolve them efficiently and satisfactorily. The Company ensures to keep the customer informed throughout the entire process of complaint resolution and focus on resolving retail customer complaints within five working days, which includes calling the customer within four hours, connecting with the customer within two days, and providing the final resolution to the customer. These timelines are relevant to our décor category's customer/applicator/trade expectations. The Company also maintains multiple points of communication with the customer, that is through SMS/Email/WhatsApp, to keep the customer informed of all actions taken on the complaint. Below is the link where all channels of communication are given: <https://www.asianpaints.com/contact-us.html>.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a Percentage to total turnover
Environmental and Social Parameters relevant to the product	100
Safe and Responsible Usage	100
Recycling and/or safe disposal	100

3. Number of consumer complaints in respect of the data privacy, advertising, cyber security, restrictive trade practices.

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data privacy						
Advertising						
Cyber security						
Delivery of essential services						
Restrictive Trade Practices			Nil			
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary Recalls		
Forced Recalls		Nil

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes, the Company has a policy on cyber security and risk related to data privacy, which is available on the Company's website at <https://www.asianpaints.com/CGpolicies.html>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services:

Not Applicable

Leadership Indicators**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The platforms used for the information are the Company's website, Integrated Annual Report, social media platforms and media advertisement/publications. Information relating to all the products and services provided by the Company are available on the Company's website at <https://www.asianpaints.com/ProductInformationSheets.html>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company publishes artwork and shade card for all the products detailing relevant content which also includes instructions for safe usage to be referred while using our products. The same is also available on the Company's website. Further, in meets with the painters and contractors, they are made aware about safe usage of products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company ensures that all the information as required to be displayed on the product labels as per the applicable rules and regulations are properly displayed. Further, product information is available in the Product Information Sheet that is shared with the dealers of the Company and on the website of the Company.

The Company regards customer delight as the final testimony to its success in the market and it carries out annual customer experience surveys for all its products and services and measures customer satisfaction with the Net Promoter Score (NPS). The NPS method measures the percentage of customers who would promote the products and services to other customers and covers most of the customer interaction points, including retail experiences, project sites, bath fittings, safe painting services etc. Company has Customer Centricity department which carries out regular consumer survey/consumer satisfaction trends analysis regularly.

5. Provide the following information relating to data breaches:

- Number of instances of data breaches along-with impact:** Nil
- Percentage of data breaches involving personally incidents information:** Nil