

Date: [●]

[●] Name of the Independent Director (DIN: [●])

[●] Address of the Independent Director

**Sub: Appointment as an Additional and Independent Director on the Board of Directors of Asian Paints Limited**

Dear (Name of the Independent Director),

On behalf of the Board of Directors and the entire Asian Paints family, I thank you for consenting to hold office as an Independent Director of Asian Paints Limited ("the Company").

I also thank you for confirming that:

- i. you meet the independence criteria and satisfy all other eligibility conditions for appointment as an Independent Director of the Company as provided under Section 149, and other applicable provisions of the Companies Act, 2013 ("the Act") and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
- ii. you are not disqualified from being appointed as a Director in terms of Section 164 of the Act; and
- iii. you have not been debarred from holding the office of Director by virtue of any Order passed by the Securities and Exchange Board of India or any such authority.

It gives me immense pleasure to inform you that the Board of Directors of the Company at their meeting held on (**Date of the meeting**) have on the recommendation of the Nomination and Remuneration Committee, appointed you as an Additional and Independent Director of the Company with effect from [●]. The term of appointment as an Independent Director, at present, shall be five consecutive years starting from [●] to [●], subject to the approval of shareholders of the Company by special resolution.

This letter is being issued outlining the terms of your appointment, subject to the provisions of applicable laws including the provisions of the Act, the Listing Regulations, and the Articles of Association of the Company.

**1. Appointment:**

Your appointment as an Independent Director on the Board of the Company shall be effective from [●] for a period of five consecutive years upto [●], subject to the approval of shareholders of the Company by special resolution. Your office shall not be liable to retirement by rotation in accordance with the provisions of the Act.

Re-appointment at the end of the term shall be based on the recommendation of the Nomination and Remuneration Committee, report of performance evaluation and subject to the approval of Board and shareholders of the Company by special resolution.

The Board may from time to time request you to participate or be a member of other Committees of the Board of Directors, subject to your agreement. The list of Committees of the Board and their terms of reference is enclosed and marked as **Annexure No. 1** for your reference.

The meetings of the Board and its Committees will be normally held at the registered office of the Company at Mumbai or any other location as may be agreed by the Board. If for any reason, you cannot make it to a meeting, you can connect via video conference facility, in accordance with the provisions of the Act. The Annual General Meeting of the Company is held through video conference or at a location in Mumbai.

## 2. Role & Duties:

The Company expects its directors to uphold ethical standards of integrity and probity. As an Independent Director, you shall be required to undertake such roles, responsibilities, duties & functions as prescribed in Schedule IV and such other applicable provisions, if any, of the Act, Listing Regulations, other applicable laws, and such other duties as may be determined by the Board from time to time.

As an Independent Director of the Company, you shall be required to bestow all the fiduciary duties along with the accompanying liabilities that come with your appointment as an Independent Director.

A copy of Code for Independent Directors as per Section 149(8) of the Act read with Schedule IV along with extracts of other relevant provisions of the Act and Listing Regulations is enclosed and marked as **Annexure No. 2** for your reference.

## 3. Directors and Officers insurance:

The Company has availed a Directors' & Officers' Liability and Company Reimbursement Insurance Policy which extends to the Company, all its directors and directors of subsidiaries. Quantum, risks determined, and other parameters provided in the Policy have been found to be commensurate with the size and nature of business of the Company by the Board of Directors and the same is reviewed by them annually.

The said Policy shall be extended to you from the date of your appointment.

#### 4. Code of Conduct:

The following Codes of Business ethics are applicable to the Independent Directors:

- a. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons;
- b. Code of Conduct for Directors and Senior Management Personnel;
- c. Whistle Blower Policy;
- d. Code of Fair Disclosures; and
- e. such other codes as may be prescribed, subject to the approval of the Board, from time to time.

A copy of the aforementioned Codes along with other policies of the Company are available on the website of the Company at [www.asianpaints.com](http://www.asianpaints.com) and are appended enclosed and marked as **Annexure No. 3**.

With the acceptance of this letter, you agree to comply with such charters and policies, as may be applicable to the Company and its Directors and acknowledge that you are in conformity with them.

#### 5. Remuneration:

A Non-Executive Director shall be entitled to remuneration by way of commission paid annually and sitting fees for attending meetings of the Board and its Committees in accordance with the provisions of the Act.

##### Board Sitting Fees:

The sitting fees payable for your attendance at each Board meeting and meeting of the Committee(s), in which you may be nominated as a member, shall be Rs. 1,00,000 per meeting of the Board and Committee.

You will also be paid sitting fees of Rs. 1,00,000 per meeting for your attendance at the separate meeting of the Independent Directors.

##### Commission:

As per the provisions of Section 197(1)(ii) of the Act, the remuneration payable to the non-executive directors shall not exceed 1% of the net profit of the Company calculated under Section 198 of the Act read with Companies (Appointment and Remuneration) Rules, 2014.

The commission, as approved by the Board, in accordance with the provisions of Section 197 of the Act shall be paid annually for each financial year, after the adoption of accounts by the shareholders, on such criteria as may be determined by the Board.

In addition, you will also be paid /reimbursed all travel and hospitality expenses related to your assignment as a member of the Board or its Committees.

The Independent Director shall not be entitled to any Stock Option, unless permitted under the provisions of the Act, Listing Regulations, and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

#### **6. Disclosures:**

During your term, you may promptly notify the Company, any changes in your directorships and submit such disclosures, information and details as may be required under applicable laws.

During your tenure, you agree to *inter alia* provide a “Declaration of independence” under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations upon any change in circumstances which may affect your status as an Independent Director of the Company.

#### **7. Trading in the Shares of the Company:**

You and your immediate relatives should not trade in the securities of the Company, except in the manner stated in the Company’s Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and with the approval of the Compliance Officer.

#### **8. Confidentiality:**

All confidential information obtained during your course of appointment as an Independent Director is confidential to the Company and should not be released, either during your appointment or following cessation (by whatever means) to third parties without prior clearance from the Chairman, or as required by law.

The information in the nature of Unpublished Price Sensitive Information obtained during your course of appointment as an Independent Director should be maintained and communicated only in the manner provided in the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Code of Fair Disclosures.

#### **9. Resignation / Removal:**

Notwithstanding the other provisions of this letter, your appointment may be terminated at any time by the Board in accordance with the provisions of the Act and Articles of Association of the Company or that you may resign by written notice along with detailed reasons.

#### **10. Change in Personal details:**

During the term, you shall promptly intimate the Company Secretary in the prescribed manner of any change in the address or other contact and personal details provided to the Company.

We look forward to welcoming you on the Board. We are sure that the Board and the Company will benefit substantially from your valuable contribution and inputs.



**Asian Paints Limited**  
Asian Paints House  
6A, Shantinagar  
Santacruz (E)  
Mumbai 400 055  
T : (022) 6218 1000  
F : (022) 6218 1111  
[www.asianpaints.com](http://www.asianpaints.com)

## 11. Calendar of Board and Committee Meetings:

The calendar for the meetings of the Board, Committees and Independent Directors scheduled to be held during the FY 2024-25, are appended and marked as **Annexure No. 4** for your reference.

Your login credential for accessing Boardvantage platform has been shared with you. In the event you require any clarification / information / assistance, please do get in touch with Mr. R J Jeyamurugan, CFO and Company Secretary of the Company.

For and behalf of the Board of Directors of  
**Asian Paints Limited**

**R Seshasayee**  
**Chairman**

Encl: a/a



# **ANNEXURE NO. 1**





**ASIAN PAINTS LIMITED**

**TERMS OF REFERENCE OF  
COMMITTEES OF THE BOARD**

Date: 1<sup>st</sup> April, 2022

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## TERMS OF REFERENCE OF THE COMMITTEES OF THE BOARD OF DIRECTORS OF ASIAN PAINTS LIMITED

### 1. Audit Committee:

#### Terms of reference:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management quarterly, half-yearly, nine- months and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report as per Sec 134(3)(c) of the Companies Act, 2013;
  - b. Changes in the Accounting policies and practices and the reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings;
  - c. Compliance with listing and other legal requirements relating to financial statements;
  - d. Disclosure of any related party transactions; and
  - e. Modified opinion(s) in the draft audit report, if any.
5. Reviewing the financial statements and investments made by unlisted subsidiary companies (including joint ventures);
6. Reviewing and considering the following w.r.t. appointment of auditors before recommending to the Board
  - a. qualifications and experience of the individual/firm proposed to be considered for appointment as auditor;
  - b. whether such qualifications and experience are commensurate with the size and requirements of the company; and
  - c. giving due regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court.
7. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;

8. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
9. Reviewing and approving quarterly and yearly management representation letters to the statutory auditors;
10. Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors and ensuring suitable follow-up thereon;
11. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor of the Company;
14. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
15. Evaluating the internal financial controls and risk management policies system of the Company;
16. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
17. Review of internal audit reports relating to internal control weaknesses and discuss with internal auditors any significant findings and follow-up thereon;
18. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
19. Review and comment upon the report made by the statutory auditors (before submission to the Central Government) with regard to any offence involving fraud committed against the Company by its officers/employees;
20. Approval or any subsequent modification of transactions of the company with related parties;
21. Reviewing the statements of significant related party transactions submitted by the management;

22. Reviewing and scrutinizing the inter-corporate loans and investments;
23. Review of the Whistle Blower mechanism of the Company as per the Whistle Blower Policy and overseeing the functioning of the same;
24. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
25. Approving the auditors (appointed under the Companies Act, 2013) to render any service other than consulting and specialized services along with approval of payment to statutory auditors for the same;
26. Recommending to the Board of Directors, the appointment, remuneration and terms of appointment of Cost Auditor for the Company;
27. Review the cost audit report submitted by the cost auditor on audit of cost records, before submission to the Board for approval;
28. Appointing registered valuers and defining the terms and conditions for conducting the valuation of undertakings/ assets/net-worth/liabilities of the Company, wherever it is necessary. Reviewing the valuation report and follow-up thereon;
29. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
30. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
31. Review and approve, policy formulated for determination of material subsidiaries;
32. Review and approve, policy on materiality of related party transactions and also dealing with related party transactions;
33. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
34. Review compliance with provisions of Securities Exchange Board of India (Prevention of Insider Trading) Regulation, 2015 (including any amendment or modification from time to time) at least once

in a financial year and shall verify that the systems for internal controls for ensuring compliance to these Regulations, are adequate and are operating effectively.

35. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
36. Any other matter referred to by the Board of Directors.

## 2. Nomination and Remuneration Committee:

### Terms of reference:

1. Formulate a criterion for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
3. Devise a policy on Board Diversity;
4. Identify 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;
5. For every appointment of an independent director, the Nomination and Remuneration Committee 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. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
6. Specify methodology for effective evaluation of performance of Board/committees of the Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors;
7. Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company;
8. Recommend to the Board all remuneration, in whatever form, payable to senior management;
9. Play the role of Compensation Committee and to act as an administrator to any of the Employees' Stock Option Schemes (as may be notified from time to time); and
10. Undertake any other matters as the Board may decide from time to time.

### 3. Stakeholders Relationship Committee:

#### Terms of reference:

1. Resolving the grievances of the security holders of the Company 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;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review 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;
5. To issue share certificates pursuant to duplicate/ remat/ renewal requests as and when received by the Company;
6. To review correspondence with the shareholders vis-à-vis legal cases and take appropriate decisions in that regard;
7. To authorise affixing of the Common Seal of the Company from time to time on any deed or other instrument requiring authentication by or on behalf of the Company; and
8. To provide direction to the management on implementation of ESG Strategy;
9. To provide oversight of the execution of the ESG Strategy and the Company's progress and performance on its long-term ESG commitments and targets.
10. Such other activities as the Board of Directors may determine from time to time.



#### **4. Risk Management Committee:**

##### Terms of reference:

1. To identify Company's risk appetite set for various elements of risk;
2. To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
5. To ensure appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
6. To inform and make necessary recommendations to the Board regarding the nature and content of discussions held during the Committee meetings and take necessary actions thereof;
7. To review the appointment, removal, and terms of remuneration of the Chief Risk Officer (if any);  
and
8. 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.

## **5. Corporate Social Responsibility Committee:**

### Terms of reference:

1. Recommend the amount of expenditure to be incurred on the activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.

## **6. Investment Committee**

### Terms of reference:

1. To review and evaluate proposals for acquisition opportunities that may be proposed by the management based on strategic plans of the Company as approved by the Board of Directors and make appropriate recommendations to the Board of Directors of the Company.
2. To review and consider strategic alliances/technological tie ups involving an outgo of Rs. 50 crores or more and make appropriate recommendations to the Board of Directors of the Company.
3. To review any proposal for capital expenditure involving an outgo of Rs. 350 crores or more and make appropriate recommendations to the Board of Directors of the Company.
4. To review any proposal for investment (including acquisition) involving an outgo of Rs. 50 crores or more and any proposal for divestment that may be proposed by Asian Paints International Private Limited, Singapore (APIPL), and provide necessary inputs to the Board of Directors of the Company including on the nature of funding for investment.
5. To review any proposal for investment to be made in existing domestic subsidiary and joint venture companies involving an outgo of Rs. 25 crores or more and any proposal for divestment and make appropriate recommendations to the Board of Directors of the Company.
6. To review the post transaction completion and integration processes, and review if the status is in line with the plans for acquisitions/strategical alliances/technological tie ups.

# **ANNEXURE NO. 2**

**CODE FOR INDEPENDENT DIRECTORS AS PER SECTION 149(8) OF THE ACT READ WITH SCHEDULE IV ALONG WITH EXTRACTS OF OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**Chapter XI – APPOINTMENT AND QUALIFICATIONS OF DIRECTORS**

**Section 149 of the Companies Act, 2013 – Company to have Board of Directors.**

(1) Every company shall have a Board of Directors consisting of individuals as directors and shall have—

- (a) a minimum number of three directors in the case of a public company, two directors in the case of a private company, and one director in the case of a One Person Company; and
- (b) a maximum of fifteen directors:

Provided that a company may appoint more than fifteen directors after passing a special resolution:

Provided further that such class or classes of companies as may be prescribed, shall have at least one woman director.

(2) Every company existing on or before the date of commencement of this Act shall within one year from such commencement comply with the requirements of the provisions of sub-section (1).

(3) Every company shall have at least one director who stays in India for a total period of not less than one hundred and eighty-two days during the financial year:

Provided that in case of a newly incorporated company the requirement under this sub-section shall apply proportionately at the end of the financial year in which it is incorporated.

(4) Every listed public company shall have at least one-third of the total number of directors as independent directors and the Central Government may prescribe the minimum number of independent directors in case of any class or classes of public companies.

Explanation. —For the purposes of this sub-section, any fraction contained in such one-third number shall be rounded off as one.

(5) Every company existing on or before the date of commencement of this Act shall, within one year from such commencement or from the date of notification of the rules in this regard as may be applicable, comply with the requirements of the provisions of sub-section (4).

(6) An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director, —

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b)(i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives—

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

**CODE FOR INDEPENDENT DIRECTORS AS PER SECTION 149(8) OF THE ACT READ WITH SCHEDULE IV ALONG WITH EXTRACTS OF OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

(7) Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6).

Explanation. —For the purposes of this section, “nominee director” means a director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government, or any other person to represent its interests.



**CODE FOR INDEPENDENT DIRECTORS AS PER SECTION 149(8) OF THE ACT READ WITH SCHEDULE IV ALONG WITH EXTRACTS OF OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

(8) The company and independent directors shall abide by the provisions specified in Schedule IV.

(9) Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Provided that if a company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197, in accordance with the provisions of Schedule V.

(10) Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

(11) Notwithstanding anything contained in sub-section (10), no independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Explanation. —For the purposes of sub-sections (10) and (11), any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under those sub-sections.

(12) Notwithstanding anything contained in this Act, —

(i) an independent director; &

(ii) a non-executive director not being promoter or key managerial personnel, shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

(13) The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

**CODE FOR INDEPENDENT DIRECTORS AS PER SECTION 149(8) OF THE ACT READ WITH SCHEDULE IV ALONG WITH EXTRACTS OF OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**CHAPTER XI OF THE COMPANIES ACT, 2013 – APPOINTMENT AND QUALIFICATIONS OF DIRECTORS**

**Section 166 of the Companies Act, 2013 – Duties of directors.**

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- (2) A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (6) A director of a company shall not assign his office and any assignment so made shall be void.
- (7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

**CODE FOR INDEPENDENT DIRECTORS AS PER SECTION 149(8) OF THE ACT READ WITH SCHEDULE IV ALONG WITH EXTRACTS OF OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**SCHEDULE IV OF THE COMPANIES ACT, 2013**

**Code for Independent Directors**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

**I. Guidelines of professional conduct:**

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

**II. Role and functions:**

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

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- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

**III. Duties:**

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

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(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

**IV. Manner of appointment:**

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:

(a) the term of appointment;

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

**V. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

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**VI. Resignation or removal:**

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply

**VII. Separate meetings:**

- (1) The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
  - (a) review the performance of non-independent directors and the Board as a whole;
  - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - (c) assess 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.

**VIII. Evaluation mechanism:**

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

Note: The provisions of sub-paragraph (2) and (7) of paragraph II, paragraph IV, paragraph V, clauses (a) and (b) of sub-paragraph (3) of paragraph VII and paragraph VIII shall not apply in the case of a Government company as defined under clause (45) of section 2 of the Companies Act, 2013 (18 of 2013), if the requirements in respect of matters specified in these paragraphs are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Government and such requirements are complied with by the Government companies.



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**SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**Regulation 25 – Obligations with respect to Independent Directors**

(1) No person shall be appointed or continue as an alternate director for an independent director of a listed entity with effect from October 1, 2018.

(2) The maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time.

(2A). The appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.

Provided that where a special resolution for the appointment of an independent director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such an independent director shall be deemed to have been made under sub-regulation (2A):

Provided further that an independent director appointed under the first proviso shall be removed only if the votes cast in favour of the resolution proposing the removal exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution.

(3) The independent directors of the listed entity shall hold at least one meeting in a financial year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

(4) The independent directors in the meeting referred in sub-regulation (3) shall, *inter alia*-

(a) review the performance of non-independent directors and the board of directors as a whole;

(b) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;

(c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

(5) An independent director shall be held liable, only in respect of such acts of omission or commission by the listed entity which had occurred with his/her knowledge, attributable through processes of board of directors, and with his/her consent or connivance or where he/she had not acted diligently with respect to the provisions contained in these regulations.

(6) An independent director who resigns or is removed from the board of directors of the listed entity shall be replaced by a new independent director by listed entity at the earliest but not later than three months from the date of such vacancy:

Provided that where the listed entity fulfils the requirement of independent directors in its board of directors without filling the vacancy created by such resignation or removal, the requirement of replacement by a new independent director shall not apply.

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(7) The listed entity shall familiarize the independent directors through various programmes about the listed entity, including the following:

- (a) nature of the industry in which the listed entity operates;
- (b) business model of the listed entity;
- (c) roles, rights, responsibilities of independent directors; and
- (d) any other relevant information.

(8) Every independent director shall, at the first meeting of the board in which he participates as a director and thereafter at the first meeting of the board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.

(9) The board of directors of the listed entity shall take on record the declaration and confirmation submitted by the independent director under sub-regulation (8) after undertaking due assessment of the veracity of the same.

(10) With effect from January 1, 2022, the top 1000 listed entities by market capitalization calculated as on March 31 of the preceding financial year, shall undertake Directors and Officers insurance ('D and O insurance') for all their independent directors of such quantum and for such risks as may be determined by its board of directors.

(11). No independent director, who resigns from a listed entity, shall be appointed as an executive/ whole time director on the board of the listed entity, its holding, subsidiary or associate company or on the board of a company belonging to its promoter group, unless a period of one year has elapsed from the date of resignation as an independent director.

(12) A 'high value debt listed entity' shall undertake Directors and Officers insurance (D and O insurance) for all its independent directors for such sum assured and for such risks as may be determined by its board of directors.

**Regulation 26 – Obligations with respect to employees including senior management, key managerial personnel, directors and promoters**

(1) A director shall not be a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he/she is a director which shall be determined as follows:

(a) the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Companies Act, 2013 shall be excluded;

(b) for the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.

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(2) Every director shall inform the listed entity about the committee positions he or she occupies in other listed entities and notify changes as and when they take place.

(3) All members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis.

(4) Omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021. Prior to the omission, sub-regulation (4) read as follows: *“Non-executive directors shall disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting called for appointment of such director.”*

(5) Senior management shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

Explanation. - For the purpose of this sub-regulation, conflict of interest relates to dealing in the shares of listed entity, commercial dealings with bodies, which have shareholding of management and their relatives etc.

(6) No employee including key managerial personnel or director or promoter of a listed entity shall enter into any agreement for himself/herself 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 such listed entity, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution:

Provided that such agreement, if any, whether subsisting or expired, entered during the preceding three years from the date of coming into force of this sub-regulation, shall be disclosed to the stock exchanges for public dissemination:

Provided further that subsisting agreement, if any, as on the date of coming into force of this sub-regulation shall be placed for approval before the Board of Directors in the forthcoming Board meeting:

Provided further that if the Board of Directors approve such agreement, the same shall be placed before the public shareholders for approval by way of an ordinary resolution in the forthcoming general meeting:

Provided further that all interested persons involved in the transaction covered under the agreement shall abstain from voting in the general meeting.

Explanation - For the purposes of this sub-regulation, ‘interested person’ shall mean any person holding voting rights in the listed entity and who is in any manner, whether directly or indirectly, interested in an agreement or proposed agreement, entered into or to be entered into by such a person or by any employee or key managerial personnel or director or promoter of such listed entity with any shareholder or any other third party with respect to compensation or profit sharing in connection with the securities of such listed entity.

# **ANNEXURE NO. 3**



# **ASIAN PAINTS LIMITED**

## **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

Approved on: 22<sup>nd</sup> October, 2014

Revision 1: 22<sup>nd</sup> January, 2018

Revision 2: 24<sup>th</sup> July, 2018

Revision 3: 29<sup>th</sup> March, 2023



## **1. INTRODUCTION**

Asian Paints Limited (the Company) is committed to good corporate governance and has consistently maintained its organizational culture as a remarkable confluence of high standards of Professionalism, Fast Track Growth, Building Shareholder Equity with principles of Fair Play, Ethics and Corporate Governance in spirit.

## **2. APPLICABILITY OF THIS CODE**

In view of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re – enactment(s) thereof for the time being in force) it is imperative now to formally lay down a Code of Conduct for all Directors and Senior Management Personnel (SMP) (This would comprise all members of management up to M2 grade and functional heads by whatever name called, and the Company Secretary and the Chief Financial Officer) of the Company.

Ethical business conduct is critical to Company’s business. Members of the Board and SMP are therefore 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 that govern the conduct of its employees and to ensure that the various stakeholders of the Company are aware, understand and comply with these standards.

Nothing in this Code or in any related communications (verbal or written) thereto shall constitute or be construed to constitute a contract of employment for a definite term or a guarantee of confirmed employment.

You are requested to sign the acknowledgement form at the end of this Code and to return the form to the Head of the Human Resources function of the Company, indicating that you have received, read, understood, and agreed to comply with this Code. The signed acknowledgement form will be located in your personnel file. As per Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), every director and SMP shall affirm compliance with this Code on an annual basis.

## **3. HONEST AND ETHICAL CONDUCT**

The Company expects all Board Members and SMP to act in accordance with the highest standards of personal and professional integrity, honesty, and ethical conduct, whenever the Company’s business is being conducted or at any place where such Board Members and SMP are representing the Company.

The Company considers honest conduct to be conduct that is free from fraud or deception. The Company considers ethical conduct to be conduct conforming to the accepted professional standards of conduct. Ethical conduct includes ethical handling of actual or apparent conflicts of interest between personal and professional relationships.



#### 4. RELATIONSHIP WITH THE COMPANY

##### Conflicts of Interest

The Board Members and SMP of the Company shall not generally engage in any business, relationship or activity which might detrimentally conflict with the interest of the Asian Paints Group comprising the Company, its subsidiaries, and associate companies.

The main areas of actual or potential conflicts of interest would include the following:

- Y Financial interest of a Board Member and SMP or his relatives, including the holding of an investment in the subscribed share capital of any company or a share in any firm which is an actual or potential competitor, supplier, customer, distributor, joint venture, or other alliance partner of the Company. *(The ownership of up to 1 per cent of the subscribed share capital of a publicly held company shall not ordinarily constitute a financial interest for this purpose.)*
- Y A Board Member and SMP of the Company conducting business on behalf of his or her company or being in a position to influence a decision with regard to his or her company's business with a supplier or customer of which his or her relative is a principal, officer, or representative, resulting in a benefit to him/her or his/her relative. However, the Board is to decide whether there is a conflict.

Notwithstanding that such or other instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested Board Members and SMP should be made to the Board of Directors of the Company. It is also incumbent upon every Board Member and SMP to make a full disclosure of any interest which the Board Members and SMP or his/her immediate family relatives (which would include parents, spouse, and dependent children) may have in a company or firm which is a supplier, customer, distributor or has other business dealings with the Company. A list shall be circulated on an annual basis or as and when there is a change.

Every such disclosure as mentioned above shall be done in writing and shall be placed before the Board and, upon a decision being taken in the matter, the Board Members and SMP concerned will be required to take necessary action as advised to resolve/avoid the conflict, if any.

A Board Member and SMP's duty to the Company demands that he or she generally avoids and discloses actual and apparent conflicts of interest.

It is a conflict of interest to serve as a director of any company that competes with the Company. The Company's policy requires that a Board Member and SMP obtain prior approval from the Board of Directors before accepting such a directorship.

### **Receiving and making Gifts:**

A Board Member and SMP (including his/her immediate family member) shall not accept a gift of any nature from any supplier, vendor, dealer, contractor, customer, competitor, or any business associate.

This prohibition does not apply to routine two way exchange of normal business courtesies, which might reasonably be expected to be exchanged in the ordinary course of business.

These courtesies include business lunch/dinner and exchange of Company diaries and calendars, pens with Company logo and the like that are not lavish in any way.

If a gift is inadvertently received it should be promptly returned with a polite note explaining that it is contrary to the Company policy (a circular on policy regarding gifts has already been issued to all employees by HR). Board Members and SMP shall conform to the gift policy of the Company.

### **Corporate Opportunities:**

The Board Members and SMP may not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information, or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines to pursue such opportunity.

### **Other Situations:**

It would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts, they must be resolved after consultation with the Company's Board of Directors and the Audit Committee.

## **5. DUTIES OF INDEPENDENT DIRECTORS AS PER THE COMPANIES ACT, 2013**

The Independent Directors shall abide with the duties of directors and duties of Independent Directors as laid down by the Companies Act, 2013, the Schedules and the Rules made there under (including any statutory amendment(s), modification(s) and/or re-enactments thereof for the time being in force). The duties of directors as per Section 166 and the duties of Independent Directors in accordance with Schedule IV of the Companies Act, 2013 are appended and marked as Annexure I.

## **6. HEALTH, SAFETY AND ENVIRONMENT**

The Company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in. The Company shall be committed to prevent the wasteful use of natural resources and minimise any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment. Company policy prohibits sexual harassment, harassment based on race, religion, national origin, ethnic origin, color, gender, age, citizenship, veteran status, marital status or a disability

unrelated to the requirements of the position or any other basis protected by the central, state, or local law or ordinance or regulation. If you believe that you have been harassed, submit a complaint to your own or any other company manager. In addition, if you believe you have been sexually harassed, you may submit a complaint to the Internal Complaints Committee as stipulated in the Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace.

## **7. ACCOUNTING AND PAYMENT PRACTICES**

All transactions be fully and accurately recorded in the Company's books and records in compliance with all applicable laws. All required information shall be accessible to the Company's auditors and other authorized persons and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documentation and approval are strictly prohibited and violation of Company policy and the law. There shall be no willful omissions of any Company transactions from the books and records. Any willful material misrepresentation of and/or misinformation of the financial accounts and reports shall be regarded as a violation of the Code apart from inviting appropriate civil or criminal action under the relevant laws. Additionally, all documentation supporting a transaction should fully and accurately describe the nature of the transaction and be processed in a timely fashion.

## **8. MAINTAINING AND MANAGING RECORDS**

The purpose of this section is to set forth and convey the Company's business and legal requirements in managing records, including all recorded information regardless of medium or characteristics. These records include paper documents, CDs, computer hard disks, email, floppy disks, microfiche, microfilm, or all other media. The Company is required by local, state, foreign and other applicable laws, rules, and regulations to retain certain records and to follow specific guidelines in managing its records.

### **COMPANY RECORDS:**

The results of operations and the financial position of the Company must be recorded in accordance with the requirements of law and generally accepted accounting principles. It is Company policy, as well as a requirement of law, to maintain books, records, and accounts that in reasonable detail accurately and fairly reflect the business transactions and disposition of assets of the Company.

The integrity of the Company's accounting and financial records is based on the accuracy and completeness of the basic information supporting entries to the Company's books of accounts. The Board Members and SMP involved in creating, processing, and recording such information are held responsible for its integrity. Every accounting or financial entry should reflect exactly what is described by the supporting information.

There must be no concealment of information from (or by) management, or from the Company's internal or independent auditors. No payment on behalf of the Company shall be approved or made with the intention or understanding that any part of such payment is to be used for any purpose other than that described by the documents supporting the payment.

No false or misleading entries may be made in any books or records of the Company for any reason, and no fund, asset or account of the Company may be established, acquired, or maintained for any purpose unless such fund, asset or account is properly reflected in the books and records of the Company. No corporate funds or assets should be used for any unlawful or improper purpose.

Revenue and expenses should be properly recognized on a timely basis. Assets and liabilities should be properly recorded and appropriately valued.

## **9. PROTECTING COMPANY'S ASSETS AND CONFIDENTIAL INFORMATION**

### **Protecting company assets:**

The assets of the Company should not be misused but employed for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as patents, trademarks, proprietary information, relationships with customers and suppliers, etc.

### **Confidential Information:**

The Company's confidential information is a valuable asset. The Company's confidential information includes product architectures; source codes; product plans and road maps; names and lists of customers, dealers, and employees; and financial information. This information is the property of the Company and may be protected by patent, trademark, copyright, and trade secret laws. All confidential information must be used for Company's business purposes only. Every Board Member and SMP must safeguard it.

This responsibility includes not disclosing the Company confidential information such as information regarding the Company's services or business over the internet. The Board Members and SMP are also responsible for properly labelling any and all documentation shared with, or correspondence sent to outside counsel as "Attorney-Client Privileged". This obligation extends to confidential information of third parties, which the Company has rightfully received under Non-Disclosure Agreements.

Obligations of the Board Members and SMP with respect to Company confidential information are:

- Not to disclose this information to persons outside of the Company without prior approval of the Chairman/Board. Not to use this information for the Board Member and SMP's own benefit or the benefit of persons outside of the Company.

- Not to disclose this information to any other company employees except on a “need to know” or “need to use” basis and then only with a strong statement that the information is confidential.
- Company confidential information is not always of a technical nature. Such information can also include business research, new product plans, strategic objectives, any unpublished financial or pricing information, employee, customer and vendor lists and information regarding customer requirements, preferences, business habits and plans. This list, while not complete, suggests the wide variety of information that needs to be safeguarded.
- If any Board Member and SMP leaves the Company, his or her obligation to protect Company confidential information continues until the information becomes publicly available.
- A Board Member and SMP should not disclose the Company's confidential information to anyone or use it to benefit anyone other than the Company without the prior written consent of the Board of Directors.
- A Board Member and SMP shall not use or proliferate information which is not available to the investing public, and which therefore constitutes insider information for making or giving advice on investment decisions on the securities of the Company on which such insider information has been obtained.

Such insider information might include the following:

- acquisition and divestiture of businesses or business units;
- financial information such as profits, earnings and dividends;
- announcement of new product introductions or developments;
- asset revaluations;
- investment decisions/plans;
- restructuring plans;
- major supply and delivery agreements;
- raising finances.

#### **10. AGREEMENT INVOLVING COMPENSATION OR PROFIT SHARING IN CONNECTION WITH DEALINGS IN SECURITIES OF THE COMPANY**

No Director(s)/employee(s) of the Company shall enter into any agreement for himself 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, unless prior approval for the same has been obtained from the Board of Directors of the Company as well as public shareholders by way of an ordinary resolution.

Director(s)/Employee(s) shall forthrightly disclose any subsisting or expired agreement entered into by himself/herself or on behalf of any other person to the Company Secretary/Compliance Officer.

## **11. DISCLOSURE TO THE STOCK EXCHANGES AND PUBLIC**

It is the Company's policy to provide full, fair, accurate, timely and understandable disclosure in reports and documents that are to be filed with or submitted to, the stock exchanges where the Company's shares are listed, statutory authorities and in Company's other public communications. Accordingly, Board Member and SMP must ensure the compliance with such disclosure controls and procedures. All Board Members and SMP must also respect the confidentiality of information acquired in the course of one's work except when authorized or otherwise legally obligated to disclose.

## **12. RESPONDING TO INQUIRIES FROM THE PRESS AND OTHERS**

The requests for financial or business information about Company from the media, press, financial community, the Securities and Exchange Board of India or other regulators or the public must be referred to the CFO & Company Secretary.

## **13. COMPLIANCE WITH GOVERNMENT LAWS, RULES, AND REGULATIONS**

The Board Members and SMP must comply with all applicable governmental laws, rules, and regulations. The Board Members and SMP must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance department. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

## **14. SHAREHOLDERS**

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The Board of Directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the Company's business and disclose such information in accordance with the respective regulations.

## **15. VIOLATIONS OF THE CODE**

It is a part of the Board Members and SMP job, and his/her ethical responsibility to help enforce this Code. The Board Members and SMP should be alert to possible violations and report this to the Company Secretary or the Head of the Human Resources function. The Board Members and SMP should cooperate in any internal or external investigations of possible violations.

Actual violations of law, this Code, or other Company policies or procedures, should be promptly reported to the Company Secretary or the Head of the Human Resources function of the Company. The Company will take appropriate action against those whose actions are found to violate the Code or any other policy of the Company.



## **16. WAIVERS AND AMENDMENTS TO THE CODE**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Code is subject to modification. The Board of Directors shall review this Code once in three (3) years. This Code and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website at [www.asianpaints.com](http://www.asianpaints.com).

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.



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**ACKNOWLEDGMENT**

I have received and read the Company's Code of Conduct for Board of Directors and Senior Management Personnel (SMP).

I understand and agree to comply with the standards and policies contained in the above mentioned Code of Conduct and understand that there may be additional policies or laws specific to my job.

Name of the Director / SMP	
Employee Code	
Designation	
Location	
Reporting to	
Signature	
Date	

**Please sign and return this form to the Head of the Human Resources function of the Company**





**ANNEXURE I – DUTIES OF DIRECTORS UNDER SECTION 166 OF THE COMPANIES ACT, 2013 AND CODE FOR INDEPENDENT DIRECTORS – SCHEDULE IV OF THE COMPANIES ACT, 2013**

**Duties of directors:**

166. (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.

(2) A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.

(3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

(4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

(5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

(6) A director of a company shall not assign his office and any assignment so made shall be void.

**SCHEDULE IV**

**[See Section 149(8) of the Companies Act, 2013]**

**CODE FOR INDEPENDENT DIRECTORS**

**Duties:**

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge, and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;



- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.



## **ASIAN PAINTS LIMITED**

# **CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS**

Approved on	: 18 <sup>th</sup> May, 2015
First Revision on	: 18 <sup>th</sup> January, 2016
Second Revision on	: 23 <sup>rd</sup> January, 2017
Third Revision on	: 22 <sup>nd</sup> January, 2018
Fourth Revision on	: 10 <sup>th</sup> May, 2018
Fifth Revision on	: 24 <sup>th</sup> July, 2018
Sixth Revision on	: 29 <sup>th</sup> March, 2019
Seventh Revision on	: 22 <sup>nd</sup> October, 2019
Eighth Revision on	: 23 <sup>rd</sup> June, 2020
Ninth Revision on	: 12 <sup>th</sup> May, 2021
Tenth Revision on	: 20 <sup>th</sup> July, 2021
Eleventh Revision on	: 20 <sup>th</sup> October, 2022

## 1. INTRODUCTION:

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1. This Code of Conduct is called **“ASIAN PAINTS LIMITED – CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS”** (hereinafter referred to as ‘the APL Code’).
2. The APL Code will apply to Designated Persons.

## 2. OBJECTIVE:

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This APL Code has been formulated to regulate, monitor and report trading undertaken by Designated Persons of Asian Paints Limited covered under the APL Code and towards achieving compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time. This Code of Conduct also incorporates the minimum standards as set out in Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Pursuant to the amendments made to Regulations, this revised Code was approved by the Board on 29<sup>th</sup> March, 2019 and shall come in to force with effect from 1<sup>st</sup> April, 2019. The Code has been amended from time to time even after 1<sup>st</sup> April, 2019 – as has been stated on the cover page.

The objective of APL Code is to ensure protection of Unpublished Price-Sensitive Information of Asian Paints Limited and serve as a guideline to Designated Persons covered by APL Code for dealing in Securities of Asian Paints Limited. In addition to setting out the policy of the Company, it provides an understanding of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time and any other applicable law in relation to prevention of Insider Trading. The APL Code is subject to the applicable prevailing law in relation to prevention of Insider Trading and if there is any inconsistency between any of the provisions of the APL Code and applicable law, the applicable law shall prevail.

## 3. DEFINITIONS:

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- a. “Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- b. “APL Code” or “the Code” or “this Code” means the Asian Paints Limited Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons;
- c. “Board” means the Board of Directors of the Asian Paints Limited or any Committee constituted by the Board for the purpose of APL Code;
- d. “Chairman” shall mean the Chairman of the Board;
- e. “Asian Paints” or “APL” or “Company” means Asian Paints Limited;
- f. “Compliance Officer” shall mean such senior officer so designated by the Board, and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the APL Code and any other guidelines or framework issued by the Company for the preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the APL Code under the overall supervision of the Board, as the case may be;
- g. “Connected Person” means:
  - (i) any person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access.
  - (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be Connected Persons in relation to the Company unless the contrary is established, -

- (a) an Immediate Relative of Connected Persons specified in clause (i); or
  - (b) a holding company or associate company or subsidiary company; or
  - (c) an intermediary as specified in section 12 of the Securities and Exchange Board of India Act, 1992 or an employee or director thereof; or
  - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
  - (e) an official of a Stock Exchange or of clearing house or corporation; or
  - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g) a member of the board of directors or an employee of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
  - (h) an official or an employee of a self-regulatory organization recognised or authorized by SEBI; or
  - (i) a banker of the Company; or
  - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his Immediate Relative or banker of the Company, has more than ten per cent. of the holding or interest;
- h. "Designated Persons" shall have the meaning ascribed to the term in Paragraph 2 of Section 6 (Designated Persons) of this Code; For the purpose of the APL Code, the term Designated Person shall include his/her immediate relatives as specified in clause 3(m) below.
- i. "Director" means a member of the Board of Directors of the Company, as appointed from time to time;
- j. "Digital Database" shall be a database maintained by the Compliance Officer of the Company Permanent Account Numbers ("PANS") or any other identifier authorized by law where such PAN is not available, disclosures and other details of Designated Persons, Fiduciaries and Insiders who have are possession of or likely to have access to Unpublished Price Sensitive Information in accordance with the APL Code;
- k. "Fiduciary / Fiduciaries" shall mean professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Company at any point in time, for the purpose of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the APL Code;
- l. "Generally Available Information" means information that is accessible to the public on a non- discriminatory basis; Information published on the website of a stock exchange, would ordinarily be considered generally available.;
- m. "Immediate Relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to Trading in Securities;
- n. "Insider" / "Insiders" mean and include any person who is: (i) a Connected Person; or (ii) in possession of or having access to Unpublished Price Sensitive Information;
- o. "Legitimate Purpose" shall include sharing of Unpublished Price Sensitive Information by a Designated Person with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants; in the ordinary course of business or otherwise in furtherance of such business activities as per the Policy approved by the Board, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
- p. "Managing Director" means the managing director of the Company, or any other person designated as such from time to time;
- q. "Material Financial Relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions;

- r. "Material Subsidiary" shall have the meaning ascribed to such term under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- s. "Promoters" shall have the same meaning as assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- t. "Promoter Group" shall have the same meaning as assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- u. "Quiet Period" shall mean any period which the Compliance Officer may notify, during which Trading in Securities of the Company shall be prohibited and shall include the following:
  - i. The period beginning from one week before the end of each quarter upto the date of announcement of quarterly results and 2 (two) trading days thereafter;
  - ii. The period beginning from one week before the end of March quarter upto the date of announcement of the annual financial results and 2 (two) trading days thereafter;
  - iii. Any other period during which trading shall be closed when the Compliance Officer determines that a Designated Person or class of persons can reasonably expected to be in possession of Unpublished Price Sensitive Information. The Quiet Period shall be reopened after making the said Unpublished Price Sensitive Information, Generally Available Information.
- v. "Insider Trading Regulations" means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment or reenactment thereof.
- w. "Participant" shall mean any person to whom stock options are granted under any employee stock option plan of the Company in place from time to time.

It is clarified that reference to the "Securities" in relation to a Participant refers to such Securities which are eligible to be granted under an employee stock option plan to a Participant from time to time.

- x. "SEBI" shall mean the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- y. "Securities" or "Shares" means the equity / preference shares, ADRs, debentures or any other security issued by Asian Paints Limited listed on the Stock Exchanges.
- z. "Stock Exchanges" means all the stock exchanges where the shares of Asian Paints Limited are listed.
- aa. "Trading in Securities" means and includes subscribing, buying, selling, dealing, pledging, or agreeing to subscribe, buy, sell, pledge, or deal in any Securities either as principal or agent and "Trade" shall be construed accordingly;
- bb. "Trading Window" means the period during which Trading in the Securities of the Company is permitted to those governed by the APL Code.
- cc. "Trading Day" means a day on which the Stock Exchanges are open for Trading;
- dd. "Unpublished Price Sensitive Information" or "UPSI" means any information which relates directly or indirectly to Asian Paints Limited, or its Securities, that is generally not available, and which on being Generally Available, is likely to materially affect the price of Securities of Company and shall ordinarily include but not restricted to, information relating to the following:
  - (i) financial results;
  - (ii) dividends;
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delisting, disposal and expansion of business and such other transactions;
  - (v) changes in key managerial personnel; and
  - (vi) such other information as may be deemed to be constituted as UPSI by the Board and /or the Managing Director and/or the Compliance Officer of the Company, from time to time.

- ee. "Working Day" will mean the day on which the Registered Office of the Company is working.

Words and expressions used but not defined in this Code will have the same meaning as contained in (i) Insider Trading Regulations (ii) the Securities and Exchange Board of India Act, 1992 (iii) the Companies Act, 2013 (iv) Securities (Contract) Regulation Act, 1956 and (v) The Depositories Act, 1996 read with rules framed thereunder, as may be modified from time to time.

#### **4. RESPONSIBILITY OF BOARD OF DIRECTORS UNDER THIS CODE**

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As per Regulation 9(1) of the Insider Trading Regulations, the Board shall ensure that the Company at all times has in place this Code to regulate, monitor and report trading by Designated Persons and Immediate Relatives of such Designated Persons. The Board shall be responsible for monitoring the overall compliance to the Insider Trading Regulations. In accordance with the Insider Trading Regulations, the Board shall *inter-alia* ensure the following:

1. In consultation with the Compliance Officer and Managing Director, specify the Designated Persons to be covered by this Code based on their functional role or access to Unpublished Price Sensitive Information in addition to seniority and professional designation;
2. that the Company maintains the Digital Database in conformity with the Insider Trading Regulations;
3. Formulate and review periodically the Fair Disclosure Code including the Policy for determination of "legitimate purpose"; and
4. Formulate and review periodically, the Policy and Procedure for Inquiry in the Event of Leak or Suspected Leak of Unpublished Price Sensitive Information.

#### **5. COMPLIANCE OFFICER**

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1. The Compliance Officer shall be such senior officer appointed by the Board, for the purpose of the APL Code and shall report to the Board.
2. In case of temporary absence of the Compliance Officer, the Managing Director shall act as the Compliance Officer or shall appoint such other senior officer as the Compliance Officer as he may deem fit.
3. The Compliance Officer shall review the trading plans to assess whether such plans would have any potential for violation of the Insider Trading Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of such plans.
4. The Compliance Officer may require the Designated Persons to declare that such person is not in possession of unpublished price sensitive information or that such person shall ensure that any unpublished price sensitive information in his possession becomes Generally Available before such person commences executing their trades. Once satisfied, the Compliance Officer may approve the trading plan, which would then have to be implemented in accordance with the Insider Trading Regulations.
5. The Compliance Officer shall provide periodic reports to the Chairman of the Audit Committee and the Board of the Company, including all the details of the Trading in Securities of the Company by Designated Persons and the accompanying documents, as may be necessary. Such reports shall also include details that would facilitate the Audit Committee and the Board to review compliance with Insider Trading Regulations and enable them to verify that the systems for internal control are adequate and operating effectively.
6. The Compliance Officer shall *inter-alia*, under the overall supervision and direction of the Board:
  - (a) determine in consultation with the Managing Director, the Designated Persons based on the role and function of such employee in the Company and the access that such role and function would provide to Unpublished Price Sensitive Information;
  - (b) update, maintain and monitor the Digital Database containing the details of Designated Persons and Insiders with whom any Unpublished Price Sensitive Information has been shared or who may have access to any Unpublished Price Sensitive Information of the Company, in the ordinary course of business and for Legitimate Purpose or in relation to substantial transactions involving takeovers, mergers or acquisitions or any other purpose in accordance with this Code;

- (c) give notice to Insiders with whom Unpublished Price Sensitive Information has been shared for Legitimate Purpose as set out in Paragraph 3 of Section 6 (Prohibition of Communication or procurement of UPSI) of this Code;
  - (d) assist the Managing Director to put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Regulation 9A of the Insider Trading Regulations; and
  - (e) assist the formulation and monitor the policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information.
7. The Compliance Officer will assist the Designated Persons and Insiders in addressing any clarifications regarding the Insider Trading Regulations and APL Code.
  8. The Compliance Officer shall maintain all records under the APL Code and the Insider Trading Regulations for a minimum period of five (5) years.
  9. The Compliance Officer shall in consultation with the Board inform the Stock Exchanges of any violation of the Insider Trading Regulations or the APL Code in such form and such manner as may be specified by SEBI from time to time.
  10. The Compliance Officer in consultation with the Chairman of the Audit Committee shall have the power to set forth any additional guidelines or procedures required for maintaining adequate and effective internal controls under this Code and ensuring compliance with the Insider Trading Regulations.
  11. The Compliance Officer may engage external consultants, advisors or experts for putting in place an IT-enabled software or system to automate the compliances under this Code including seeking disclosures and undertakings from Designated Persons and Insiders, sending intimations to such persons regarding Closure of Trading Window, etc.

## **6. DESIGNATED PERSONS**

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1. Designated Persons shall be identified by the Compliance Officer in consultation with the Board, basis their role and function and the access that such role and function would provide Unpublished Price Sensitive Information of the Company in addition to seniority and professional designation shall be governed by the APL Code.
2. The term "Designated Persons" will mean and include:
  - (i) All the Directors of the Company;
  - (ii) Promoters and members of Promoter Group;
  - (iii) All employees of the Company in the grade M5 (as per the policy of the Company) and above including seconded employees;
  - (iv) Key Managerial Personnel (as defined in accordance with the Companies Act ,2013 and applicable accounting standards) of the Company;
  - (v) All employees of the 'Finance', 'Accounts', 'Audit', 'Taxation', 'Legal and Secretarial', 'Corporate Communication' functions of Corporate Finance, irrespective of their grade;
  - (vi) employees of such other functions of the Company who are in possession or likely to be in possession of Unpublished Price Sensitive Information;
  - (vii) Directors, chief executives and employees up to 2 (two) levels below the Managing Director, including the head of Accounts and Finance (by whatever name called) of each of the Joint Venture Companies in India, Asian Paints (International) Private Limited and Material Subsidiaries of the Company;
  - (viii) Personal assistants, if any, of persons referred in (i) and from (iii) to (vii) above; and
  - (ix) Any other employees as may be designated/ notified by the Compliance Officer in consultation with the Board from time to time, who may be considered to be in possession of Unpublished Price Sensitive Information.



Note: All the obligations/responsibilities with respect to compliance with the APL Code relating to the Immediate Relatives, shall devolve upon the Designated Persons.

3. The Compliance Officer may, in consultation with the Managing Director, determine and include such other persons, including their Immediate Relatives, from time to time to whom the APL Code may apply. Due regard shall be had to the access by such person to Unpublished Price Sensitive Information of the Company.
4. Designated Persons shall disclose names and PAN, or any other identifier authorized under law of the following persons to the company on an annual basis and as and when the information changes:
  - (i) Immediate Relatives;
  - (ii) persons with whom such Designated Person(s) shares a Material Financial Relationship; and
  - (iii) Phone and mobile numbers which are used by them.

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

## ***7. PROHIBITION ON COMMUNICATION OR PROCUREMENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION***

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1. All Designated Persons, Fiduciaries and Insiders must:
  - a. maintain confidentiality of all Unpublished Price Sensitive Information;
  - b. not communicate, provide or allow access to any Unpublished Price Sensitive Information to any person including other Insiders except where such communication is in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code;
  - c. not procure from or cause the communication by any Insiders and their Immediate Relatives of any Unpublished Price Sensitive Information except in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code; and
  - d. not pass on such information to any person directly or indirectly by way of making a recommendation for the Trading of Securities of the Company based on the same.
2. All information within the Company must be handled strictly, on a 'need to know' basis. Any Unpublished Price Sensitive Information should be disclosed only for the furtherance of a Legitimate Purpose as per the policy approved by the Board, to discharge their duties and legal obligations and whose possession of such information will not give rise to a conflict of interest or misuse of information.
3. Any person in receipt of or in possession of Unpublished Price Sensitive Information pursuant to the aforesaid shall be considered an "Insider" for purpose of the APL Code and due notice as per format prescribed under this Code shall be given to such persons, to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Insider Trading Regulations and this Code.
4. Prior to sharing any Unpublished Price Sensitive Information, a confidentiality agreement shall be entered into with such Insider and the Insider shall provide its details, details pertaining to its employees, agents or representatives who are likely to have access to the said Unpublished Price Sensitive Information which shall include name, designation, address, Permanent Account Number ("PAN") or any other identifier authorised by law where PAN is not available in the format prescribed under this Code. The said details shall be updated by the Compliance Officer in the Digital Database.
5. Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would-
  - a. entail an obligation to make an open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations") where the Board is of informed opinion that sharing of such information is in the best interests of the Company;

- b. not attract the obligation to make an open offer under the SEBI Takeover Regulations but where the Board is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute Unpublished Price Sensitive Information is disseminated to be made Generally Available Information at least 2 (two) Trading Days prior to the proposed transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.

For purposes of this clause, the Board shall require the parties to such transaction to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of this Clause 6, and shall not otherwise trade in Securities of the Company when in possession of such Unpublished Price Sensitive Information.

6. All Unpublished Price Sensitive Information directly or indirectly received by any Designated Person should be reported to the Compliance Officer immediately.
7. All files containing confidential information will be kept secure and under lock and key. Computer files will have adequate security of login and passwords. Each Designated Person shall at all times be in compliance with the "Information Security Management System, Acceptable Usage Practices Code" as issued by the Company and revised from time to time.
8. Chinese wall procedures ("Chinese Walls") shall be used to manage confidential information and prevent the inadvertent spread and misuse of price sensitive information. Areas of the Company which routinely have access to confidential information including UPSI, shall be considered as 'inside areas', and shall be separated from those areas or departments providing support services, who do not have access to such information, considered as 'public areas'. The Chinese Walls established by the Company shall operate as a barrier to the passing of confidential information, including Unpublished Price Sensitive Information and other confidential information. As per the said procedures:
  - a. the promoters, directors and employees of the Company in the 'insider areas' shall not communicate any UPSI to anyone in the 'public areas';
  - b. the demarcation of various departments as 'insider areas' shall be determined by the Compliance Officer in consultation with the Board or with Managing Director;
  - c. The establishment of Chinese Walls shall not be intended to suggest that Unpublished Price Sensitive Information can circulate freely within 'inside areas'. The 'need-to-know' principle shall be fully in effect within 'insider areas'. In exceptional circumstances, employees from the 'public areas' may be allowed to 'cross the wall' and given Unpublished Price Sensitive Information by following the 'need-to-know' principle, under intimation to the Compliance Officer. The Compliance Officer would duly record reasons for crossing the wall in writing.
  - d. Chinese Walls shall be set up and implemented in the manner set out by Compliance Officer from time to time.

## ***8. RESTRICTION ON TRADING IN SECURITIES***

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1. All Designated Persons will be subject to certain Trading restrictions:
  - a. Trading Restrictions during Quiet Period:
    - i. Designated Persons are prohibited to Trade in Securities of the Company during the Quiet Period. The Compliance Officer shall communicate the Quiet Period to all Designated Persons through email or physical copies or any other prescribed mode. Irrespective of whether such communication has been received or not, Designated Persons governed by this Code shall mandatorily verify with the Compliance Officer on the status of the Trading Window before undertaking any Trades in the Securities of the Company. Ignorance of the closure of the Trading Window or non-receipt of communication of closure of Trading Window shall not justify any Trades undertaken by Designated Persons during Quiet Period.
    - ii. Every Designated Person should advise his/ her Immediate Relatives of the Quiet Period during which Trading in the Securities of the Company is prohibited.
    - iii. Subject to the provisions of this Code and Insider Trading Regulations, the Trading window restrictions shall not apply in respect of :

- a. Trades specified in clause (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulations 4 of the Insider Trading Regulations and in respect of a pledge of shares for a *bona fide* purpose such as raising of funds, subject to pre-clearance by the Compliance Officer;
- b. Exercise of stock options by a Participant and consequent acquisition of Securities which may have vested in such Participant. However, this exception shall not be applicable to Trading in Securities (with respect to the Securities acquired), even if the same is offered by the Company at the time of exercise as a part of the employee stock option plan;
- c. Trades which are undertaken in accordance with respective Regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by the Board from time to time.

b. Trading Restrictions otherwise:

- i. Designated Persons shall not Trade in Securities of the Company while in possession of Unpublished Price Sensitive Information. If such persons have traded in Securities of the Company when in possession of Unpublished Price Sensitive Information, their Trades would be presumed to have been motivated by the knowledge and awareness of such information in their possession. However, a Designated Person may prove his innocence by demonstrating the circumstances including as provided in Regulation 4 of the Insider Trading Regulations to be read with the format(s) for pre – clearance and declaration cum undertaking(s) as provided in Section 13 of this Code.
- ii. When the Trading Window is open, Trading by Designated Persons shall be subject to pre-clearance by the Compliance Officer, in the manner provided under Section 9 of this Code.
- iii. For the avoidance of doubt, it is clarified that during the Quiet Period, no Designated Person is permitted to apply for pre-clearance of any proposed Trade.
- iv. Designated Persons, other than Promoters, members of Promoter Group, Directors, Key Managerial Persons and their Immediate Relatives, when not in possession of Unpublished Price Sensitive Information and when the Trading Window is open, can undertake Trading in Securities upto a value of Rs. 5,00,000 (Rupees Five Lacs Only) in one financial year, without seeking pre-clearance of the Compliance Officer. However, all other restrictions and requirement of making necessary disclosures under this Code will continue to apply for such Trades.
- v. Designated Persons who Trade in Securities of the Company, will not undertake a contra/ opposite Trade during 6 (six) consecutive months following the prior Trade. However, these provisions shall not be applicable to Trades executed pursuant to an approved Trading Plan. Subject to the Insider Trading Regulations, the Compliance Officer may relax the 6 (six) months contra- Trade restriction in cases where the sale is necessitated by personal emergency after recording reasons in writing in this regard. An application in writing in this regard will need to be made to the Compliance Officer.
- vi. The above-referred restriction on contra trade shall not apply in case of: (i) acquisition of Shares by Participants pursuant to exercise of stock option; and (ii) pledge/ sale of Securities acquired pursuant to exercise of stock options, but only during open Trading window after obtaining necessary pre-clearance for such action and provided that all other provisions/restrictions of this Code and the Insider Trading Regulations are duly complied with, including on non-possession of UPSI.
- vii. Trading in derivatives pertaining Securities of the Company by Designated Persons, other than Directors, Promoter, members of Promoter Group, Key Managerial Persons and their Immediate Relatives, shall be subject to all restrictions under this Code. Designated Persons dealing in derivatives pertaining to Securities of the Company shall make necessary disclosures under this Code. It is clarified that the Promoter, members of Promoter Group, Key Managerial Persons, Directors and their Immediate Relatives shall not deal in derivatives pertaining to the Securities of the Company.
- viii. In case, the Designated Persons deal in any Securities of the Company through his/her portfolio manager/ investment manager, the same shall be disclosed to the Compliance Officer and restrictions relating to Trading in Securities of the Company under this Code will also apply to the trading in securities of the company through his/her portfolio manager/ investment manager.
- ix. Exercise of stock options by a Participant shall not be considered to be “Trading in Securities” except for the purposes

of Chapter III of the Insider Trading Regulations (which relates to disclosure of trades by insiders), as are referred in Paragraph 12 of this Code. However, all provisions of the Insider Trading Regulations and this Code (unless otherwise specifically exempted) shall apply to Trading in Securities, with respect to the Securities so acquired.

## 9. PRE- CLEARANCE OF TRADES BY DESIGNATED PERSONS

- a. Pre-clearance of Trades shall be required to be obtained by all Designated Persons prior to Trading in Securities.
- b. Every Designated Person must make an application in the format prescribed under this Code to the respective authority for pre-clearance as mentioned below, indicating the estimated number of the Company Securities that such person intends to Trade in, mode of acquisition, and such other information as may be prescribed by the Insider Trading Regulations, amended and modified from time to time:

Trading by the following persons	Authority for pre-clearance
All Designated Persons including their Immediate Relatives (except Compliance Officer & Managing Director)	Compliance Officer
Compliance Officer and Managing Director	Board

- c. Every Designated Person must sign an undertaking in the format prescribed under this Code. For the avoidance of doubt, each Designated Person shall also be required to make any other declarations and undertakings as the Compliance Officer may require on a case to case basis.
- d. Pre-clearance shall not be required for the following transactions:
  - i. trades executed pursuant to an approved Trading Plan;
  - ii. transactions pursuant to Transmission of shares in accordance with applicable law;
  - iii. transactions involving transfer of Securities from Depository Participant to another provided that the shareholder and the beneficial owner of such Securities do not change; however, Trades involving pledge and revocation of pledge of Securities will continue to require pre-clearance as per this Code; and
  - iv. transactions pursuant to merger, demerger, or any other Court Order;
  - v. Exercise of stock options by a Participant. However, Trading in Securities, with respect to the Securities so acquired (including pursuant to a cashless option provided as a part of exercise of stock options), shall not be exempted.

However, in the aforesaid cases (i to v) declaration in the form of a Completion Certificate as per the format prescribed under this Code shall be submitted to the Compliance Officer within 2 Trading days.
- e. Prior to approving any Trades, the Compliance Officer shall be entitled to seek any further declarations as he may deem fit from the applicant. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate. In case the Compliance Officer is of the opinion that the proposed Trade is on basis of possession of Unpublished Price Sensitive Information, or he has a reason to believe that the proposed Trade is in breach of the APL Code or the Insider Trading Regulations, he will not grant approval against the said pre-clearance application and shall convey the reasons.
- f. The Compliance Officer shall inform the Designated Person, of approval of the pre-clearance application in the format prescribed under this Code within 2 (two) Working Days of the receipt of the application and other necessary documents or clarifications. In the absence of the Compliance Officer, the approval / rejection will be provided by the Managing Director.
- g. All Designated Persons shall complete their Trade in respect of the Securities of the Company within 7 (seven) Trading Days from the date of approval granted by the Compliance Officer for the pre-clearance application. The details of the Trade including the total number of shares or voting rights bought or sold or traded in any manner by the Designated Person, the date on which the Trade was executed, etc., will be required to be informed forthwith, not exceeding

2 (two) Working Days from date of completion of the Trade to the Compliance Officer in the format prescribed under this Code.

If the Trade is not executed within 7 (seven) Trading Days from the date of the pre-clearance approval, the Designated Person shall inform the Compliance Officer in the format prescribed under this Code and re-submit the pre-clearance application in the prescribed format.

## **10. TRADING PLANS**

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- a. Each Designated Person is entitled to execute Trades pursuant of a pre-determined trading plan, where such trading plan has been formulated by such Designated Persons, approved by the Compliance Officer, and has been publicly disclosed by the Company to the Stock Exchanges, 6 (six) months prior to the commencement of the Trading pursuant to the trading plan ("Trading Plan"). In accordance with the Insider Trading Regulations, provisions relating to pre-clearance of Trades, Quiet Period and restrictions on contra trade shall not be applicable for Trades executed pursuant to an approved Trading Plan.
- b. Trading Plan shall be formulated by Designated Persons in compliance with the Insider Trading Regulations, including any statutory modification(s) or re-enactment(s) for the time being in force.
- c. The Compliance Officer shall approve a Trading Plan within a period of 7 (seven) Working days and shall take necessary undertakings / declarations from the applicant Designated Person presenting such a Trading Plan, as may be necessary on a case by case basis. Once approved and published in accordance with the Insider Trading Regulations, the Trading Plan shall be irrevocable, and the said Designated Person(s) shall mandatorily implement the Trades as per the Trading Plan in accordance with the provisions of the Insider Trading Regulations.
- d. The implementation of the Trading Plan shall not commence if any Unpublished Price Sensitive Information in possession of the Insider at the time of formulation of the plan has not become generally available at the time of commencement of the implementation and in such an event, the Compliance Officer shall confirm that the commencement ought to be deferred until such Unpublished Price sensitive Information becomes Generally Available Information. The Compliance Officer may consult with the Managing Director and / or the Audit Committee chairperson, on a case to case basis, prior to approving any Trading Plan.

## **11. CONNECTED PERSONS / FIDUCIARIES**

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- a. Designated Persons of the Company shall ensure that all Connected Persons, Fiduciaries and other Insiders, including those who provide any services or supply goods to the Company or vice versa, whether or not pursuant to a written contract or a purchase order and who have access to Unpublished Price Sensitive Information or are reasonably expected to have such access to Unpublished Price Sensitive Information, execute an undertaking in the format prescribed under this Code.
- b. Designated Persons who are employees of the Company, shall deal / engage only those Connected Persons, Fiduciaries or Insiders who have in place a Code of Conduct to Regulate, Monitor and Report Trading by their designated persons and Immediate Relatives of designated persons in compliance with Schedule C to the Insider Trading Regulations.
- c. Designated Persons who are employees of the Company shall ensure that a confidentiality / non-disclosure agreement shall be entered into by the Company with Connected Persons, Fiduciaries and Insiders prior to sharing any Unpublished Price Sensitive Information. The sharing of such information shall be in accordance with "Policy for determination of Legitimate Purpose" as part of "Asian Paints Limited - Code of Fair Disclosure and Conduct".
- d. Connected Persons, fiduciaries and other insiders shall not trade in the securities of the Company while in possession of Unpublished Price Sensitive Information or shall not undertake a contra/ opposite Trade during 6 (six) consecutive months following the prior Trade.

## 12. DISCLOSURES / REPORTING REQUIREMENTS FOR TRADING IN SECURITIES

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- a. **Continual Disclosures:** Every Promoter, member of the Promoter Group, Director and Designated Person of the Company shall disclose to the Company, the number of Securities acquired or disposed off, if the value of the Securities Traded, whether in one transaction or a series of transactions over any financial quarter, aggregates to Traded value in excess of Rs. 10,00,000 (Indian Rupees ten lakh) or such other limit as may be prescribed under the Insider Trading Regulations, within 2 (two) Trading Days of such Trade. It is hereby clarified that the disclosure of the incremental Trades after any disclosure under this clause, shall be made when the Trades effected after the prior disclosure cross the limits specified above.
- b. **Initial Disclosure:** Every Designated Person must disclose to the Compliance Officer the details as specified in the format prescribed under this Code and an initial undertaking in the format prescribed under this Code, within 7 (seven) days of becoming a Designated Person of the Company. Every Designated Person shall be required to disclose their name and PAN or any other identifier authorised by law for himself and his Immediate Relatives, persons with whom such a Designated Person shares a Material Financial Relationship, phone and mobile numbers which are used by them, names of educational institutions from which the Designated Persons have graduated and names of their past employers, etc. to the Company on an annual basis and as and when the information changes.
- c. **Annual Disclosure:** All Designated Persons must make an annual disclosure of the number of Securities held as on 31st March each year by them including details of purchase / sale of Securities during the financial year to the Compliance Officer. This disclosure must be made in the format prescribed under this Code within 30 (thirty) days from the close of each financial year, in electronic or physical form.
- d. The Compliance Officer will maintain records in either physical or electronic form, of all disclosures and declarations made by the Directors, Promoters, members of the Promoter Group, Key Managerial Personnel and such other Designated or Connected Person for a minimum period of five years.
- e. The Compliance Officer, in addition to the above, may at his discretion require any other Connected Person or class of Connected Persons to make disclosures of holdings and Trading in Securities of the company at such frequency as he may deem fit in order to monitor compliance with this Code and the Insider Trading Regulations.

## 13. SUMMARY OF OBLIGATIONS OF DESIGNATED PERSONS / PRESCRIBED FORMATS

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All Designated Persons shall ensure compliance with this Code and the Insider Trading Regulations and shall be subject to the obligations summarized below:

Sr. No.	Obligations	Time Frame	Format of Disclosure
1.	Application for pre- clearance of Trades		Appendix I
2.	Declaration that the Designated Persons is not in possession of UPSI.	Along with the application of pre-clearance	Appendix II
3.	Letter of approval from the Compliance officer approving the Pre-clearance application	Within 2 (two) Working days of application or submission of necessary clarifications and documents	Appendix IIIA

Sr. No.	Obligations	Time Frame	Format of Disclosure
4.	Letter of rejection from the Compliance officer rejecting the Pre-clearance application	Within 2 (two) Working days of application or submission of necessary clarification and documents	Appendix IIIB
5.	Disclosure on completion of the pre-cleared Trade	2 (two) Trading Days of completion of Trade	Appendix IVA
6.	Reporting of decision to not Trade or failure to complete Trade after securing pre-clearance with reasons.	Within 2 (two) Working Days on completion of 7 <sup>th</sup> Trading Day from granting of preclearance.	Appendix IVB
7.	Initial disclosure by Promoter, member of the Promoter Group, key managerial personnel and Director in respect of Securities held such Designated Persons.	Within 7 (seven) days of being appointed as Promoter, key managerial personnel and Director	Appendix VA
8.	Initial disclosure by Designated Persons other than Promoter, member of the Promoter Group, key managerial personnel and Director in respect of Securities held such Designated Persons.	Within 7 (seven) days of being appointed as Designated Person	Appendix VB
9.	Continual disclosure of number of Securities acquired or disposed of whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of INR 10,00,000 (Indian Rupees Ten lakh).	Within 2 (two) Trading Days of such transaction	Appendix VI
10.	Annual disclosure at the end of the financial year by Designated Persons in respect of the number of Securities held by such Designated Persons.	Within 30 (thirty) days from the end of the financial year.	Appendix VII
11.	Execution of undertaking/confidentiality agreement by Designated Persons on being designated a "Designated Person" for new employees	Within 7 (Seven) Trading Days of becoming a Designated Person; The Compliance Officer may notify such other period as he may deem fit.	Appendix VIII
12.	Undertaking to be given by Fiduciaries, Insiders, and other Connected Persons	Before sharing Unpublished Price Sensitive Information	Appendix IX
13.	Disclosure of transactions by Connected Persons as identified by the Company in accordance with Reg 7(3) of Insider Trading Regulations	At such frequency as may be determined by the Compliance Officer	Appendix X

Sr. No.	Obligations	Time Frame	Format of Disclosure
14.	Disclosure of names and PANs or any other information required of the Designated Person and: (i) Immediate Relatives, (ii) persons with whom such Designated Person shares a Material Financial Relationship; and (ii) phone and mobile numbers used.	At the beginning of every financial year and as and when the information provided changes.	Appendix XI
15.	Disclosure of names of educational institutions from which Designated Persons have graduated and names of their past employers.	1 (one) time basis and within seven (7) days of becoming a Designated Person.	Appendix XII
16.	Designated Persons, in possession of UPSI, undertaking off-market <i>inter se</i> transfers with Designated Persons who are in possession of the same UPSI and where it is a conscious and informed Trade decision, are required to file in addition to pre-clearance application, declaration cum undertaking	2 (two) Trading Days prior to undertaking off-market <i>inter se</i> transfer.	Appendix XIII
17.	Designated Persons in possession of UPSI undertaking Trade through block deal window mechanism, are required to file in addition to pre-clearance application a declaration cum undertaking.	2 (two) Trading Days prior to undertaking Trade through block deal window.	Appendix XIV
18.	Designated Persons in possession of UPSI undertaking Trade pursuant to a statutory or regulatory obligation to carry out a bona-fide transaction are required to file in addition to the pre-clearance application a declaration cum undertaking.	2 (two) Trading Days prior to Trading of Securities of the Company.	Appendix XV
19.	Designated Persons undertaking pledging or releasing pledged Securities are required to file in addition to the pre-clearance application a declaration cum undertaking.	2 (two) Trading Days prior to Trading of Securities of the Company.	Appendix XVI
20.	Report UPSI received directly or indirectly, to the Compliance Officer	On receipt of UPSI	Appendix XVII
21.	Refrain from obtaining, communicating, causing such communication or otherwise passing directly or indirectly any UPSI to Insiders and their Immediate Relatives except for Legitimate Purposes and on need-to-know basis.	All times.	N.A.
22.	Execution of non-disclosure undertaking/confidentiality agreement with such other persons with whom UPSI is shared pursuant to Legitimate Purposes/transaction	Event based	The Compliance Officer will notify the format for this purpose.
23.	Verify with the Compliance Officer on the status of the Trading Window before undertaking any Trades and ensure that no Securities of the Company are traded during the Quiet Period and advise Immediate Relatives to stop Trading Securities of the Company during Quiet Period.	N.A.	N.A.



Sr. No.	Obligations	Time Frame	Format of Disclosure
24.	Formulation of Trading plan in compliance with the Insider Trading Regulations, including any statutory modification(s) or re-enactment(s) for the time being in force for Trading of Securities of the Company	N.A.	N.A
25.	Obtaining approval of Trading Plan	Prior to disclosure of Trading Plan to the Stock Exchanges. Trading plan shall be disclosed 6 (six) months prior to trading.	N.A

#### **14. PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT**

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Every Designated Person who (i) Trades in Securities of the Company, or (ii) communicates any information for Trading in Securities of the Company, or (iii) procures Unpublished Price Sensitive Information, in each case, in contravention of this Code; or otherwise violates this Code shall be penalized and the Company will take appropriate action. The Managing Director and the Compliance Officer shall report such violations to the Board. The Board shall impose any further penalty or impose any other action at their discretion which may be over and above the aforesaid framework.

Any amount levied under this clause shall be remitted to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Securities and Exchange Board of India Act, 1992.

The above actions will be without prejudice to any civil or criminal action that the regulatory authorities may initiate against such Designated Person(s).

#### **15. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING**

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The Managing Director in consultation with the Compliance Officer shall put in place adequate and effective system of internal controls to ensure compliance with the APL Code and the Insider Trading Regulation, including ensuring *inter-alia* the following:

- a. Identification of employees having access to Unpublished Price Sensitive Information as Designated Persons and updation of necessary information pertaining to these Designated Persons in the Digital Database of the Company;
- b. Identification, preservation, and maintenance of confidentiality of Unpublished Price Sensitive Information until it becomes Generally Available Information in accordance with the Insider Trading Regulations;
- c. Restriction on communication and procurement of Unpublished Price Sensitive Information as per this Code and the Insider Trading Regulations;
- d. Trading Regulations;
- e. Maintenance of Digital Database containing names of all Designated Persons and other persons with whom Unpublished Price Sensitive Information is shared and confidentiality agreements signed, or notices sent / served on Designated Persons or other persons with whom Unpublished Price Sensitive Information is shared for the purpose of maintaining confidentiality and abiding by their non-disclosure obligation;
- f. Compliance of this Code and Insider Trading Regulations;
- g. Periodic reporting to Audit Committee and the Board; and
- h. Any other matter required for compliance with the Insider Trading Regulations.

The Compliance Officer in consultation with the Chairman of Audit Committee shall have the power to set forth any additional guidelines or procedures required for maintaining adequate and effective internal controls under this Code and ensuring compliance with the Insider Trading Regulations.

## ***16. POLICY ON INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION***

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The Company shall have a written policy setting out the process to be followed in the event of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information. The Compliance Officer shall inform promptly of such leaks, inquiries, and results of such inquiries to Audit Committee and Board in accordance with such Policy.

## ***17. PROTECTION OF THE INFORMANT UNDER THE INSIDER TRADING REGULATIONS***

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The Company shall not discharge, terminate, demote, suspend or threaten directly or indirectly or discriminate against any employee who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by SEBI, by reason of: (i) filing a Voluntary Information Disclosure Form; (ii) testifying in, participating in, or otherwise assisting or aiding SEBI in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by SEBI; or (iii) breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent such employee from cooperating with SEBI in any manner.

In the event any employee is of the view, that he is likely to be discharged, terminated, demoted or suspended, or is being threatened, or discriminated, on account of any of the events set forth in the preceding paragraph, such employee shall be permitted to notify the Compliance Officer of the same. In the event, the Compliance Officer is subject to the foregoing, the Compliance Officer shall be permitted to bring such information to the notice of SEBI.

**LIST OF APPENDICES**

<b>Sr. No.</b>	<b>Appendix No.</b>	<b>Particulars</b>
1.	I	Application form for Pre- clearance of Trades in Company's Securities
2.	II	Draft Undertaking to be accompanied with every Pre- clearance Application
3.	IIIA	Draft Letter of Approval from Compliance Officer
4.	IIIB	Draft Letter of Rejection from Compliance Officer
5.	IVA	Disclosure of completion of Trade
6.	IVB	Reporting of failure of completion of transaction or decision not to Trade after obtaining approval from the Compliance Officer
7.	VA	Statement of initial disclosure of shares held in the Company by a Director / Key Managerial Personnel/ Promoter/ Member of Promoter group in Form B
8.	VB	Statement of initial disclosure of shares held in the Company by a person on becoming Designated Person other than Director/ Key Managerial Personnel/Promoter/ Member of Promoter Group
9.	VI	Disclosure relating to change in holding of Securities to the Company / Stock Exchange in Form C
10.	VII	Annual Disclosure of shares held by Designated Persons
11.	VIII	Initial Undertaking by Designated persons
12.	IX	Undertaking by other Connected Persons
13.	X	Disclosure by other Connected Persons in Form D
14.	XI	Disclosure of PAN, contact details (phone, mobile and email id), of Designated Person and/or immediate relative and/or person with whom such Designated Person shares a material financial relationship
15.	XII	Disclosure of names of educational institutions from which Designated Persons have graduated and names of their past employers
18.	XIII	Declaration cum undertaking by Designated Persons undertaking off-market inter se transfers with Designated Persons who were in possession of the same UPSI.
19.	XIV	Undertaking for executing trade through block deal window mechanism
20.	XV	Undertaking for trade pursuant to a statutory or regulatory obligation
21.	XVI	Undertaking to be accompanied with pre – clearance application for creation/release of pledge of securities of the Company
22.	XVII	Report UPSI received directly or indirectly, to the Compliance Officer
23.	XVIII	Notice to be issued for maintenance of confidentiality of UPSI shared



APPENDIX I

**APPLICATION FORM FOR PRE- CLEARANCE OF TRADES IN COMPANY'S SECURITIES**

**The Compliance Officer  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055**

Dear Sir,

I intend to Trade in the Securities of the Company as per the particulars furnished below:

Name(s) of the persons for whom the transaction is to be executed	
PAN No.	
Relationship with the applicant	
No. of shares covered by the transaction	
Nature of transaction for which approval is Sought	<b>Purchase / Sale / Demat / Pledge/ Other</b>
Depository ID No.	
Client ID No.	
Particulars of the broker through whom the transaction is to be executed	Name : Address : Phone No. :

*\* - strike out whichever is not applicable*

I enclose necessary documents, containing the particulars in the prescribed format. I request you to kindly pre-clear the above transaction at the earliest.

Thanking you,

Yours faithfully,

Name of the Applicant  
Employee Code No. (if applicable) :  
Contact Number:  
Department (if applicable):  
Date :  
Place :



## APPENDIX II

(Draft undertaking to be accompanied with every pre-clearance application, when the Designated Person is not in possession of Unpublished Price Sensitive Information)

**The Compliance Officer,  
Asian Paints Limited,  
6A, Shantinagar,  
Santacruz (East),  
Mumbai: 400 055**

Dear Sir,

I, \_\_\_\_\_ being a Designated Person as per the Asian Paints Limited - Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, am desirous of trading in \_\_\_\_\_ shares of the Company held in my name/ in the name of my Immediate Relative / in the name of Companies controlled by me or on behalf of any other person as mentioned in my application dated \_\_\_\_\_ for pre-clearance of the Trade. I hereby confirm/undertake:

- a. to maintain confidentiality of all 'Unpublished Price Sensitive Information' that may come into my possession in the discharge of my duties with the Company;
- b. not to pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company based on the same;
- c. to report to the Compliance Officer, any non-public information that may be directly received by me;
- d. that I am not in possession and/or I do not have any access to 'Unpublished Price Sensitive Information' upto the date of signing this undertaking;
- e. that in case I have access to or receive '**Unpublished Price Sensitive Information**' after the signing of this undertaking but before the execution of the transaction, I will inform the Compliance Officer of the change in my position and that I will completely refrain from trading in the securities of the Company till such time such information becomes generally available in public domain ;
- f. that I have not contravened the 'Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' as notified by the Company from time to time; and
- g. That I have made full and true disclosure in the matter.

(Signature)

Name of the Applicant:  
Employee Code No.(if  
applicable):  
Contact Number:  
Department:

Date:  
Place:



**APPENDIX - IIIA**  
**(draft letter of approval from Compliance Officer)**

Date:

To:

Sub : **Pre-clearance of transaction in Company's Securities**

Ref : **Your application dated \_\_\_\_\_ for pre-clearance of transaction for \_\_\_\_\_ shares of the Company in your name / in the name of \_\_\_\_\_.**

With reference to your above application, seeking pre-clearance of your Trade in shares of the Company, we hereby accord our approval to the proposed transaction.

You may kindly note that the aforesaid transaction will be executed **within seven (7) trading days** from the date of receipt of this approval letter, failing which, an application seeking pre-clearance to the proposed transaction together with undertaking in the prescribed format, will be made afresh.

Further the details of the Trade, as per the aforesaid application, needs to be intimated within two working days of the execution of the Trade.

You may kindly note that after the aforesaid transaction, you will not enter into an opposite transaction during the next six months from the date of the aforesaid Trade.

It is presumed that the proposed transaction is in compliance with the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; Code of Conduct and SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other applicable law.

Thanking you,

Yours truly,

For **Asian Paints Limited**

**Compliance Officer**



**APPENDIX III B**  
**(draft letter of rejection from Compliance Officer)**

Date:

To:

Sub : **Pre-clearance of transaction in Company's Securities**

Ref : **Your application dated \_\_\_\_\_ for pre-clearance of transaction for \_\_\_\_\_ shares of the Company in your name / in the name of \_\_\_\_\_.**

With reference to your above application, seeking pre-clearance of your transaction in shares of the Company, we hereby reject your above application on account of the following reasons:

\_\_\_\_\_

\_\_\_\_\_

Thanking you,

Yours truly,  
For **Asian Paints Limited**

**Compliance Officer**



**APPENDIX IVA**

**(Disclosure of completion of Trade)**

**The Compliance Officer,  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055**

Dear Sir,

Sub: **Confirmation of date of completion of transaction**

I hereby confirm that the transaction for Trading in the shares of the Company for which, pre-clearance was granted on \_\_\_\_\_, was completed on \_\_\_\_\_ by purchasing\* / selling\* / \_\_\_\_\_ (any other) \_\_\_\_\_ (nos.) equity shares of the Company.

Thanking you,

Yours faithfully,

(Signature)

Name of the Applicant:

Employee/Immediate Relative

[Code No. (if applicable)]:

Contact Number:

Department (if applicable):

Date:

Place:

\* - strike out whichever is not applicable





**APPENDIX IVB**

**(Reporting of failure of completion of transaction or decision not to Trade after obtaining approval from the Compliance Officer)**

**The Compliance  
Officer, Asian Paints  
Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400  
055**

Dear Sir,

Sub: **Reporting of failure to execute transaction**

I hereby declare that the approval for Trading in the shares of the Company for which, pre-clearance was granted on \_\_\_\_\_, was not completed within 7 (seven) days of receipt of the pre-clearance, due to \_\_\_\_\_. I shall obtain fresh pre-clearance in the event I wish to execute the said trade again.

Thanking you,

Yours faithfully,

(Signature)  
Name of the Applicant:  
Employee Code No.:  
(if applicable)  
Contact No:  
Department  
(If applicable)

Date:

Place:



**APPENDIX VA**

**FORM B**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

[Regulation 7 (1) (b) read with Regulation 6(2) - Disclosure on becoming a director/KMP/Promoter] Name

of the company: ASIAN PAINTS LIMITED

ISIN of the company: \_\_\_\_\_

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of Promoter Group of a listed company and other such persons as mentioned in Regulation 6**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ member of Promoter Group/KMP/ Directors/ Immediate relatives/others etc)	Date of appointment of Director / KMP OR Date of becoming Promoter	Securities held as on the date of regulation coming into force		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5	6

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*



**Details of Open Interest (OI) in derivatives of the Company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2)**

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/ KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/ KMP		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

- Notes: 1. In case of Options, notional value shall be calculated based on premium plus strike price of options.  
2. Promoter, members of Promoter Group, Key Managerial Persons, Directors and their Immediate Relatives shall not deal in derivatives pertaining to the Securities of the Company.*

Name & Signature:  
Designation:  
Date:  
Place:



APPENDIX VB

(Disclosure on becoming Designated Persons other than Promoters, Key Managerial Personnel (KMP) and Directors)

The Compliance Officer,  
Asian Paints Limited,  
6A, Shantinagar,  
Santacruz (East),  
Mumbai: 400 055

Dear Sir,

Sub: Disclosure on becoming Designated Persons other than Promoters, Key Managerial Personnel (KMP) and Directors

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Designated Person/ Immediate relative to / others etc.)	Securities held as on the date of becoming Designated Person		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held by Designated Persons / Immediate Relatives other than Promoter, KMP and Directors:**

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

Notes: 1. In case of Options, notional value shall be calculated based on premium plus strike price of options.

2. Promoter, members of Promoter Group, Key Managerial Persons, Directors and their Immediate Relatives shall not deal in derivatives pertaining to the Securities of the Company.

Thanking you,  
Yours faithfully,

(Signature)  
Name of the Applicant:  
Employee Code No. :  
Contact Number:  
Department:  
Date:  
Place:



**APPENDIX VI**

**FORM C**

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) – Continual Disclosure]

Name of the company: ASIAN PAINTS LIMITED

ISIN of the company: \_\_\_\_\_

**Details of change in holding of Securities of Promoter, member of Promoter Group, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/ DIN, & addresses with contact nos.	Category of Person (Promoters/ member of Promoter Group/ KMP / Director s/immediate relative to/others etc.)	Securities held prior to acquisition /disposal		Securities acquired / Disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market / public / rights / preferential offer / off market / Inter-se transfer, ESOPs etc.)
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge / Revoke/ Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.



**Details of trading in derivatives of the company by Promoter, member of Promoter Group, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

*Notes: 1. In case of Options, notional value shall be calculated based on premium plus strike price of options.*

*2. Promoter, members of Promoter Group, Key Managerial Persons, Directors and their Immediate Relatives shall not deal in derivatives pertaining to the Securities of the Company.*

Name & Signature:

Designation:

Date:

Place:



**APPENDIX VII**

**ANNUAL DISCLOSURE OF SHARES HELD IN THE COMPANY BY DESIGNATED PERSONS**

Details of shares or voting rights held by Designated Persons and their respective Relatives/ Immediate Relatives, as the case may be, including positions taken in derivatives

Name of Designated Person:

Particulars of Designated Person	No. of shares held at the beginning of the year	No. of shares bought/ sold during the year			No. of shares held at the end of the year	Mode of acquisition/sale	Date of Intimation to the Company
		Date	Nos.	Value			
Name, PAN, DP Id/ Client Id							
Self							
Spouse							
Other Relatives/ Immediate Relatives							

Note: The above table will be applicable with suitable modifications to disclosures for position taken in derivatives also. Trading in derivatives shall be permissible (for Designated Persons other than Directors, their relatives and Promoters) if permitted by any law for the time being in force.

\* I/We declare that I/we have complied with the requirement of not entering into an opposite transaction within six months of the prior transaction (applicable in case of Designated Persons).

\* I further declare that the above disclosure is true and correct and is in accordance with the previous disclosures given to the Company.

(Signature)

Name of Designated Person/ other Connected Person: Employee

Code No.:

Contact number:

Department:

Location:

Date:

(In case of Companies – to be signed by the Director of the Company)



## APPENDIX VIII

### Initial Undertaking by Designated Persons

Name of the Designated Person:

Date

The Compliance Officer,  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055

Dear Sir,

### Re: Undertaking under the Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons

1. I have read and understood the Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons (“Code”) and undertake to fully comply with the provisions thereof during my association with Asian Paints Limited (“Company”).
2. I also acknowledge that the provisions of the Code form an integral part of the terms of my service/employment/engagement with the Company and any breach of the Code would result in a breach of the terms of such service/employment/engagement and I understand and agree to be subject to all the consequences of such a breach.
3. I acknowledge that in the course of my employment/engagement with the Company, I shall come across Unpublished Price Sensitive Information, which would be given to me in confidence, and I undertake that I shall not disclose any Price Sensitive Information received by me to any of my Immediate Relatives.
4. I further undertake that if I gain access to, or receive, any Price Sensitive Information I shall completely refrain from Trading in the securities of the Company till the time such information becomes generally available, in all cases in accordance with this Code.
5. In the event of any breach of the provisions of the Code by any of my Immediate Relatives, I hereby unconditionally undertake to be fully responsible for the consequences of any such breach as if such breach was mine and fully indemnify and keep the Company and its Directors from and against all or any penalties/fines/charges/costs that may be imposed or incurred by SEBI or any other statutory authorities under any Act, law or regulation.
6. All disclosures and undertakings made by me are complete and accurate in all respects and I have not withheld information that would make any of my undertakings or disclosures herein, inaccurate.
7. All capitalized terms used herein but not defined shall have the same meaning ascribed to it in the Code.

Yours Sincerely,

Name of Designated Person:

Employee Code No. (if applicable):

Contact number:

Department:

Location:

Date:





**APPENDIX IX**  
**(Undertaking by other Connected Persons)**

Date: \_\_\_\_\_

To,

The Compliance Officer,  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055

Dear Sir,

**Re : Terms of Service**

1. We, [*insert name of Connected Person*] are [providing/receiving] [*nature of services/goods to be inserted*] to Asian Paints Limited ("**Company**") pursuant to a contract/arrangement entered into between us and the Company ("**Services**").
2. We hereby acknowledge that we are aware (and that our representatives, employees, affiliates, and advisors are aware or, will be advised by us) that in the course of providing Goods/Services to the Company, we, our representatives, employees, affiliates, and advisors shall be in possession of information and/or documents in any form or manner, which may contain material, non-public information regarding the Company or any affiliate of the Company. We further acknowledge that we are aware and that our representatives, employees, affiliates, and advisors have been advised that applicable securities laws prohibit any person having unpublished price sensitive information about a company from trading with the securities of that company or communicating such unpublished price sensitive information, and we agree to abide by and cause our representatives, employees, affiliates, and advisors, to abide by the terms of such securities laws, including without limitation, the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**PIT Regulations**"), as may be replaced, amended or supplemented from time to time and other applicable laws in relation to insider trading and the acquisition of securities. We hereby acknowledge and undertake that we have in place a code of conduct as per the requirements of PIT Regulations as applicable to us.
3. In the event of any breach of the provisions of (i) this undertaking, or (ii) any applicable securities laws, including the PIT Regulations, by us or any of our representatives, affiliates, employees, directors, officers, advisors, we hereby unconditionally undertake to be fully responsible for the consequences of any such breach and fully indemnify and keep the Company and its directors, officers, employees, agents, representatives, and affiliates from and against all or any damages on account of such breach, or any penalties/fines/charges/costs/actions that may be imposed or undertaken by the Securities and Exchange Board of India or any other authorities under any Act, law or regulation.
4. We shall promptly notify the Company in the event of any breach of the provisions of (i) this undertaking, or (ii) any applicable securities laws, including the PIT Regulations, by us or our employees, officers, directors, affiliates, representatives, and advisors.
5. We also acknowledge that this undertaking forms an integral part of the terms of our engagement with the Company and any breach of this undertaking would result in a breach of the terms of such engagement and we understand and agree to be subject to all the consequences of such a breach.



6. We also undertake to furnish the information sought for in Appendix XI to this Code of Conduct.

Yours Sincerely,

[*Name of Connected Person*]

Contact Number

**APPENDIX X**

**Form D**

SEBI (Prohibition of Insider Trading) Regulations, 2015

Regulation 7(3) – Transactions by other connected persons as identified by the company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition/ disposal (on market/public rights/ Preferential offer / off market/Inter se transfer, ESOPs etc. )
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures)	No	Value	Transaction Type (Buy / Sale / Pledge / Revoked / Invoice)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.



**Details of trading in derivatives by other connected persons as identified by the company**

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of Contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

Notes: 1. In case of Options, notional value shall be calculated based on premium plus strike price of options.  
2. Promoter, members of Promoter Group, Key Managerial Persons, Directors and their Immediate Relatives shall not deal in derivatives pertaining to the Securities of the Company.

Name:

Signature: Place:



**ANNEXURE – XI**  
**(Disclosure of information by Designated Persons)**

To,  
**The Compliance Officer,**  
**Asian Paints Limited**

In compliance of Clause 14 of the Schedule B of PIT Regulations and Regulation 6(4) of the Code

<b>Details relating to the Designated Person</b>	
a)	Name of the person
b)	Designation
c)	Name of the organization and address
d)	Permanent address
e)	Current Personal address (if different from (d))
f)	Permanent Account Number ("PAN") or any other identifier authorized by law where PAN is not available
g)	Phone/ Mobile No.

<b>Details relating to immediate relatives</b>				
Sr. No.	Name of the Person	Relationship	PAN or any other identifier authorized by law where PAN is not available	Phone/ Mobile No.

<b>Details relating to Person with whom the designated person shares a Material Financial Relationship</b>			
Sr. No.	Name of the Person with whom the designated person shares a Material Financial Relationship	PAN or any other identifier authorized by law where PAN is not available	Phone/ Mobile No.



I \_\_\_\_\_, hereby undertake that the aforementioned information provided by the undersigned above is true and to the best of my knowledge. The information is provided in compliance with Regulation 6(4) of the Code and as per the Schedule B of the Regulations. The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the following circumstances:

- a. Under any proceedings or pursuant to any order of courts or tribunals;
- b. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law; and
- c. In compliance with applicable laws, regulations, rules and requirements;

Name and Signature:

Place:

Date:



**APPENDIX XII**  
**(Disclosure of names of educational institutions and name of past employers)**

To,  
**The Compliance Officer,**  
**Asian Paints Ltd.**

Sub: Disclosure of information in accordance with Clause 14 of the Schedule B of PIT Regulations and the Code

a)	Name	
b)	Designation	
c)	Name & address of the educational institutions of Graduation and above (including institutions of Post – Graduation/Professional Programmes/Diploma, etc. )	
d)	Names and addresses of all Past employers (including training)	

I \_\_\_\_\_, hereby undertake that the aforementioned information provided by the undersigned above is true and to the best of my knowledge. The information is provided in compliance with Insider Trading Regulations of the Code and as per the Schedule B of the Regulations. The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the following circumstances:

- a. Under any proceedings or pursuant to any order of courts or tribunals;
- b. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law; and
- c. In compliance with applicable laws, regulations, rules and requirements;

Name and Signature:

Place:

Date:



**APPENDIX XIII**

**(Draft undertaking to be accompanied with every pre-clearance application for off – market *inter se* transfers between Designated Persons)**

**The Compliance Officer,  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055**

Dear Sir,

I, \_\_\_\_\_ being a Designated Person of the Company,  
hereby confirm/undertake on behalf of \_\_\_\_\_:

- a) to maintain confidentiality of all 'Unpublished Price Sensitive Information (UPSI)' that is/may come into my possession in the discharge of my duties with the Company;
- b) not to pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company based on the same;
- c) to report to the Compliance Officer, any non-public information that may be directly received by me;
- d) this transaction is an off – market *inter – se* transfer between Designated Persons who were in possession of the same UPSI without being in breach of Regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015;
- e) all parties had made a conscious and informed trade decision;
- f) this transaction is a bona fide transaction;
- g) that I have not contravened the 'Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and the SEBI (Prohibition of Insider Trading) Regulation, 2015, as amended from time to time; and
- h) That I have made full and true disclosure in the matter.

(Signature)

Name of the Applicant:

Date:

Place:





**Appendix XIV**

**(Draft undertaking to be accompanied with every pre-clearance application for executing trade through the block deal window)**

**The Compliance Officer,  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055**

Dear Sir,

I, \_\_\_\_\_ being a Designated Person of the Company,  
hereby confirm/undertake on behalf of \_\_\_\_\_:

- a) to maintain confidentiality of all 'Unpublished Price Sensitive Information (UPSI)' that is/may come into my possession in the discharge of my duties with the Company;
- b) not to pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company based on the same;
- c) to report to the Compliance Officer, any non-public information that may be directly received by me;
- d) this transaction carried out through the block deal window of [name the Stock Exchange] between [name the Designated Persons] who were in possession of the same UPSI without being in breach of Regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
- e) all parties had made a conscious and informed trade decision;
- f) this transaction is a bona fide transaction;
- g) that I have not contravened the 'Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and the SEBI (Prohibition of Insider Trading) Regulation, 2015, as amended from time to time; and
- h) That I have made full and true disclosure in the matter.

(Signature)

Name of the Applicant:

Date:

Place:



**Appendix XV**

**(Draft undertaking to be accompanied with every pre-clearance application for executing trade pursuant to a statutory or regulatory obligation)**

**The Compliance Officer,  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055**

Dear Sir,

I, \_\_\_\_\_ being a Designated Person of the Company,  
hereby confirm/undertake on behalf \_\_\_\_\_ of \_\_\_\_\_:

- a) to maintain confidentiality of all 'Unpublished Price Sensitive Information (UPS)' that is/may come into my possession in the discharge of my duties with the Company;
- b) not to pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company based on the same;
- c) to report to the Compliance Officer, any non-public information that may be directly received by me;
- d) this transaction carried out on account of a Statutory or Regulatory Obligation to carry out a bona fide transaction;
- e) this transaction is a bona fide transaction;
- f) that I have not contravened the 'Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and the SEBI (Prohibition of Insider Trading) Regulation, 2015, as amended from time to time; and
- g) That I have made full and true disclosure in the matter.

(Signature)

Name of the Applicant:

Date:

Place:

**APPENDIX XVI**  
**Undertaking for Creation of Pledge**

To,  
The Compliance Officer,  
Asian Paints Limited,  
6 A, Shantinagar, Santacruz East, Mumbai – 400055

Dear Sir,

[●] Limited (“pledger”), forming part of the promoter/promoter group of Asian Paints Limited, intends to deal in securities of Asian Paints Limited by way of creation of pledge and request for pre-clearance.

I, [●], the director of [●] Limited, do hereby solemnly state as under:

- a) That the acquisition of shares and/or the creation of pledge by [●] Limited is for bona fide and genuine business purpose and that the acquisition of shares is not for the purpose of trading in securities.
- b) That the pledgee is a bank/financial institution/mutual fund/insurance company/non-banking financial companies (“Approved Lender”).
- c) That there is no profit or loss sharing agreement or any other financial agreement with any third party to this effect;
- d) That the proposed pledge does not entail providing access to any unpublished price sensitive information pertaining to APL to the lender or any other person;
- e) That the pledgor will follow and comply with all the procedure required for pledging the securities in favour of the lender and for de – pledging the securities from the existing lender, as may be applicable;
- f) That the pledge will be created in accordance with the provisions of the applicable laws with appropriate disclosures in compliance with various regulations prescribed by the Securities and Exchange Board of India.
- g) That [●] Limited acknowledges to have fully understood its obligations under the PIT Regulations and the Code of Conduct of Asian Paints Limited, and will unconditionally abide by the same.
- h) That [●] Limited has not contravened the Code of Conduct of Asian Paints Limited as notified by Asian Paints Limited from time to time.
- i) That the borrowing agreement or any such document entered into by us will not have any adverse effect on APL, its directors or shareholders in any manner;
- j) That [●] Limited has made a full and true disclosure in the matter.  
Given under my hand this [●] day of [●], [●].

Capitalised terms used and not defined herein shall have the same as prescribed to it in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”) and Code of Conduct of Asian Paints Limited.

Yours faithfully,  
For [●] Limited

\_\_\_\_\_  
Name:  
Designation:

**APPENDIX XVII**  
**Report UPSI received directly or indirectly, to the Compliance Officer**

The Compliance Officer,  
Asian Paints Limited, 6A,  
Shantinagar, Santacruz  
(East), Mumbai: 400 055

Sir,

**Sub: Reporting of Unpublished Price Sensitive Information (USPI)**

I, \_\_\_\_\_ being a Designated Person as per Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons ("Code"), hereby report the following UPSI received/accessed by me either directly or indirectly which directly or indirectly related to Asian Paints Limited, or its Securities, that is generally not available, and which on being Generally Available, is likely to materially affect the price of Securities of Company:

Sr. No.	USPI	Information
1	financial results	
2	dividends	
3	change in capital structure;	
4	mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions	
5	changes in key managerial personnel	
6	such other information as may be deemed to be constituted as UPSI by the Board and the Compliance Officer from time to time	

I, \_\_\_\_\_, hereby undertake that the aforementioned information provided by the undersigned above is true and to the best of my knowledge. The information is provided in compliance with the Insider Trading Regulations of the Code and as per the Schedule B of the Regulations. The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the following circumstances:

- i. Under any proceedings or pursuant to any order of courts or tribunals;
- ii. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law; and
- iii. In compliance with applicable laws, regulations, rules and requirements;

Name and Signature:

Place:

Date:



**APPENDIX XVIII**  
**Notice to be issued for maintenance of confidentiality of UPSI shared**

Sir,

**Notice - Pursuant to Insider Trading Regulation**

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (the Insider Trading Regulations) read with Asian Paints Limited – Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons (the APL Code), any person who is in receipt of unpublished price sensitive information (as defined in the Insider Trading Regulations and the APL Code) shall be considered as "Insider", even if such information is shared pursuant to a legitimate purpose.

Please note that based on information shared with you [details of UPSI] on a need-to-know basis and for furtherance of legitimate purposes, you will be considered as an "Insider" for the purposes of the Insider Trading Regulations and the APL Code.

Accordingly, as an Insider, you are *inter alia* required to abide by the following:

- a. maintain confidentiality of all Unpublished Price Sensitive Information shared with you and in your possession;
- b. not communicate, provide, or allow access to any unpublished price sensitive information to any person including other Insiders except where such communication is in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with the Insider Trading Regulations and the APL Code;
- c. You are required to hold in strict confidence and take adequate precautions to protect the security, integrity, and confidentiality of such unpublished price sensitive information in compliance with the Insider Trading Regulations and the APL Code.
- d. not pass on such information to any person directly or indirectly by way of making a recommendation for the Trading of Securities of the Company based on the same; and
- e. not to trade in the securities of the Company when in possession of Unpublished Price Sensitive Information, except in accordance with the Insider Trading Regulations and the APL Code.

Further, you are requested to note that any violation of this notice will be treated as a violation of the Insider Trading Regulations and the APL Code and shall be liable for disciplinary action and remedial measures as per the Insider Trading Regulations and the APL Code.

**For Asian Paints Limited**

**Compliance Officer**

# **ASIAN PAINTS LIMITED**

## **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

Formulated on: 18<sup>th</sup> May, 2015  
First revision on: 22<sup>nd</sup> January, 2018  
Second revision on: 29<sup>th</sup> March, 2019  
Third revision on: 27<sup>th</sup> November, 2019

## **1. PHILOSOPHY**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as 'Insider Trading Regulations/Regulations'), requires the Board of Directors of the Company, whose securities are listed on a recognised Stock Exchange to frame a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. In compliance to the said Regulations, Asian Paints Limited (hereinafter referred to as 'APL/the Company') had formulated this Code which is called "ASIAN PAINTS LIMITED – CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (hereinafter referred to as "the Code of Fair Disclosure"). Pursuant to the amendments carried out in Regulations, the Code for Fair Disclosure is suitably amended with a view to bring them in line with the Regulations. The Code for Fair disclosure was approved by the Board of APL in its meeting held on 29<sup>th</sup> March, 2019 and shall be effective from 1<sup>st</sup> April, 2019.

The Code of Fair Disclosure is required for the Company to ensure timely and adequate disclosure of Unpublished Price Sensitive Information which would impact the price of the Company's securities, and to maintain the uniformity, transparency and fairness in dealing with all stakeholders and in ensuring adherence to applicable laws and regulations.

Further, the Company endeavours to preserve the confidentiality of Unpublished Price Sensitive Information, to prevent misuse of such information and to disseminate accurate, timely and consistent non-proprietary information about its products, services and activities to all its stakeholders including its members.

At the same time, care will be taken in ensuring that all communication is responsible, ensuring protection of the Company's proprietary information and brand.

## **2. MEANING OF TERMS USED**

- a. "**Analyst**" means analysts, research personnel, brokers, large or institutional investors or any such other person that may be related to the media.
- b. "**Authorised Representatives**" are the persons permitted to speak with the media including social media and various members of financial community including investors on behalf of the Company, nominated by the MD & CEO or the Chief Financial Officer (CFO) of the Company under this policy. They must also be familiar with the Stock Exchanges' / SEBI rules and standards concerning dissemination of information.
- c. "**Board**" refers to Board of Directors of Asian Paints Limited.
- d. "**Chief Investor Relations Officer**" or "**CIRO**" shall mean the Chief Financial Officer & Company Secretary of the Company who will act as such for the purpose of this Code.
- e. "**Company**" or "**Asian Paints**" refers to Asian Paints Limited pursuant to this Code, having its Registered Office at 6A, Shantinagar, Santacruz (East) Mumbai – 400 055.
- f. "**Designated Person**" shall have the meaning ascribed to it in the Asian Paints Limited Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.
- g. "**Insider**" shall have the meaning ascribed to it in the Asian Paints Limited Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.
- h. "**Legitimate Purpose**" shall include sharing of Unpublished Price Sensitive Information by a Designated Person with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations as amended from time to time, in the ordinary course of business or otherwise in furtherance of such business activities as approved by the Board. As such, it is a legal standard which is subjective in nature and will need to be tested in each fact and specific instance.



- i. **"Quiet Period"** shall have the meaning ascribed to it in the Asian Paints Limited Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.
- j. **"Stock Exchanges"** means recognised exchanges on which the securities of the Company are listed i.e. BSE Limited and the National Stock Exchange of India Limited.
- k. **"SEBI"** means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- l. **"Unpublished Price Sensitive Information" or "UPSI"** means any information which relates directly or indirectly to Asian Paints Limited, or its Securities, that is generally not available, and which on being Generally Available, is likely to materially affect the price of Securities of Company and shall ordinarily include but not restricted to, information relating to the following:
  - a. financial results;
  - b. dividends;
  - c. change in capital structure;
  - d. mergers, de-mergers, acquisitions, delisting, disposal and expansion of business and such other transactions;
  - e. changes in key managerial personnel; and
  - f. such other information as may be deemed to be constituted as UPSI by the Board and the Compliance Officer from time to time.

Words, terms and expressions used and not defined in this Code but defined in either the Asian Paints Limited Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons or Insider Trading Regulations or in Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation, shall have the same meaning respectively assigned to them therein.

### **3. NORMS FOR DISCLOSURE OF UPSI**

- 1. UPSI shall be handled on a "need to know" basis, such that UPSI shall be disclosed only to those persons where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligation.

2. The Company shall promptly make any UPSI that would impact price discovery, public, no sooner than credible and concrete information comes into being in order to make such information generally available to the public on a non-discriminatory basis.
3. UPSI shall usually be disclosed by the Company through any of the following means:
  - (i) Intimation to the Stock Exchanges or any other Regulatory authorities as may be required from time to time; and / or
  - (ii) Publishing of information on the Company's corporate website viz., ([www.asianpaints.com](http://www.asianpaints.com)).
4. The disclosure of UPSI shall be on an immediate, uniform basis and will be universally disseminated. The CIRO may consider other ways of supplementing information released to Stock Exchanges by improving investor access to the public announcements made by the Company.
5. The disclosure/dissemination of UPSI shall only be made with the approval of CIRO in the manner and in accordance with this Code. No other employee is permitted to disclose UPSI about the Company to any stakeholder without the prior approval of the CIRO.

#### **4. CHIEF INVESTOR RELATIONS OFFICER (CIRO)**

1. The Chief Financial Officer and Company Secretary shall be the Chief Investor Relations Officer and he will report to the Managing Director & CEO of the Company.
2. The CIRO shall oversee corporate disclosures and be in charge of dissemination of information and disclosure of UPSI. The CIRO shall be responsible for ensuring that the Company complies with continuous disclosure requirements and shall be responsible for the disclosure of UPSI to Stock Exchanges, on the website of the Company, and in the media.
3. The CIRO and Authorised Representatives shall ensure that information shared with analysts, research personnel or other persons related to the media is not Unpublished Price Sensitive Information.
4. If information that is UPSI or reasonably believed to be UPSI, is inadvertently or otherwise disclosed selectively, without prior approval of CIRO, the person responsible shall inform the CIRO immediately and the CIRO shall take prompt action to ensure such information is made generally available to the public on non-discriminatory basis.

## **5. MANNER OF DEALING WITH MEDIA, ANALYSTS AND INVESTORS**

- 1. Meetings with Analysts:** No employee, officer or director except the Authorised Representatives of the Company shall meet with any Analyst except as permitted in writing by the CIRO. All directors, officers and employees shall refer the requests received for meetings, conference calls and any communications with the Analysts to the MD & CEO and the CIRO or his/her designee(s).
- 2. No disclosure in the Quiet Period:** During the Quiet Period, the Authorised Representatives should refrain from interaction with the media. However, during the Quiet Period, the CIRO may provide answers to fact-based inquiries regarding information generally available received from Analysts.
- 3. Only Public information to be provided:** The Company shall provide only generally available information to any Analyst. In the event the Company provides any information that is not generally available, the said information shall be made generally available, at the earliest by the CIRO.
- 4. Recording of discussion:** In order to avoid misquoting or misrepresentation, at least two Authorised Representatives shall be present (i) at all meetings with Analysts and (ii) on all conference calls with Analysts, and discussions in such meetings or conference calls shall be recorded by the Company and transcripts of recordings of such meeting or conference calls shall be stored by the Company for a period of 1 (one) year. The transcripts of this call will be posted on the Company's website ([www.asianpaints.com](http://www.asianpaints.com)).
- 5. Media Interactions:** Any other function/ department / employee while interacting with the media or any public forum or gathering for Legitimate Purpose and in the ordinary course of business, must ensure compliance with this Code and any internal communication policy as may be applicable to them. Such function / department / employee shall ensure that only generally available information is shared for the aforesaid purpose. In the event of doubt, the concerned function / department / employee shall consult CIRO prior to interacting with media or any public forum or gathering and the decision of the CIRO shall be final.
- 6. Rumours and speculation about the Company:** Rumours and speculation about the Company can cause significant damage in the form of disruptions, negative publicity, loss of business and undermining of confidence in the Company. Any employee who becomes aware of such rumour

or speculation should immediately inform the CIRO. The CIRO will decide on the course of action that may be necessary, including issue of a public announcement as soon as possible or any other written form of communication. Responding to queries raised on news reports and requests for verification of market rumours by the regulatory authorities/ media/stock exchanges should only be done by the CIRO or his/ her designee(s).

## **6. CRITERIA FOR DETERMINATION OF LEGITIMATE PURPOSE FOR SHARING OF UPSI**

The sharing of UPSI shall be considered as for legitimate purposes, if it is in the ordinary course of business or otherwise in furtherance of such objectives as approved by the Board, by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations, this Code for Fair Disclosure or the Asian Paints Limited Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.

When determining whether disclosure of UPSI is towards a Legitimate Purpose, the insider shall assess whether the disclosure of such UPSI is mandatorily required to achieve the intended objective and is in the best interests of the Company. No UPSI shall be disclosed in the event, the intended purpose or objective can be achieved without disclosure of UPSI, and such disclosure is otherwise not required to be disclosed in ordinary course.

Any Insider proposing to disclose any UPSI which is not covered under this Policy, then such disclosure shall necessarily require prior approval of the Board of Directors of the Company. The CIRO shall require sufficient details including reasons for such disclosure and the nature of UPSI proposed to be disclosed and if satisfied, shall seek necessary approvals from the Board at the subsequent meeting of Board of Directors of the Company.

Any disclosure of UPSI which is not for Legitimate Purpose will require prior approval of the Board if in the opinion of the Board sharing of such information is in the best interests of the company.

Any disclosure of UPSI towards discharge of legal obligations and performance of duties shall be deemed to be Legitimate Purpose and necessary Confidentiality agreements and non-disclosure agreements will need to be executed before sharing any UPSI in accordance with the Asian Paints Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons. However,

this will not be applicable to requisition of information by a statutory authority in exercise of their powers under any law.

#### Illustrative list of Legitimate Purposes

In following cases, the sharing of UPSI would be considered as having been shared for a Legitimate Purpose:

- (a) Under any proceedings or pursuant to any order of courts or tribunals or assessment, proceedings under tax laws;  
*Example: National Company Law Tribunal, National Company Law Appellate Tribunal, Quasi-judicial authority, Other Appellate Tribunals, Arbitration Proceedings, etc.*
- (b) For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;  
*Example: Any call for information or query received from Ministry of Corporate Affairs, Income Tax Authority, Securities and Exchange Board of India (“SEBI”), Stock Exchanges, Reserve Bank of India, Sectoral Regulatory Body, etc.*
- (c) In compliance with applicable laws, regulations, rules and requirements;  
*Example: Company Law, Securities Law, Income Tax Law, Banking Law, etc.*
- (d) Arising out of any contractual obligations entered into by the Company set forth in any written contract, agreement, arrangement, settlement, understanding or undertaking in the ordinary course of business;
- (e) Sharing the information with intermediaries and fiduciaries such as Merchant bankers, management consultants, partners, collaborators or other advisors or consultants;
- (f) For the purpose of legal, financial or any other professional advice to be obtained or for accounting or audit or for defence to be prepared for court cases;
- (g) For transactions that would entail an obligation to make an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as ‘Takeover Regulations’) where the Board of Directors of the Company are of opinion that sharing of such information is in the best interests of the Company;

- (h) For a transaction that does not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the company is of opinion that sharing of such information is in the best interests of the company. The transaction referred to above may include acquisitions, merger, amalgamations or any other corporate restructuring, seeking advice in relation to legal aspects involved in such transactions including carrying out due diligence of Target/ Merging Companies or seeking advice on commercial aspects including structuring or valuation of such transactions; and

The information that constitute UPSI needs to be made Generally Available at least two trading days prior to the proposed transaction being effected in such form as it is adequate and fair to cover all relevant and material facts.

- (i) Sharing information with Statutory Auditors, Secretarial Auditors, Internal Auditors or Cost Auditors while obtaining any certificate required for placing any transaction for approval before the Board.

Sharing of UPSI with a mala fide intention, for personal gain, or unauthorized disclosure, or to evade or circumvent the provisions of the Regulations etc. will be prohibited.

## **7. REVIEW OF CODE**

This Code will be reviewed by the Board and may be amended from time to time in line with any amendments made to the Insider Trading Regulations, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other guidelines or regulations issued by SEBI.

In the events of inconsistency of this Policy with SEBI Act or Insider Trading Regulations or any rules, regulations or circular prescribed thereunder, the relevant provisions of the applicable law shall override this Policy.

## **8. DISCLOSURE OF THE POLICY ON PUBLIC DOMAIN**

This Policy and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed and also published on the official website of the Company ([www.asianpaints.com](http://www.asianpaints.com)).



# **ASIAN PAINTS LIMITED**

## **CODE OF CONDUCT FOR BUSINESS PARTNERS**

Formulated on: 26<sup>th</sup> July, 2022

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For the purpose of this Code of Conduct for Business Partners, the expression 'Asian Paints' means the Asian Paints group comprising Asian Paints Limited and its subsidiaries, joint venture and associate companies. The term 'the Company' refers to Asian Paints Limited exclusively.

## CORE PURPOSE

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We are Asian Paints, delivering joy since 1942. We are in the business of colour, décor, design, and protection, we make anything & everything beautiful and lasting.

We exist to beautify, preserve, transform all spaces and objects, bringing happiness to the world. We bring joy to people's lives.

## INTRODUCTION

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Asian Paints is committed to conducting its business in an ethical, fair, legally, socially and environmentally responsible manner. We believe that our Business Partners are an integral part of our ecosystem, and we encourage our Business Partners to be responsible corporate citizens.

Asian Paints Limited has developed this Code of Conduct for Business Partners (hereinafter referred to as the “**Code**”) to emphasise our commitments in the areas of business integrity, human rights, labour practices and environment stewardship.

This **Code** is applicable to all 'Business Partners', either resident of India or otherwise, irrespective whether consideration is involved in the engagement with the Company.

'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.

### **A. BUSINESS INTEGRITY**

Business Partners must conduct business responsibly, with integrity, honesty, and transparency, and adhere to the following principles:

#### **1. Compliance with applicable laws and regulations**

All activities must be carried out in compliance with the legislation that is applicable in the geographies in which the Business Partners operate. All applicable laws and regulations must be complied with, including those relating to international trade (such as laws relating to sanctions, export controls and reporting obligations), data privacy & personal information protection and antitrust/ competition laws/industrial, labour and environment protection laws.

#### **2. Receiving and Giving Gifts and Favors**

No Business Partners (including their immediate family member) should accord a gift or favour of any nature or anything of value, directly and/or indirectly to any employee of Asian Paints or vice-versa. If a gift is inadvertently sent or received it should be promptly returned by either side with a polite note explaining that it is contrary to this Code.



### **3. Anti-corruption, ethical and fair-trade practices**

Business Partners must conduct their business in a fair and ethical manner and refrain from, directly and/or indirectly resorting to unethical behaviour in any form including theft, fraud, forgery, corruption, gratification, bribery, misappropriation, anti-competitive practices in its business dealings, whether or not in affiliation with any employee and/or third party. Business Partners must not engage in price fixing, price discrimination, unfairly influencing decision-making process or decision makers, creating hurdles for competition to submit proposals, etc.

### **4. Conflict of Interest**

Asian Paints expects the Business Partners to be aware of the various ways in which conflict of interest may occur. Business Partners must not engage, directly or indirectly, in business transactions that may create a conflict of interest. In event of any conflict of interest arising at the time of empanelment or prior/post/during engagement, Business Partners are required to promptly disclose such situations to the Company including but not limited to conflicts of interest including but not limited to relationships or association with any, direct and/or indirect, existing / past employees of Asian Paints.

### **5. Quality and safety criteria**

Business Partners must ensure that the products and services will be delivered to meet the quality and safety criteria specified in the relevant contract and will be safe for intended use.

### **6. Confidentiality & Insider Trading**

Business Partners must ensure that confidential or proprietary information about Asian Paints , our clients, employees or other parties, which has been gained through affiliation with Asian Paints , is not used for personal reasons and/or any advantage other than furtherance of legitimate business activities the Business Partners have been engaged for. The confidential information also extends to any employee data, personal data or third-party information as shared by Asian Paints.

The Company complies with SEBI (Prohibition of Insider Trading) Regulations, 2015. During the course of engagement, if the Business Partner becomes aware of any Unpublished price sensitive information (“UPSI”) relating to the Company, the Business Partners of the Company must not communicate such UPSI nor trade in securities of the Company that are listed or proposed to be listed when in possession of UPSI, in violation of applicable securities laws.

For further information, please refer the Company’s Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information available on the website of the Company at [www.asianpaints.com](http://www.asianpaints.com).

## **B. HUMAN RIGHTS**

Asian Paints reiterates its belief in and adherence to the principles of human rights as enshrined in the Universal Declaration of Human Rights of the United Nations and to act in accordance with the principles laid down in it. The Business Partners must support, respect, and protect human and labour rights and make sure their organisation/entity is not complicit in any kind of abuses and/or violations. In this regard, the Business Partners must adhere to the following:

## **1. Fair Working Conditions**

Business Partners must provide its employees with safe and humane working conditions, and maintain compliance with all applicable laws, rules, and regulations including but not limited to fair compensation, hours worked, equity, safety, etc. Business Partners must respect the right of employees to freedom of association and recognition of employees' right to collective bargaining, where allowed by law.

## **2. Forced Labour**

Business Partners must not engage in forced labour/ employ people involuntarily under threat of penalty, including forced overtime, human trafficking, debt bondage, forced prison labour, slavery or servitude.

## **3. Child Labour**

Business Partners must employ only those workers who meet applicable minimum legal age requirements and must comply with all other applicable laws governing child labor.

## **4. Non-discrimination**

Employment-related decisions must be based on relevant and objective criteria. Business Partners must not make distinctions on grounds including, but not limited to: age, disability, gender, sexual orientation, political or other opinion, ethnic or social origin or religion. Employment-related decisions include, but are not limited to: hiring, promotion, lay-off and relocation of workers, training and skills development, health and safety, any policy related to working conditions like working hours and remuneration.

## **5. Health and Safety**

Business Partners must 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 (H&S), and have the required permits, licenses and permissions granted by local and national authorities. When on our sites, the Business Partners must comply fully with our applicable policies and directives.

## **6. Zero tolerance towards Harassment**

The Business Partners must treat all employees with respect and dignity and exhibit zero tolerance towards unacceptable treatment of employees, such as physical punishment or torture, sexual harassment, or abuse, mental or physical coercion or verbal abuse, or the threat of any such treatment.

The Company's Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace which extends to its Business Partners is available on the website of the Company at [www.asianpaints.com](http://www.asianpaints.com).

### **C. ENVIRONMENT STEWARDSHIP**

Asian Paints encourages its Business Partners to commit to protection of environment including efficient use of energy, climate change including GHG emissions, water use, pollution, waste reduction and resource use. The Business Partner must comply with local laws on waste and effluent disposal, pollution and emissions and water usage.

#### **REPORTING CHANNELS**

Following channels are available to whistle blower for making protected disclosure:

1. In the form of a letter (handwritten or typed) written in English, Hindi or in the regional language of the place of engagement of the Business Partner. It should be marked as private and confidential and sent to the below mentioned address:

Ethics Committee Asian Paints Limited  
6A, Shantinagar, Santacruz (East),  
Mumbai – 400 055, Maharashtra, India

2. In the form of an email and shall be e-mailed at the following email id:

[whistle.blower@asianpaints.com](mailto:whistle.blower@asianpaints.com)

3. Through toll free number [000-800-100-1622] and/or web reporting facility of Asian Paints Ethics Hotline <http://asianpaints.ethicspoint.com>.

#### **NON-COMPLIANCE RESOLUTION**

In the event that a Business Partner is found to be non-compliant with the Code, Asian Paints reserves the right to terminate the business relationship.

The contents of this Code are additional to and do not in any way affect or prejudice any of Asian Paints' rights and remedies under the relevant contracts with each Business Partner, if any. In the event of any non-compliance to the requirements of this Code or breach of contract, Asian Paints reserves its rights and retains the sole discretion to exercise any rights under this Code, any relevant contract and/or local laws and regulations. The failure or omission by Asian Paints to insist upon strict performance and compliance with any of the provisions of this Code at any time shall in no way constitute a waiver of its rights. In the event of any conflict or ambiguity between any provision of this Code and the provisions of any relevant contract with any vendor, the provisions of that contract will prevail.

#### **WAIVERS AND AMENDMENTS TO THE CODE**

Asian Paints is committed to continuously reviewing and updating its policies and procedures; therefore, this Code is subject to modification. The Code is available on the website of the Company at <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-policies>



# **ASIAN PAINTS LIMITED – CODE OF CONDUCT FOR EMPLOYEES**

Approved by the Board of Directors at their meeting held on 26<sup>th</sup> July, 2022

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In this Code of Conduct for employee, the expression 'Asian Paints' means the Asian Paints group comprising Asian Paints Limited and its subsidiaries, joint venture and associate companies. The Board of Asian Paints means the Directors of Asian Paints Limited.

## **ASIAN PAINTS LIMITED : OUR CODE OF CONDUCT**

### **Message from Amit Syngle**

We at Asian Paints exist to bring joy to people's lives. We exist to beautify, preserve and transform all spaces and objects. We make anything and everything beautiful and lasting. Our ambition is to deliver on our promises and to be the best!

We strive to be a reliable partner to all our stakeholders especially our business partners and our customers. We take pride in what we do and live by our values of Standing for each other's success, Creative zeal, Scientific rigor, Audacity, Integrity and Customer passion.

Our Code of Conduct not only lays out our responsibilities within Asian Paints but also extends to those stakeholders with whom we do business. It serves as a guide for decision-making and helps us make choices when faced with challenging situations. It gives us the confidence to make the right decision. This Code of Conduct like our Charter, is where our strength as an organisation lies. I encourage you to read and imbibe the essence of our Code of Conduct in everything you do – to discuss it with colleagues, ask questions if in doubt and live by it every day.

Thank you,

Amit Syngle  
Managing Director & CEO

## **OUR CORE PURPOSE**

We exist to beautify, preserve and transform all spaces and objects, bringing happiness to the world.

## **OUR VALUES**

**Standing for each other's success:** Always being selfless, ensuring success of all groups and individuals, like we would for ourselves.

**Creative zeal:** Passionately striving to cause disruption by a constant search for innovative, out of the box and differentiated solutions while executing with velocity and attention to detail.

**Scientific rigour:** Adopting a data-analysis driven approach to decision-making and continuous experimentation towards building world-class practices and products.

**Audacity:** Fearless in challenging the usual way of doing things, stretching for bold goals as a way of life.

**Integrity:** We honour our word, always.

**Customer passion:** Treating our customers the way we would want to be treated. Customer First!

## **UNDERSTANDING OUR CODE OF CONDUCT**

### **What is the Code of Conduct?**

The Code of Conduct is a central policy document, outlining the requirements that every single person working for and with Asian Paints must comply with, regardless of location or nature of operations. It explains our values and tells us what we can and cannot do.

### **To whom does the Code of Conduct apply?**

The Code of Conduct was first adopted by the Board of Directors of Asian Paints in July, 2013 and has been updated from time to time. It applies to everyone working for or on behalf of Asian Paints. We are individually and collectively responsible for adhering to the Code of Conduct as also all our policies, guidelines, and local laws. We expect everyone who represents Asian Paints to uphold the same standards and to abide by our Code and policies.

### **What is expected of me?**

Each one of us is expected to read and understand the Code. Some parts may be easier to understand because they relate to you and your role. Reach out to your manager for parts that appear hard to understand. If you are a manager, serve as a role model and help your team understand the Code and various Company policies. You can also reach out to your Business HR for any guidance on the Code of Conduct.

### **What happens in case of a violation?**

When an employee fails to follow the Code of Conduct or applicable laws or ignores someone else's failure to do so or pressures someone else to violate the Code, a violation has occurred. This could harm Asian Paints reputation and, in some cases, also invite criminal prosecution.

Failure to follow the Code of Conduct or other Company policies, guidelines or local laws could result in disciplinary action such as suspension without pay, loss of merit increase or annual incentive, or in severe cases even termination of employment. Violations that are outside the realm of the Code of Conduct e.g., performance related will be governed by those policies.

If you believe our Code is being violated or will be violated, you should talk to your manager or the Chief Human Resources Officer of Asian Paints. You can also blow the whistle under the Asian Paints Whistle Blower Policy <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-policies>. We assure you of confidentiality and non-retaliation for all reports made in good faith.

### **Acknowledging / acceptance of the Code**

Employees must sign the acknowledgement form at the end of this Code and send it to the Head of Human Resources indicating that they have received, read, understood, and agree to comply with the Code. As per Securities Exchange Board of India (Listing of Obligations and Disclosure) Regulations, all directors and senior management personnel are required to affirm compliance with the Code on an annual basis.



## OUR GUIDING PRINCIPLES

**Honest, fair and ethical:** We are committed to conducting all Company business and dealings in an honest, fair and ethical manner. This includes complying with the law of the land in letter and spirit or honouring commitments in any agreements with stakeholders. We shall ensure that our relationships with all our stakeholders including but not limited to business partners, customers and employees are fair, positive and productive, and always based on mutual trust and respect.

**Equality and non-discrimination:** We treat people fairly, with dignity and respect. We do not discriminate on grounds of race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other reason.

We provide an environment that is conducive for employees to develop professionally and promote a culture where selection and promotion are based on merit, competence, potential and performance demonstrated on the job. We are committed to attract the most appropriate talent and remunerate them in line with industry standards. We respect the dignity of the individual and the right of the employee to freedom of association and collective bargaining.

**Respect for human rights, dignity and privacy:** We strive to respect and promote human rights by upholding the Universal Declaration on Human Rights of the United Nations in our relationships with our employees, suppliers and business partners. We expect our employees, business partners and suppliers to avoid causing or contributing to human rights infringements through their business actions, including encouraging or permitting child labour. We respect the employees' right to privacy within the ambit of law. We are not concerned with employee conduct outside the work environment, unless such conduct impairs work performance or creates a conflict of interest or adversely affects Company reputation or business interests.

**Fostering competition:** We support fair competition and the promotion of liberalisation of trade and investment in the countries where we operate. We compete vigorously yet fairly and in full compliance with anti-trust / competition laws. We build brand loyalty by delivering quality products and by providing superior services, tailored to the needs of our customers. We do not engage in activities that constitute restrictive practices, abuse of market dominance, collusion with competitors or any unfair trade activities to secure undue advantage.

**Anti-bribery:** We have zero tolerance towards giving or offering to give, directly or through a third party, undue incentive ("bribery") to a public servant or any business partner intending to obtain or retain business or an advantage in the course of our business.

**Sustainable and safe operations:** We strive to minimise the impact of our operations on the environment and are committed to conducting our business in a sustainable manner. We are committed to providing a safe and healthy environment to all people working in facilities owned or operated by us and in supplying world-class products and services that meet all applicable safety standards and disclosures.

**Contribution to the community:** We have a strong sense of social responsibility and are committed to imparting vocational skills and enhance livelihoods of people in the unorganised sector; manage our operations using principles of sustainable development to minimise resource footprint and protect health & safety of all our stakeholders.

**Not aligned to any political party:** We act in accordance with the law of the land wherever we have a presence. We do not support or reject, directly or indirectly, through our actions, any candidate's/party's suitability for any office or political cause. We do not make contributions to political campaigns or political parties using Company funds or assets without prior approval of the Board of Directors.

## OUR CODE OF CONDUCT FOR EMPLOYEES

### Living the Code of Conduct

Our Code of Conduct elaborates on the values and principles outlined above and spells out expectations in relation to specific situations.

**Company and legal regulations:** We expect every employee to know, understand and comply with our policies as also with the legal requirements as applicable to our operations and establishments. Wherever there is a conflict, the stricter of the two will apply. Any deviation will invite disciplinary action.

**Company assets:** Employees should use the assets of Asian Paints only for the purpose for which these were provided and to conduct the business of Asian Paints. These include tangible assets such as equipment and machinery, laptops, systems, facilities, material, resources, and intangible assets such as patents, trademarks, proprietary information, relationships with customers, suppliers etc. Employees should also protect all Company assets from any damage, misuse, theft, or loss due to destruction, embezzlement, or fraud. Asian Paints reserves the right, subject to applicable laws, to track use of its assets by employees including monitoring emails, network logs, data stored/accessed on such assets.

**Fraud:** Employees are expected to work ethically and to refrain from any fraudulent activity that may harm the interests of Asian Paints. We have a zero-tolerance policy toward any act of fraud or any abetment to fraud by an employee. Employees are required to report any fraud or suspicion of fraud as soon as it comes to their notice. Failure to do so may be construed as connivance and could invite disciplinary action. Employees found guilty of fraud are liable for disciplinary action including termination of services and other options as per law.

**Confidential information:** All non-public/confidential information is to be used for Company business only and employees will do their utmost to respect and protect all such knowledge. Protecting non-public information about Asian Paints helps maintain competitive advantage. Non-public/confidential information includes but is not limited to product architecture, formulations, trade secrets, price of raw material, source codes, launch of new products/services, customer/vendor lists, financial information, salary details, intellectual property protected by patents, trademarks, copyrights and similar.

Information obtained as part of one's job is not to be shared with anyone except on a strict 'need to know' or 'need to use' basis and in accordance with Company policies and law. If required to be shared with a third party for business reasons, such sharing will be under a non-disclosure agreement. Asian Paints is equally committed to protect confidential information shared with it by third parties in the normal course of business. Any employee who encounters such information will accord it the same sense of priority as non-public/confidential information of Asian Paints.

Data privacy is an integral part of the organisation. All personal data will be safeguarded in accordance with prevailing Company policies and law.

**Prohibition of Insider trading:** Insider trading is unfair as it provides insiders with undue advantage over those to whom a fiduciary duty is owed and is not permitted by law. There is a separate 'Code of Conduct to regulate, monitor and report trading by Designated Persons' that applies to designated employees as per SEBI (Prevention of Insider Trading) Regulations. Designated Persons are prohibited

from dealing in the shares of Asian Paints Limited when in possession of unpublished price sensitive information or when the trading window is closed.

**Records management:** Asian Paints is required to maintain certain records and follow specific guidelines as per local/foreign laws applicable to it. Asian Paints is committed to adhering to these laws as also to disclosing complete and accurate financial information in a timely manner as required by applicable accounting standards and laws.

Any failure to record transactions accurately or falsifying or creating misleading information or influencing others to do so, could constitute fraud and result in fines or penalties for employees. Every employee is responsible for ensuring the accuracy and storage of all relevant business and financial records. Please refer to our policy on preservation of documents for more information on this <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-policies>.

**Conflict of interest:** A 'conflict of interest' may arise when an employee's external activities or personal interests may differ from the interests of Asian Paints and is best avoided. Wherever there is a potential conflict of interest, the employee is expected to disclose this to the Chief Human Resources Officer as soon as it comes to their knowledge.

**Outside opportunities:** Employees are required to devote their time and attention to the business interests of Asian Paints. They should not pursue any activity either directly or through their relatives which compete with or has the potential to compete with the current/future business of Asian Paints. Employees cannot exploit for their own personal gain or benefit, opportunities that are discovered using corporate property, information, or position. Employees should also not misuse intellectual property or data that comes into their possession by virtue of their employment or trade with such information for personal benefit. They should not pass on such information to friends or family members to indirectly compete with Asian Paints.

In case an employee identifies or intends to pursue such an opportunity, the employee should approach the Chief Human Resources Officer for a waiver, which if granted, allows them to go ahead. An employee may take up a Board or similar position, partnership, consultancy, agency etc. in any other entity/organisation only with prior written approval of the Managing Director & CEO of Asian Paints Limited. All such approvals are specific and do not constitute an endorsement. Any risks or costs associated with such activity carried outside of working hours will be incumbent on the employee.

**Gifts/favours:** Exchanging gifts or favours between employees or their immediate relatives and external stakeholders that creates an impression of inappropriately influencing a business relationship is not desirable. This applies to all stakeholders be they suppliers, vendors, dealers, contractors, customers, competitors, or any third-party associate.

Exception is routine two-way exchange of courtesies extended during the ordinary course of business. These include business lunch/dinner, exchange of diaries and calendars, pens with company logo – anything that is of modest value.

**Sexual harassment:** The Prevention of Sexual Harassment (POSH) policy <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-policies> applies to all persons involved in the operations of Asian Paints and prohibits harassment of/by any employee or third-party including vendors and customers. Such harassment will not be tolerated, whether in the offices of Asian Paints or in third party premises, at Company off-site functions or business trips, or any place where the employee is representing Asian Paints.

**Audit and investigation:** An employee could be asked to participate in an audit or internal investigation conducted by Asian Paints or external agency during the course of employment. Employees are expected to cooperate and support such investigations.

An employee could also receive a request for documents or invitation to meet with regulators/lawyers in connection with a legal proceeding or routine law enforcement. In such a case, the employee should reach out to his/her manager and the Legal department for guidance.

**Other Policies:** Employees are expected to adhere to all other policies released by Asian Paints and amended from time to time.

# ASIAN PAINTS LIMITED

## NOMINATION AND REMUNERATION POLICY

Formulated on: 22<sup>nd</sup> July, 2014  
1<sup>st</sup> Amendment on: 22<sup>nd</sup> January, 2018  
2<sup>nd</sup> Amendment on: 22<sup>nd</sup> October, 2018  
3<sup>rd</sup> Amendment on: 12<sup>th</sup> May, 2021  
4<sup>th</sup> Amendment on: 11<sup>th</sup> May, 2023

This Nomination and Remuneration Policy of Asian Paints Limited, (“the Policy”) has been formulated in accordance with the provisions of the Companies Act, 2013 (“the Act”) and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the Listing Regulations”) as amended from time to time. The Policy outlines the role of the Nomination and Remuneration Committee and the Board of Asian Paints Limited in, *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.

## **OBJECTIVE**

The Nomination and Remuneration Committee of Asian Paints Limited is a Board Committee. Following shall be the broad responsibilities of the Nomination and Remuneration Committee (“the Committee”):

### **A. Board membership:**

- a. To formulate the criteria for determining qualifications, positive attributes, and independence of a Director;
- b. To determine the composition of the Board based on the need and requirements of the Company from time to time;
- c. To identify the persons as potential candidates who are qualified to be appointed as Directors and recommend to the Board their appointment and removal;
- d. To 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, and thereafter recommend the person to the Board for appointment as an independent director.

### **B. Performance Evaluation of Board, Committee and Directors:**

- a. To lay down the process for effective evaluation of performance of Board, its Committees and individual Directors and review its implementation and compliance;
- b. To review the outcome of the performance evaluation exercise for the Board and its Committees and present its analysis and recommendations to the Board;
- c. To evaluate the requirement for appointing an external independent agency to carry out the performance evaluation of the Board, its Committees and Directors and make necessary recommendations to the Board.

### **C. Remuneration to Directors & Senior Management:**

- a. To approve persons to be recruited in the Senior Management and recommend to the Board their appointment and removal;
- b. To ensure that the compensation packages and other human resource practices are effective in maintaining a competent workforce and make recommendations relating to compensation of the Managing Director, Whole time Directors and the Senior Management of the Company from time to time.

## CONSTITUTION

The Committee shall comprise at least three Directors, all of whom shall be non-executive directors and at least half shall be Independent Directors, the Chairperson being an Independent Director. The Chairperson of the Committee or in case of his/her absence, any other person authorised by him/her shall attend the general meetings of the Company. The quorum for the meeting shall be two (2) Independent Directors. The Committee may meet, convene, and conduct Committee meetings through video conferencing or other audio-visual means, as may be provided by the Company.

## MEANING OF TERM USED

- a. **“Act”** means the Companies Act, 2013 including the rules, schedules, clarifications, notifications, circulars, and guidelines issued by the Ministry of Corporate Affairs and any amendment thereto and/or modification thereof from time to time.
- b. **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendment thereto and/or modification thereof from time to time.
- c. **“Board”** refers to the Board of Directors of Asian Paints Limited.
- d. **“Company”** or **“Asian Paints”** refers to Asian Paints Limited pursuant to this Policy, having its Registered Office at 6A, Shantinagar, Santacruz (East) Mumbai – 400 055.
- e. **“Senior Management”** shall comprise of all members of the management upto two levels below the Managing Director & CEO (forming part of the President, Vice President, and Associate Vice President cadres) and includes functional heads by whatever name called, and the Company Secretary and the Chief Financial Officer of the Company.
- f. **“Rules”** means Companies (Meetings of Board and its Powers) Rules, 2014 including any modifications and/or amendments thereof from time to time).

Words and expressions used and not defined in this Policy but defined in the Act or the Listing Regulations shall have the same meanings respectively assigned to them in the Act or the Listing Regulations.

## ROLE AND RESPONSIBILITY

The role and responsibility of the Committee shall be to undertake specific duties listed below and it will have the authority to undertake such other specific duties as the Board prescribes from time to time. The below mentioned roles and responsibilities are derived from the terms of reference of the Committee as determined and approved by the Board:

### **A. BOARD MEMBERSHIP**

#### 1. Criteria for appointment as a Director

The Committee shall formulate criteria, and review them on an ongoing basis, for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company. The criteria to be formulated need to be not only beneficial to the Company but also will need to consider the qualities, including independence for Independent Directors, and expertise essential for the Company to operate going forward and in changing business environment.



Following is the criteria recommended by the Committee and approved by the Board for nominating/inducting a Director on the Board of the Company:

- a. composition of the Board, taking into consideration the size of the Company and the requirement of law;
- b. diversity on the Board;
- c. optimal balance of skills and relevant experience, professional qualifications;
- d. expertise and experience in specific area of business;
- e. no present or potential conflict of interest;
- f. availability of time and other commitments for proper performance of duties;
- g. personal characteristics in line with the Company's values, such as integrity, honesty, and transparency; and
- h. any other criteria which may be added by the Board at its discretion.

2. Identify persons as potential candidates who are qualified to be Directors

The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening, and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive. The existing Directors who continue to satisfy the criteria may also be considered by the Committee for re-appointment. The re-appointment of Directors shall be recommended by the Committee after taking into consideration the performance of such a Director.

3. Nomination of candidates for approval of Board

The Committee on satisfaction of a potential candidate meeting the criteria and having completed the identification and selection process, will recommend such persons' candidature to the Board for appointment as a Non-Executive Director or Independent Director or Executive Director, as the case may be.

The Committee may, *inter alia*, recommend the candidates to the Board when:

- Any vacancy in the Board is required to be filled due to retirement or resignation or;
- Any vacancy arisen out of annual Board/Director performance evaluation or;
- Any vacancy as a result of end of tenure in accordance with the Act, Rules, and the Listing Regulations or;
- Any change required in the Board on account of diversity or;
- Any change required by law.

**B. PERFORMANCE EVALUATION OF BOARD, COMMITTEE(S), AND DIRECTOR(S)**

1. Process for effective evaluation of performance of Board, its Committee(s) and individual Director(s) and review its implementation and compliance

The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board, and the Board as a whole on an annual basis. The Committee shall also review its own performance on an annual basis. The Committee may seek the support and guidance of external experts and agencies for this purpose.

2. Evaluate the performance of the Managing Director or Whole-time Director

The Committee shall evaluate the performance of the Managing Director bi – annually by setting his Key Performance Objectives or Key Performance Parameters at the beginning of each financial year. The Committee shall ensure that his Key Performance Objectives are aligned with the immediate and long-term goals of the Company.

**C. APPOINTMENT OF SENIOR MANAGEMENT**

Approval of candidates for Senior Management positions:

The Committee shall lay down criteria including qualifications, skills, expertise, and qualities required for Senior Management positions. The Committee feels that it would be appropriate for the management to consider and evaluate internal as well as external candidates for such senior positions. The Committee shall play a consultative role to the Board and make recommendations to the Board regarding the appointments and changes to the Senior Management positions of the Company, basis the recommendation of Managing Director & CEO.

**D. REMUNERATION OF DIRECTORS, SENIOR MANAGEMENT & EMPLOYEES**

1. Remuneration to Executive Directors

The Committee shall also approve the compensation package of the Managing Director or Executive Director(s). The compensation structure shall include basic salary, perquisites, stock options, commission, etc. The Committee shall ensure that the compensation packages are in accordance with applicable law, in line with the Company's objectives, shareholders' interests, with industry standards and have an adequate balance between fixed and variable component. All the recommendations of the Committee shall be referred to the Board for approval and thereafter to the shareholders if required under the law.

2. Remuneration to the Non-Executive Directors

The Committee shall recommend the Commission payable to the Non-Executive Directors, including Independent Directors, after reviewing payments made to similar sized, successful companies. At present, there will be a base commission payable to all such directors. An additional amount would be payable for serving as Chairperson of the Board and/or for memberships of Committees/Chairpersonships of Committees. The Chairperson and members of the Audit Committee would be paid a higher commission than the Chairperson and members of other Committees. The Committee may consider recommending commission payable to Directors 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. It shall be within the overall limits fixed by the shareholders of the Company. The Directors (except Executive Director) will be paid sitting fees for attending the meetings of the Board and its Committees. The Committee shall recommend any changes to the quantum of sitting fees to the Board from time to time within the limits prescribed under the law.

3. Remuneration to Senior Management

The Committee shall review the performance of the Senior Management of the Company, as presented by the Managing Director & CEO.

The Committee shall also be provided with an annual overview of the remuneration payable to Key Managerial Persons as defined under the Act and Senior Management of the Company and recommend to the Board for its approval. The Committee shall ensure that such 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.

#### 4. Remuneration to other employees

Focus on productivity and pay for performance have been the cornerstone of the Company's overall remuneration policy. 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 Committee reviews the performance management and rewards process from time to time. 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.

#### **E. COMPENSATION COMMITTEE AND ADMINISTRATOR TO ANY EMPLOYEES STOCK OPTION SCHEMES**

The Committee shall play the role of the Compensation Committee in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and administer the Employee Stock Option Scheme as may be notified from time to time. The Committee shall, *inter alia*, formulate the detailed terms and conditions of the schemes, frame suitable policies and procedures to ensure compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (as amended from time to time) by the Employee trust, the Company, and its employees, as applicable.

#### **POWER OF THE COMMITTEE**

The Committee shall have, *inter alia*, the following powers:

- Conduct studies or authorise studies of issues within the scope of the Committee with full access to all books, records, facilities, and personnel of the Company.
- Retain or seek advice of consultants and experts for performance of their role under this Policy and the costs relating thereto shall be borne by the Company.
- Delegate its powers or form sub-committees to perform any of its functions or role under this Policy, subject to approval of the Board.

#### **MEETINGS**

The Committee shall meet at least once in six months. Additional meetings may happen as the Committee deems it appropriate. Minutes of the meeting shall be circulated to the Committee. The Committee shall report to the Board regarding its actions and make necessary recommendations to the Board. The Committee shall be governed by the same rules regarding meetings as are applicable to the Board.

#### **MINUTES**

The Committee will maintain written minutes of its meetings, including formal telephonic meetings, which will be filed with the minutes of the meetings of the Board.

### **AMENDMENTS TO THE POLICY**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Policy is subject to modification. The Board shall review this Policy once in three (3) years. This Policy and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website at [www.asianpaints.com](http://www.asianpaints.com).

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. will prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.



## **ASIAN PAINTS LIMITED**

### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

Version 2.0	1 <sup>st</sup> March, 2022
Version 1.0	22 <sup>nd</sup> July, 2014

Contents

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## 1. CSR VISION

Standing true to our Charter, to bring joy and happiness to people's lives, our CSR vision is based on embedded tenets of trust, fairness, and care to maximise efforts in this regard. Following are keystones of our CSR philosophy:

- *to actively initiate projects and / or participate in projects that together make us the local lighthouse for the region which significantly improves the lives of the people where we operate and are present.*
- *to provide vocational training and impart skilling to enhance the livelihood and skills of people who are primarily from the unorganized sector.*
- *to commit to creating social and economic value as a corporate citizen and encourage employees to participate and contribute to our various CSR programmes.*
- *to manage our operations using principles of sustainable development to minimize resource footprint and protect health & safety of all the stakeholders.*

## 2. SCOPE AND APPROACH

We believe in responsible growth and thus we will undertake CSR initiatives that will make a difference to the communities and the environment in which we operate. The outcome of these activities when measured will stand testimony to the Company being a responsible & a caring organization.

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

- **Health & Hygiene:** Under Health & Hygiene, we aspire to deliver primary health care support through diagnosis and treatments to our communities. Interventions will include promoting preventive healthcare, building awareness about hygiene, sanitation, maternal & child health care, setting up medical infrastructure, instrumenting clean drinking water habits, etc.
- **Disaster Management:** We contribute towards relief, rehabilitation, and reconstruction activities as a part of our disaster management intervention. As a responsible Company, we focus towards mitigating the effects of the crisis created by natural disasters, pandemic or likewise. We have partnered with the Government on various instances to provide support and aid. We have also worked with different partners for distribution of essentials among communities during the time of crisis.
- **Enhancing Vocational Skills:** In the area of Vocational training and skilling, we provide specialized and skill-based training to painters, carpenters, plumbers, etc., to enhance their skills, empower them, provide opportunities to secure better employment and improve their livelihood.

- **Water:** Water being a valuable and scarce resource that we share with our surrounding communities, we have identified water conservation and management as a key area of intervention. Our focus will be an integrated approach across (a) to (d) below:
  - (a) reducing overall specific water consumption;
  - (b) reuse/recycle wastewater back within the factories and communities in the vicinity of our manufacturing locations and other areas of operations;
  - (c) rain Water harvesting in our factories and communities in the vicinity of our manufacturing locations and other areas of operations;
  - (d) watershed management and community outreach programs thus making more water available for the communities than what we consume every year.

The initiatives in this thrust area would, *inter alia*, include (i) creating capacities in conserving water through significant investments in partnership with relevant stakeholders, with the objective of water conservation, (ii) educating farmers in looking at various Government schemes with the objective of water management, (iii) undertaking water replenishment projects in the communities surrounding our factories. The approach would include providing support and infrastructure at each stage of water conservation, water preservation, water re-charge and waste-water treatment.

Vocational Skilling and Water conservation will continue to remain our key thrust areas of intervention.

The CSR areas highlighted in this policy shall be monitored and reviewed by the Management, CSR Committee, and the Board of Directors of the Company from time to time. All CSR Initiatives/projects/programs/activities will continue to fall under the purview of Schedule VII of the Companies Act, 2013 (the Act) and Sustainable Development Goals (SDG). The CSR Committee may include any other areas falling within the ambit of Schedule VII of the Act, and amendments thereto, from time to time.

The CSR initiatives as stated aforesaid will either be one-time initiative or ongoing initiatives of the Company and the latter is proposed to be implemented on a continuous basis subject to review and monitoring by the CSR Committee and Board.

The approach of the Company shall be based on the following principles:

- CSR initiatives to focus on the areas around where the Company has its presence and operations.
- CSR initiatives to create awareness amongst employees and ensure their involvement in volunteering. To develop substantial programs to promote active participation at all levels.
- Company will acquire/ obtain/ provide the expertise required to carry out the above activities and engage with any agencies and third parties of repute, if the need arises.
- Company will actively participate in the CSR initiatives through structured programs and projects and its involvement will be more towards participation on the ground rather than mere administering of the expenditure. The Company will have an internal structure to implement its CSR philosophy under supervision of the CSR Committee and Board.



### **3. IMPLEMENTATION**

The CSR activities will be undertaken by the Company, either itself or jointly along with any other companies, and/or in collaboration with its stakeholders which, *inter alia*, include the Government, the village panchayats, NGOs, local communities and District Authorities. The Company may also join hands with external experts and implementation partners with an established track record in the area of our CSR initiatives.

### **4. CSR COMMITTEE AND ITS ROLE**

The CSR committee shall comprise of such number of members as prescribed under the provisions of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules) (including any statutory modification(s) and/or re – enactment(s) for the time being in force). The CSR committee formed as such shall work in co-ordination and in accordance with directions given by the Board of Directors.

**Role of CSR Committee shall include *inter-alia* the following:**

- Formulate, review and recommend the CSR Policy to the Board for its approval;
- Provide strategy and direction to enrich the CSR policy
- Monitor implementation and adherence to the CSR Policy;
- Approve the budgets for the CSR Expenditure and recommend to the Board for its approval;
- Formulate and review the annual action plan for each financial year and recommend the same to the Board for its approval;
- Review and recommend to the Board, certain CSR projects/programmes as ongoing projects in accordance with the CSR Rules;
- Review the impact assessment reports of CSR projects undertaken;
- Review and recommend to the Board, the Annual Report on CSR formulated as per the requirements of the Act and disclosed as part of the Report of the Board of Directors; and
- Any other activity as may be decided by the Board from time to time.

The Constitution and the role of the CSR Committee shall be in accordance with Section 135 and other applicable provisions of the Act and the CSR Rules, including any modifications or amendments thereto. All the CSR activities recommended by the CSR Committee and approved by the Board shall be in compliance with Schedule VII of the Act and SDG principles.

### **5. MONITORING/ REVIEW MECHANISM**

#### ***Internal Monitoring***

**Structure:** In-house structure for roll-out and implementation of the CSR activities will be in place. The CSR activities shall be centrally monitored by the Management.

**Review and Monitoring mechanism:** The following Review Mechanism shall be followed for the CSR initiatives, which shall ensure a top-down review and delivery:

- The CSR team shall in consultation and through supervision of the CSR Committee submit monthly MIS on CSR activities to the CFO & Company Secretary and the members of the CSR and Colour Academy Functions.
- The CSR Committee shall periodically review and monitor the CSR expenditure vis-à-vis Annual Action Plan. Additionally, the CSR team will obtain feedback from the beneficiaries about the programs and shall share the same with the CSR Committee as a part of the progress reports from time to time.
- The Board shall on a periodic basis monitor the implementation of the ongoing projects with reference to the approved timelines and year-wise allocation.
- The head of relevant line function shall certify to the CFO the utilisation of funds disbursed for CSR projects for each financial year.
- Regular audits of the amount spent on CSR initiatives shall be carried on by the Internal Audit Function of the Company and report/observations shall be forwarded to hierarchy for their review.

The CSR Committee shall be responsible for overseeing the planning, coordination, and implementation of CSR activities, and compliance of the same shall be reported to stakeholders through the Company's Annual Report on CSR.

#### ***External Monitoring***

- Operational/ progress reports on periodical basis from the partners, depending on the size and scale of the project.
- Periodic field visits by the Company representatives.
- Impact assessment reports of the CSR projects - To ensure steady progress and proper utilization of CSR amount against the goals and objectives of the project. The following monitoring mechanism may be adopted depending upon the size of contribution and the implementing partner shall:
  - obtain Utilization Certificates (UCs) from all the implementing partners by the end of the financial year - The UCs in certain cases will be required to be certified by chartered accountant in practice, if contribution crosses prescribed threshold.
  - Conduct third-party independent audits, as and when required.

#### **6. AMENDMENTS TO THE POLICY**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this policy is subject to modification. This Policy and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations.



However, in case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.



# **ASIAN PAINTS LIMITED**

## **BOARD DIVERSITY POLICY**

(Approved by the Board of Directors at its meeting held on 26th March, 2015)



## **1. PHILOSOPHY**

This policy is called “ASIAN PAINTS LIMITED - BOARD DIVERSITY POLICY (hereinafter referred to as “this Policy”).

Asian Paints recognizes the importance and benefit of having a Board of Directors (“Board”) and Senior Management from diverse backgrounds who are highly talented and experienced individuals. The Company believes that such dynamic Board and Senior Management will help reflect the Company’s values to all its stakeholders, promote better corporate governance and enhance quality of performance.

This policy sets out the approach to achieve diversity on the Board of the Company.

## **2. POLICY STATEMENT**

The Company understands and recognizes that diversity at Board level helps endure a sustainable and balanced development of the Company not just in the changing demographics, but also in the changing economic and competitive environment in India as well as globally.. A balanced and diverse Board will bring in varied experience, different perspective, among other things, which will allow the Company to become more innovative, responsive, productive and competitive.

The Nomination and Remuneration Committee (“Committee”) shall review and assess Board composition on behalf of the Board and recommend the appointment of new Directors. In reviewing and designing Board’s composition, the Committee will give due consideration to

- a. various aspects, including but not limited to, gender, age, educational background, ethnicity, professional experience, skills, knowledge and philanthropic orientations in order to enable the Board to discharge its duties and responsibilities effectively;
- b. Company’s overall objectives of increasing diversity, maintaining flexibility to effectively address succession planning and ensure Company continues to attract and retain highly qualified individuals to serve on the Board.

## **3. REVIEW AND MONITORING**

The Committee will discuss, agree, review and approve such objectives, as may be necessary, for achieving diversity on the Board and recommend them to the Board for adoption as and when it deems necessary and appropriate. The Board may on its own seek to improve one or more aspects of its diversity and communicate to the Committee to measure progress accordingly.



#### **4. REVIEW OF POLICY**

The Committee will review the Policy as and when it deems necessary and appropriate, which will include an assessment of the effectiveness of the Policy and recommend changes, if any, to the Board for approval.



## ASIAN PAINTS LIMITED

### DIVIDEND DISTRIBUTION POLICY

Version 2.0	26 <sup>th</sup> July, 2022
Version 1.0	25 <sup>th</sup> October, 2016

## **INTRODUCTION**

This Policy, framed pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force, is called the “Asian Paints Limited – Dividend Distribution Policy” (hereinafter referred to as “this Policy”) and shall be effective from 26<sup>th</sup> July, 2022 (“Effective Date”).

## **OBJECTIVE**

The objective of this Policy is to lay down the parameters to be considered by the Board of Directors of the Company prior to recommending and approving dividend, in a manner which ensures regular return on investment to the shareholders in the form of dividend and also provides adequate capital for reinvesting in the business to generate wealth for all stakeholders in a sustainable manner.

## **PARAMETERS**

The Board would, *inter alia*, consider the following Business & Financial parameters and external factors before declaring dividend(s) or recommending dividend(s) to the shareholders:

### **Business & Financial Parameters (Internal factors):**

- Current year profits arrived at after providing for depreciation in accordance with the provisions of Section 123 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder;
- Profits from any of the previous financial year(s) arrived at after providing for depreciation in accordance with the provisions of Section 123 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder;
- Projected operating free cash flow generation after taking into account fund requirements for working capital needs of the business;
- Funding requirements for capital expenditure, other business needs;
- Funding requirements for any organic and inorganic growth opportunities to be pursued by the Company;
- Optimal cash position requirement to fund exigencies, if any; and
- Past Dividend trends.

### **External factors:**

- Macro-economic conditions and general business environment;
- Prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws; and
- Other factors and/or material events which the Board of Directors may consider necessary to consider from time to time.



## **RETAINED EARNINGS**

The Company would make best efforts to ensure a right balance between the quantum of dividend proposed to be paid and amount of profits to be retained in the business for various purposes. In case the Board of Directors propose not to distribute any profit or recommend a lower pay out, the rationale thereof and information on utilisation of the retained earnings, if any, shall be disclosed to the shareholders in the Board's Report forming part of Annual Report of the Company.

## **PAYMENT OF DIVIDEND**

The declaration of dividend shall be in accordance with the applicable provisions of the Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014, Listing Regulations and such other applicable provisions of law.

The Board of Directors of the Company, considering the business & financial parameters and external factors mentioned above, shall endeavour to maintain dividend pay-out ratio between 55% to 65% of its annual standalone Profits after Tax (PAT).

The Board of Directors at their discretion would recommend a higher or lower dividend considering the business considerations and provide the rationale of such decision in the Board's report forming part of the Annual Report of the Company.

Dividend (including interim and/or final) would be declared and paid to equity shareholders at the rate fixed by the Board of Directors of the Company. Final dividend proposed by the Board of Directors, if any, would be subject to the approval of the shareholders at the Annual General Meeting. The Board of Directors may additionally recommend special dividend as and when it deems fit in excess of the aforementioned dividend payout ratio.

## **AMENDMENTS TO THE POLICY**

The Company is committed to continuously reviewing and updating its policies and procedures. The Board of Directors shall review this Policy once in three (3) years. Therefore, this Policy is subject to modification. This Policy and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations.

However, in case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## **DISCLAIMER**

This Policy should not be treated as a commitment regarding future dividend payout of the Company and represents a general guidance regarding the dividend policy of the Company.

All the stakeholders, including present and prospective investors are cautioned not to place undue reliance on any forward-looking statements in the Policy.



# **ASIAN PAINTS LIMITED**

## **WHISTLE BLOWER POLICY**

Approved on : 12<sup>th</sup> November, 2010  
First Revision on : 22<sup>nd</sup> July, 2013  
Second Revision on : 22<sup>nd</sup> January, 2018  
Third Revision on : 10<sup>th</sup> May, 2018  
Fourth Revision on : 29<sup>th</sup> March 2019  
Fifth revision on : 26<sup>th</sup> July, 2022

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## *I. Introduction*

The Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers, shareholders, and business associates in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity, and ethical behavior. The Company encourages all its stakeholders, who know or suspect any discrimination, harassment, victimization, or any unfair practices, which is not in line with the Company's Code of Conduct or law of the land, to come forward and raise it through this Policy.

This policy is an extension of the Company's Code of Conduct and should be read with various policies under the Code of Conduct. This policy is issued pursuant to Section 177 of the Companies Act, 2013 Information ("UPSI").

The objective of this Whistle Blower Policy ("Policy") is:

- a. to provide all its stakeholders a framework and formal mechanism or process whereby concerns can be raised;
- b. to encourage its stakeholders to report incidents of unfair and fraudulent practices regarding the Company; and
- c. to provide protection to those who report such irregularities or unfair practices including instances of leak of UPSI.

Notwithstanding anything provided in this Policy, all incidents and instances of leak or suspected leak of UPSI reported by any of the stakeholders under this Policy, shall be decided and resolved in the manner as set out under the "Policy and Procedures for Inquiry in the Event of Leak or Suspected Leak of UPSI".

## *II. Definitions*

- A. "Asian Paints Ethics Hotline" is a tool to enable employees report any instances of fraud, abuse or misconduct or malpractices at workplace.
- B. "Audit Committee" means the Audit Committee constituted by the board of directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the LODR Regulations, as amended from time to time.
- C. "Compliance Officer" shall be the Company Secretary of Asian Paints Limited.
- D. "Company" shall mean Asian Paints Limited.
- E. "Disciplinary Action" means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

- F. “Employee” for the purpose of this Policy means every employee of the Company (whether working in India or abroad) including employees seconded to the subsidiaries and/or any Joint Venture and/or associate companies of the Company and of the subsidiaries or Joint Venture companies and people employed on contractual basis.
- G. “Ethics Committee” means a Committee which shall comprise of the Managing Director & CEO, the CFO & Company Secretary, and the Chief Human Resources Officer, for the purpose of receiving and investigating all complaints, Protected Disclosures, and any matter in connection therewith, as per directions, if any, by the Audit Committee under this Policy.
- H. “Protected Disclosure” means any communication made in good faith that discloses or contains certain information by a written/oral communication through any channels as mentioned in Point V (c) of this Policy, which evidences unethical or improper activity in relation to the Company including leak of UPSI.
- I. “Unpublished Price Sensitive Information” or “UPSI” shall have the meaning assigned to it under the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons adopted by Asian Paints Limited.
- J. “Whistle Blower” is someone who discloses a Protected Disclosure under this Policy.

### **III. Scope of Policy**

The Policy covers any concern with respect to unlawful or unethical or improper practice or act or activity that could have grave impact on the operations, performance of the business or reputation of the Company and may include, but is not limited to, any of the following:

- i. Abuse of authority by an employee or biased or favored approach or behavior;
- ii. Breach of contract with the company;
- iii. Negligence causing substantial and specific danger to public health and safety and the environment;
- iv. Manipulation of company data /records;
- v. Disclosure of confidential / proprietary information to unauthorized personnel;
- vi. Financial irregularities, including fraud, or suspected fraud;
- vii. Criminal activity or offence affecting operations or functioning of the Company;
- viii. Unauthorized disclosure of confidential/propriety/ Price Sensitive information;
- ix. Deliberate violation of law/regulation/ legal obligation;
- x. Wastage/misappropriation of company funds/assets;
- xi. Breach of Code of Conduct of the Company or the Policy for Prevention of Sexual Harassment or any other rule or Policy as may be formulated by the Company from time to time;
- xii. Leak of UPSI; and
- xiii. Any other unethical, biased, favoured, or fraudulent activity.

#### IV. Disqualification

This Policy should not be misused by any person to make frivolous or malicious or bogus disclosures to the Ethics Committee and /or the Audit Committee.

Whistle Blowers, who make a minimum of 2 (two) Protected Disclosures, which have been subsequently found to be frivolous or bogus with *mala fide* intent, will be disqualified from reporting further Protected Disclosures under this Policy for such period as the Ethics Committee or Chairperson of the Audit Committee may decide. The Ethics Committee and / or the Chairman of the Audit Committee may impose a penalty or decide that Disciplinary Action may be taken against such Whistle Blowers.

#### V. Procedure for making Protected Disclosure

##### a) Employees:

Employees can make Protected Disclosures to the Ethics Committee, on becoming aware of any wrongful conduct or activity or leak of any UPSI, as soon as possible through any of the channels mentioned in Point V (C) of this Policy. Detailed FAQs (Frequently Asked Questions) regarding the Asian Paints Ethics Hotline are available on the intranet website of the Company. Employees may refer the same for using the Asian Paints Ethics Hotline for making Protected Disclosures.

##### b) Stakeholders:

Stakeholders can make Protected Disclosures to the Ethics Committee, on becoming aware of any wrongful conduct or activity or leak of any UPSI as soon as possible through any of the following channels.

##### c) Reporting Channel:

1. In the form of a letter (handwritten or typed) written in English, Hindi or in the regional language of the place of employment of the Whistle Blower. It should be marked as private and confidential and sent to the below mentioned address:

Ethics Committee, Asian Paints Limited  
6A, Shantinagar, Santacruz (East),  
Mumbai – 400 055

2. Through toll free number [000-800-100-1622] and/or web reporting facility of Asian Paints Ethics Hotline <http://asianpaints.ethicspoint.com/>.
3. In the form of an email and shall be e-mailed at the following email id, which shall be accessed by the members of the Ethics Committee  
[whistle.blower@asianpaints.com](mailto:whistle.blower@asianpaints.com)
4. Protected Disclosures can also be reported orally to any of the members of the Ethics Committee. Oral reports will be subsequently documented by the Ethics Committee for onward investigation.

**d) Procedure:**

1. If a protected disclosure is received by any other employee of the Company other than the Ethics Committee, the same should be forwarded immediately to the Ethics Committee for further appropriate action. Such Employee should not disclose the identity of Whistle Blower and Protected Disclosure made to anyone other than Ethics Committee and appropriate care must be taken to keep the identity of the Whistle Blower confidential.
2. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised.
3. The Company encourages and strongly recommends that the Whistle Blower discloses his/her name in the Protected Disclosure.
4. The Company encourages and strongly recommends that the Protected Disclosure contains necessary and relevant details of the fraud or misconduct or suspected fraud or misconduct or any other unfair practice including, the name and designation of the Employees or any other person who have engaged or who may have engaged, in the opinion of the Whistle Blower, in the misconduct or fraud or any other unfair practice or leak of UPSI, name and contact number of the Whistle Blower (if the complaint is not intended to be filed anonymously), information or copy(ies) of the documentary proof or evidence in support of the complaint, if any and the impact/effect, either monetary or otherwise, on the Company, if possible; and
5. In the following circumstances the Protected Disclosure can be made directly to the Chairperson of the Audit Committee of the Board of Directors of the Company.
  - a. If the Whistle Blower is of the opinion or has a reasonable doubt that the members of the Ethics Committee or the Investigating Officer are part of the Protected Disclosure or
  - b. In exceptional circumstances, where the matter is of grave nature,
  - c. The Disclosure can be made to the Chairperson of the Audit Committee of the Board of Directors at the following address:

Chairperson of the Audit Committee of the Board of Directors Asian Paints Limited, 6A, Shantinagar, Santacruz (East), Mumbai – 400 055  
[auditcommitteechair@asianpaints.com](mailto:auditcommitteechair@asianpaints.com)

## **VI. Investigation**

### **a) For Protected Disclosures received by Ethics Committee**

Ethics Committee will make an initial enquiry of Protected Disclosure received by them. If an initial enquiry by the Ethics Committee confirms that the Protected Disclosure has no basis, or it is not a matter to be taken up for investigation under this Policy, the Protected Disclosure may be dismissed, and the decision will be documented for future reference.

If the initial inquiry by the Ethics Committee, indicates that the matter disclosed under Protected Disclosure needs to be investigated further, they may order investigation and inquiry and appoint such person or persons as they may consider necessary for conducting the investigation (hereinafter referred to as “Investigation Officer”)

### **b) For Protected Disclosures received by Chairperson of the Audit Committee**

The Chairperson of the Audit Committee will make an initial enquiry of Protected Disclosure received by him/her. If an initial enquiry by the Chairperson of the Audit Committee confirms that the Protected Disclosure has no basis, or it is not a matter to be taken up for investigation under this Policy, the Protected Disclosure may be dismissed, and the decision will be documented for future reference.

If the initial inquiry by the Chairperson of the Audit Committee, indicates that the matter disclosed under Protected Disclosure needs to be investigated further, Chairperson of the Audit Committee may order investigation and inquiry and appoint such person or persons as they he/she may consider necessary for conducting the investigation (hereinafter referred to as “Investigation Officer”)

### **c) Investigation Procedure**

- i. The inquiry/ investigation shall be conducted in a fair manner and provide an equal opportunity for hearing to the affected party.
- ii. The Investigation Officer shall hold inquiry in the matter and shall submit a report to Ethics Committee / Chairperson of the Audit Committee not later than 45 days from the date on which the Protected Disclosure was received by the Ethics Committee Chairperson of Audit Committee. The Investigation Officer may seek an extension for submitting the report to the Ethics Committee / Chairperson of Audit Committee for a further period of 30 days or such other period, which may be allowed at the discretion of the Ethics Committee / Chairperson of Audit Committee provided that there is sufficient cause shown by the Investigation officer for extending the time period.
- iii. The Whistle Blower is expected to co-operate with the Investigation Officer, when the matter is under inquiry and is expected to disclose such information or provide documents as may be required for the purpose of the investigation.
- iv. The Investigation Officer may appoint external advisers as consultants to assist them in the inquiry, if necessary.
- v. On submission of report, the Ethics Committee / Chairperson of Audit Committee may:

- a. In case the Protected Disclosure is proved, order such Disciplinary Action as the Ethics Committee / Chairperson of the Audit Committee may think fit and may order adoption of preventive measures to avoid recurrence of the matter

Or

Depending upon the seriousness of the matter, may refer the matter to the Audit Committee of the Company with its recommendations. The Audit Committee may order such Disciplinary Action, with or without modifications to recommendations of the Ethics Committee, as it may deem fit and may order adoption of preventive measures to avoid reoccurrence of the matter.

A summary of all Disciplinary Actions taken by the Ethics Committee / Chairperson of the Audit Committee must be reported periodically to the Audit Committee and the Board of Directors of Asian Paints Limited. In the case of an employee in a subsidiary, the summary must also be reported to the Audit Committee of the Board of the subsidiary or the board of directors of the subsidiary.

- b. In case the Protected Disclosure is not proved, close the matter, and record the investigation findings for future reference.

## VII. Protection

- a. It shall be ensured that the Whistle Blower, if he/she is an Employee, shall be protected from any adverse action which may include but is not limited to unfair termination of employment, demotion, suspension, decision not to promote, unwarranted performance rating, harassment, biased behaviour, withholding of salary, imposition of transfer or re- assignment, denial of rewards, leave, benefits for which he/she is eligible, or any other significant changes in the job; which may arise solely out of him/her making the Protected Disclosure or due to the ongoing investigation or on report being submitted to the Ethics Committee.
- b. It shall be ensured that the Whistle Blower, shall be protected from any adverse action which may include but is not limited to unfair termination of the contract, unfair withholding the payments due, non- acceptance of the goods sent by the vendors for delivery or any other unfair act which may arise solely out of the concerned person making the Protected Disclosure or due to ongoing investigation or on report being submitted to the Ethics Committee.
- c. Protection under this Policy would not mean protection from disciplinary / penal action arising out of false or bogus allegations made by a whistle-blower knowing it to be false or bogus or with a *mala fide* intention and shall not preclude the company/APL/ Ethics Committee to initiate action against such person.
- d. The identity of the Whistle Blower shall be kept confidential. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.
- e. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.



- f. In case of occurrence of any adverse action towards the Whistle Blower being an Employee or any other stakeholder, he/she shall directly have the right to approach the Chairperson of the Audit Committee.

### ***VIII. Secrecy/Confidentiality***

The Whistle Blower, the Ethics Committee, the Investigation Officer and any other person involved in the investigation shall maintain complete confidentiality secrecy of the matter, other than if required by any applicable law. All matters reported through the Asian Paints Ethics Hotline will also be completely confidential. If any Employee is found not complying with the above, he/she shall be held liable for such disciplinary action as is considered fit by Ethics Committee.

### ***IX. Retention of documents***

All Protected Disclosures in writing or documented or through the Asian Paints Ethics Hotline along with the results of investigation relating thereto shall be retained by the Company for a minimum period of three years.

### ***X. Amendment***

Subject to the review of the amendment by the Audit Committee, the board of directors of the Company shall have the authority to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever and communicating the same to the Employees or any other stakeholders of the Company.

### ***XI. Dissemination***

pThis Policy shall be appropriately communicated within the Company including by way of putting the Policy on the intranet of the Company, making it as a part of employee handbooks, etc. A copy of this Policy shall be provided to every Employee on requisition. The establishment of the vigil mechanism shall also be disclosed on the Company's website and in the Report of the Company's board of directors.



## **ASIAN PAINTS LIMITED**

### **POLICY ON DEALING WITH AND MATERIALITY OF RELATED PARTY TRANSACTIONS**

**Approved on:** 22<sup>nd</sup> October, 2014

**First Revision on:** 22<sup>nd</sup> January, 2018

**Second Revision on:** 29<sup>th</sup> March, 2019

**Third Revision on:** 30<sup>th</sup> March, 2022

**Fourth Revision on:** 20<sup>th</sup> October, 2022

**Fifth Revision on:** 29<sup>th</sup> March, 2023



## 1. SCOPE AND APPLICABILITY

This policy is called “ASIAN PAINTS LIMITED – POLICY ON DEALING WITH AND MATERIALITY OF RELATED PARTY TRANSACTIONS” (“RPT Policy”).

Asian Paints Limited (“the Company”) enters into transactions with Related Parties to carry on its day-to-day business activities. This RPT Policy shall apply while dealing with the Related Parties.

## 2. OBJECTIVE

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, *inter alia*, provides, that the Company shall formulate a Policy on dealing with and materiality of Related Party Transactions.

This Policy intends to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time) and the Companies Act, 2013 read with Rules and Regulations made thereunder, to ensure that the transactions with related parties are undertaken in compliance with the legal requirements and necessary structure for reporting is in place. The Company has been entering into transactions with related parties, for its business purposes from time to time. These transactions primarily include purchase of raw materials, finished goods, packing materials, intermediaries, and such other transactions permissible and provided for under the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Income Tax laws. This Policy encompasses the mechanism to regulate transactions with related parties in a fair and transparent manner.

## 3. MEANING OF TERMS USED

- a. **“Act”** means the Companies Act, 2013, including the Rules, Regulations, schedules, clarifications and guidelines issued and amended by the Ministry of Corporate Affairs, from time to time.
- b. **“Arms’ length Transaction”**, means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- c. **“Audit Committee”** shall mean the Audit Committee of the Board of Directors constituted in accordance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- d. **“Board”** refers to Board of Directors of Asian Paints Limited or any Committee of the Board authorized for the purpose of this Policy.



- e. **“Company”** or **“Asian Paints”** refers to Asian Paints Limited pursuant to this Policy, having its Registered Office at 6A, Shantinagar, Santacruz (East) Mumbai – 400 055.
- f. **“Material transaction”** means a transaction with a Related Party where any transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

A transaction involving payments made to a Related Party with respect to brand usage or royalty shall be considered material if the said transaction to be entered into individually or taken together with the previous transactions during a financial year, exceed 5 (five) percent of the annual consolidated turnover of the Company as per the last audited financial statements.

- g. **“Related Party”** shall have the meaning ascribed to it in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Act, including all amendments and modifications thereof from time to time.
- h. **“Related Party Transaction or RPT”** shall have the meaning ascribed to it in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Act, including all amendments and modifications thereof from time to time.
- i. **“Material Modification”** means any modification in the original contract or arrangement with a Related Party that would result in an increase of 5% or more on the originally approved transaction value or any modification of other material terms including non-financial terms like credit period, scope of contract etc. which were determined during approval of the contract or arrangement, specifically defined as such by the Audit Committee.

In case a modification is required pursuant to amendment to the applicable laws, it shall not be regarded as a material modification.

- j. **“Ordinary Course of business”** for the purpose of this RPT Policy, shall include those transactions which are entered in accordance with the business objectives of the Company as included in the objects clause of the memorandum of association of the Company and necessary for Company's operations and includes but not limited to activities that are normal/incidental and/or facilitative activities of the business of the Company. The satisfaction of any of the following tests shall determine whether a transaction is in the 'ordinary course of business' of the Company:
  - (i) The activity in question should be in furtherance of the business objectives of the Company and there should be a proximity of the activity in question with the normal business activities of the Company.
  - (ii) There is a historical practice to carry out such activities;
  - (iii) There is a pattern of frequency to conduct such activities over a period of time;

- (iv) The transaction is not an exceptional or extra ordinary activity; and
- (v) It meets any other parameters/criteria as decided by the Audit Committee and/or Board of Directors of the Company.

- k. **“Rules”** means the Companies (Meetings of Board and its Powers) Rules, 2014 including any modifications or amendments thereof.
- l. **“SEBI LODR”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re – enactment(s) thereof for the time being in force).
- m. **“Threshold Limits”** are financial limits for transaction(s) with Related Party(s) in the ordinary of business and on an arms-length basis and which are set out in **Annexure A** to this Policy.

Words, terms, and expressions used and not defined in this Policy or SEBI LODR but defined in the Act shall have the same meaning respectively assigned to them in the Act.

#### **4. POLICY AND PROCEDURES FOR RELATED PARTY TRANSACTION**

##### **4.1. Identification of Related Parties and Related Party Transactions**

- a. Before the commencement of each financial year, the Company shall draw up a list of Related Party(s) in accordance with the definition given in SEBI LODR and the Act. Any changes in the list during the financial year shall be made as and when the Company receives information in this regard.
- b. All Directors and Key Managerial Personnel are responsible for informing the Company of their interest (including their indirect interest) in other companies, firms, body corporate(s) or concerns at the beginning of every financial year and any change in such interest during the year. In addition, all Directors and Key Managerial Personnel are responsible for providing notice to the Company Secretary of any potential Related Party Transaction involving him directly or indirectly.
- c. The Audit Committee, in consultation with the Company Secretary, will review and determine whether any transaction with such Party(s) will constitute a Related Party Transaction requiring compliance with this RPT policy. Any member of the Audit Committee or Board who is directly or indirectly interested in any Related Party Transaction shall recuse himself and shall not be present in the meeting during discussions on related party transactions and shall not be entitled to vote on for such item under consideration by the Audit Committee and Board, as the case may be.

## 4.2. Approvals required for Transaction(s) with Related Party(s)

### A. Related Party(s) transactions and any subsequent modifications in the ordinary course of business and on arms-length basis:

- (i) All Related Party(s) transactions and any subsequent material modifications thereto in the ordinary course of business and at arm's length shall be subject to the prior approval of the Audit Committee and within the Threshold Limits. Further, any subsequent modification to any terms of conditions of the transactions with related parties shall require approval of the Audit Committee. Only Independent Directors who are members of the Audit Committee shall approve Related Party Transactions.
- (ii) Related Party Transaction to which the subsidiary of the Company is a party, but the Company is not a party, shall require prior approval of the Audit Committee of the Company if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary.

The approval of the Audit Committee of the Company shall not be required for the transactions entered into between the Company and its wholly owned subsidiary or between two wholly owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

It is further clarified that following transactions shall not require approval of the Audit Committee:

- a. Transactions that have been approved by the Board as per other specific provisions of the Act e.g., merger or amalgamation, investment, loans, guarantee or providing of security in connection with any loan, etc. to its wholly owned subsidiaries.
- b. Transactions involving corporate restructuring, mergers, demergers, etc. wherein the Board has approved such transactions and restructuring is subject to approval of Tribunals / Courts of competent jurisdiction.
  - (iii) The Company shall not enter into any transaction with a Related Party beyond the Threshold Limits, without the prior approval of the Board. The Board may approve the Threshold Limits of any transaction not defined or mentioned in this Policy. The Board shall review the Threshold Limits at least once in every three years and make changes as and when necessary.
  - (iv) The Audit Committee may grant omnibus approval for Related Party Transactions within the overall Threshold Limits, proposed to be entered into by the Company and such approval shall be subject to the following:
    - i. The Audit Committee shall lay down the criteria for granting omnibus approval in line with this Policy, for Related Party Transactions which are repetitive in nature.
    - ii. The Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company;

- iii. the omnibus approval shall specify:
- (a) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into;
  - (b) the indicative base price / current contracted price and the formula for variation in the price if any; and
  - (c) such other conditions as the Audit Committee may deem fit.

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per related party during a financial year.

The Audit Committee shall review on a quarterly basis, the details of the Related Party Transactions entered into by the Company pursuant to the omnibus approvals given. The omnibus approvals by the Audit Committee shall be valid for a period of not exceeding one year and shall require fresh approvals after the expiry of one year.

Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

**B. Transactions with Related Party(s) not in the ordinary course of business and/or on arms-length basis:**

Transaction(s) with Related Party(s) not in the ordinary course of business and/or not at arm's length shall require prior approval of the Audit Committee as well as the Board and in accordance with the provisions of Section 188 of the Act, SEBI LODR and other applicable laws.

Transaction(s) crossing the limits set out Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as may be amended from time to time, shall require prior approval of the shareholders of the Company in accordance with the procedure set out in Section 188 of the Act. For the purpose of such transaction(s), the limits shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

**C. Material Transactions with Related Party(s):**

Material Transaction(s) with Related Party(s) and any subsequent material modification shall require prior approval of the Audit Committee, Board, and the shareholders of the Company.

In compliance with the SEBI LODR, approval of the shareholders through resolution shall be taken for all such Material Transactions with Related Party(s) and such Related Party(s), irrespective of whether the entity is a party to a particular transaction or not, shall not vote to approve such resolutions.

**4.3. Information to be provided at the time of seeking approval of the Audit Committee and/or Board, and the Shareholders of the Company, as the case may be:**

The following information should be provided to the Audit Committee and/or Board, as the case may be, where approval for entering into Transactions with Related Party(s) are sought:

- (a) Type, material terms and particulars of the proposed transaction;
- (b) Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);
- (c) Tenure of the proposed transaction (particular tenure shall be specified);
- (d) Value of the proposed transaction;
- (e) The percentage of the company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
- (f) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:
  - i. details of the source of funds in connection with the proposed transaction;
  - ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
    - nature of indebtedness;
    - cost of funds; and
    - tenure;
  - iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
  - iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
- (g) Justification as to why the RPT is in the interest of the Company;
- (h) A copy of the valuation or other external party report, if any such report has been relied upon;
- (i) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
- (j) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
- (k) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- (l) Any other information relevant or important to take a decision on the proposed transaction.

The Audit Committee and/or Board may call for such additional information as may be required for granting approval to such transactions.



The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Act, include the following information as a part of the explanatory statement:

- a. A summary of the information provided by the management of the Company to the Audit Committee as specified above;
- b. Justification for why the proposed transaction is in the interest of the Company;
- c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details specified under point 4.3 (f) above;
- d. A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;
- e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis; and
- f. Any other information that may be relevant.

#### **4.4 Review of Related Party Transactions:**

The Management shall lay down an appropriate framework including the pricing mechanism to ensure arm's length pricing for dealing with the Related Party(s). The Management shall institute appropriate administrative mechanism to ensure that all Related Party Transactions are in compliance and reviewed in accordance with these policies and procedures including maintenance of proper records in this regard.

All the transactions with Related Parties shall be referred to the Audit Committee for review at its scheduled quarterly meetings or as may be called upon by the Audit Committee from time to time along with all relevant information of such transaction(s).

The Audit Committee may refer any of the Related Party Transactions brought before it or it being mandatory under any law, for approval of the Board. The Board may on its own accord also decide to review any Related Party Transaction.

The Audit Committee may seek advice of external consultants and experts on determining whether a particular transaction which is being considered by the Audit Committee would be regarded on an arm's length basis or otherwise.

Further, the Statutory Auditors of the Company shall review the material related party transactions of the Company to be in compliance with the applicable provisions of the Act & SEBI LODR as per the auditing and reporting requirements and confirm it to the Audit Committee.

**5. RELATED PARTY TRANSACTION NOT APPROVED UNDER THIS POLICY**

In the event any transaction has been undertaken/is being undertaken with a Related Party without obtaining requisite approval under this Policy, such transactions should be immediately reported to the Company Secretary. Such transactions shall be reviewed by the Audit Committee in the next meeting. The Audit Committee shall be provided with all the relevant facts and circumstances for entering into such transaction with a related party. Based on the information provided, the Audit Committee shall evaluate and take such necessary steps, as it may deem fit, including ratification, termination or revision of any terms of the Related Party Transaction. The Audit Committee shall keep the Board apprised of any instances of such transactions entered into with any related party in contravention of this Policy and recommend to Board for its consideration and approval.

**6. AMENDMENTS TO THE POLICY**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Policy is subject to modification. This Policy will be reviewed by the Board of Directors of the Company once in every three (3) years and any amendment of any provision of this Policy shall be promptly disclosed on the Company's website at [www.asianpaints.com](http://www.asianpaints.com).

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## ANNEXURE A

### THRESHOLD LIMITS FOR RELATED PARTY TRANSACTIONS IN THE ORDINARY COURSE OF BUSINESS AND ON ARMS-LENGTH BASIS

Before the start of each financial year, the Company shall determine the financial limits for transaction(s) in the ordinary course and on an arms-length basis, with each Related Party for a financial year. The said financial limits shall be within the overall Thresholds Limits mentioned below:

Sr. No.	Nature of transactions	Threshold Limits
1	Sale, purchase or supply of any goods or materials, directly or through appointment of agent	Rs. 800 crores
2	Selling or otherwise disposing of or buying property /fixed assets of any kind, directly or through appointment of agent	Rs. 50 crores
3	Availing or rendering of any services, directly or through appointment of agent	Rs. 60 crores
4	Payments made to a related party with respect to brand usage or royalty	2% of the annual consolidated turnover of the Company
5	Royalty received/Dividend Received from subsidiaries/ associates and Contributions to employee benefit trusts	Rs. 100 crores
6	Other transactions in the ordinary course of business	Rs. 10 crores
7	Related party's appointment to any office or place of profit in the company, its subsidiary or associate company	Remuneration shall be in accordance with the Company policy and applicable provisions of the Companies Act, 2013 and SEBI LODR



# ASIAN PAINTS LIMITED

## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION

Formulated on: 16<sup>th</sup> November, 2015

First revision: 27<sup>th</sup> November, 2019

Second revision: 1<sup>st</sup> April, 2020

Third revision: 29<sup>th</sup> March, 2023

Fourth revision: 25<sup>th</sup> July, 2023

Classification: **Public**

## **1. INTRODUCTION**

This Policy is called “Asian Paints Limited – Policy for determination of materiality of events/information” (“Policy”) and has been effective from 1<sup>st</sup> December, 2015 (“Effective Date”).

In terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Asian Paints Limited (“the Company”) is required to formulate a Policy for determination of materiality of events/information.

This Policy for determination of materiality of events/information, *inter alia*, aims at:

- ensuring that all investors have equal access to important information that may affect their investment decisions
- ensuring that adequate and timely information is provided to investors
- avoiding establishment of false market in the securities of the Company
- communicating the principles of materiality based on which the Company shall make disclosures of events/information.

## **2. MEANINGS OF TERMS USED**

- a. “**Act**” means the Companies Act, 2013 including the rules, schedules, clarifications, and guidelines issued by the Ministry of Corporate Affairs and any amendment thereto and/or modification thereof from time to time.
- b. “**Board**” refers to the Board of Directors of Asian Paints Limited.
- c. “**Company**” or “**Asian Paints**” refers to Asian Paints Limited pursuant to this Policy, having its Registered Office at 6A, Shantinagar, Santacruz (East), Mumbai – 400 055.
- d. “**Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendment thereto and/or modification thereof from time to time, and includes any circulars, guidelines, and directions issued thereunder or in relation thereto.
- e. “**Senior Management Personnel**” shall have the same meaning as prescribed under the Code of Conduct for Board Members and Senior Management Personnel.
- f. “**Subsidiary(s)**” shall mean subsidiaries of the Company as defined under the Act.

Words, terms, and expressions used herein, but not defined in the Policy, shall have the meaning as set out in the (i) Listing Regulations, (ii) Act, (iii) Securities Exchange Board of India Act, 1992, and (iv) any other law applicable to the Company for time being in force and/or as may be restated and/or modified from time to time.

### **3. POLICY AND PROCEDURES**

#### ***(I) MATERIALITY THRESHOLDS:***

1. In terms of Regulation 30 of the Listing Regulations, the Company is required to make disclosures of any events/information which, in the opinion of the Board of the Company, is material.
2. Events specified in Para A of Part A of Schedule III are deemed to be material events and the Company is required to make disclosure of such events.
3. The Company is required to make disclosure of material events, including events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality as set out below:
  - a. the omission of an event/information, which is likely to result in discontinuity or alteration of event/information already available publicly; or
  - b. the omission of an event/information is likely to result in significant market reaction if the said omission came to light at a later date; or
  - c. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
    - i. two percent of turnover, as per the last audited consolidated financial statements of the Company;
    - ii. two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
    - iii. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company;
  - d. in case where the criteria specified in sub-clauses (a) to (c) above are not applicable, an event/information may be treated as being material if in the opinion of the Board and/or the Managing Director & CEO and the CFO & Company Secretary of the Company, the event/information is considered material.
  - e. Following shall be the additional considerations in determining the materiality thresholds as stated above:

- materiality to be assessed at the level of each individual disclosure requirement and, where relevant, on an aggregate basis; and
  - additional considerations to be taken into account by the Company when they are considered as plausible and objectively reasonable.
4. As specified in Para C of Part A of Schedule III of the Listing Regulations, the Company shall promptly disclose any other information/event viz. major development that is likely to affect business, e.g., emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts of the Company and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.
  5. The Company shall disclose to the Stock Exchanges all such events/information which are material in terms of the provisions of Regulation 30 of the Listing Regulations, within such timeline as prescribed by the SEBI, in terms of the Listing Regulations.
  6. The Company shall also disclose all events/information with respect to subsidiaries of the Company which are material for the Company as per the thresholds specified in clause 3 above.
  7. With effect from 1<sup>st</sup> October 2023, the Company, shall confirm, deny or clarify any reported material events/information in the Mainstream Media which is not general in nature in the manner as prescribed under Regulation 30 of the Listing Regulations.

***(II) DISCLOSURE OF EVENTS / INFORMATION:***

1. The Managing Director & CEO and the CFO & Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events/information considering its nature and disclosure after taking into account the various provisions of the Listing Regulations and this Policy.
2. The Senior Management Personnel of the Company shall forthwith inform all potential events/information as per Para A and Para B of Part A of Schedule III of the Listing Regulations, relating to the Company and/or the Subsidiaries (to the extent such information is material for the Company) to the Managing Director & CEO and/or the CFO & Company Secretary of the Company, and/or such other employees of the Company authorised by them in this regard, with adequate information/data to facilitate a prompt and appropriate disclosure to the Stock Exchanges. The process of disclosure shall be in line with the process set out under the internal code of procedures for disclosure of material events/information in relation to the Company and as per the requirements prescribed by the Listing Regulations.



3. The contact details of the persons authorised to determine materiality of events under this Policy are as follows:

Mr. Amit Syngle  
Managing Director & CEO  
Asian Paints Limited  
6A Shantinagar, Santacruz (East)  
Mumbai – 400 055  
Email: [amit.syngle@asianpaints.com](mailto:amit.syngle@asianpaints.com)  
Phone: 022 62181000

Mr. R J Jeyamurugan  
CFO & Company Secretary  
Asian Paints Limited  
6A Shantinagar, Santacruz (East)  
Mumbai – 400 055  
Email: [rj.jeyamurugan@asianpaints.com](mailto:rj.jeyamurugan@asianpaints.com)  
Phone: 022 62181000

4. The Managing Director & CEO, the CFO & Company Secretary of the Company shall severally be responsible and authorised for dissemination of such events and information in accordance with the provisions of the Listing Regulations or any other law as may be applicable.
5. The disclosures made under Regulation 30 of the Listing Regulations and such other disclosures as may be required, shall be hosted on the website of the Company ([www.asianpaints.com](http://www.asianpaints.com)) and simultaneously communicated to the Stock Exchanges in the permitted mode. All disclosures shall be available on the website of the Company for a period of 5 (five) years and thereafter in accordance with the Archival Policy of the Company.

#### **4. AMENDMENTS TO THE POLICY**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Policy is subject to modification. The Board shall review this Policy once in 3 (three) years. This Policy and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website at [www.asianpaints.com](http://www.asianpaints.com).

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.





# **ASIAN PAINTS LIMITED**

## **POLICY FOR DETERMINING “MATERIAL” SUBSIDIARIES**

Approved on: 22<sup>nd</sup> October, 2014  
First Revision on: 22<sup>nd</sup> January, 2018  
Second Revision on: 29<sup>th</sup> March, 2019



## **1. PHILOSOPHY**

This policy is called “ASIAN PAINTS LIMITED – POLICY FOR DETERMINING MATERIAL SUBSIDIARIES” (hereinafter referred to as “this Policy”).

This policy intends to comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, to determine material subsidiaries of the Company.

Asian Paints Limited (hereinafter referred to as “the Company”) has investments in various subsidiaries. This Policy shall apply for determining whether a subsidiary is a material subsidiary of the Company.

## **2. MEANING OF TERMS USED**

- a. **“Act”** means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time.
- b. **“Audit Committee”** shall mean the Audit Committee of the Board of Directors or such other Committee as may be approved by the Board of Directors, from time to time, under the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c. **“Board”** refers to the Board of Directors of Asian Paints Limited.
- d. **“Company”** or **“Asian Paints”** refers to Asian Paints Limited, having its Registered Office at 6A, Shantinagar, Santacruz (East) Mumbai – 400 055.
- e. **“Subsidiary(s)”** shall mean subsidiaries of the Company as defined under the Act and as per the applicable accounting standards.

Words, terms and expressions used and not defined in these rules or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 but defined in the Act shall have the same meaning respectively assigned to them in the Act.

## **3. POLICY AND PROCEDURES**

The Company shall consider a Subsidiary as a material subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of Asian Paints and its subsidiaries in the immediately preceding accounting year. (hereinafter referred to as “Material Subsidiary”).



The Company shall nominate at least one independent director on the Board of directors of Asian Paints as a director on the board of directors of the unlisted Material Subsidiary, whether incorporated in India or not and whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of Asian Paints and its subsidiaries in the immediately preceding accounting year.

The Company shall follow such governance procedures in relation to Subsidiaries as may be outlined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Act from time to time.

The Company shall not:

- a. dispose off shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than fifty percent (50%)/ cease the exercise of control over the Material Subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal, or under a resolution plan duly approved under Section 31 of the Insolvency Code and such an event is disclosed to the recognised stock exchanges within one day of the resolution plan being approved; and
- b. sell, dispose and/or lease assets amounting to more than twenty percent (20%) of the assets of the Material Subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly approved under Section 31 of the Insolvency Code and such an event is disclosed to the recognised stock exchanges within one day of the resolution plan being approved.

The Management of the Company shall monitor and ensure that as and when any of the subsidiary is determined as a Material Subsidiary the same shall be intimated to the Audit Committee. The Audit Committee shall review the same and make suitable recommendations to the Board to ensure compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard.

This Policy may be amended by the Board from time to time to be in line with any amendments made to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Act and such other guidelines issued by SEBI.



# **ASIAN PAINTS LIMITED**

## **Risk Management Policy**

Approved on: 26<sup>th</sup> March, 2015

First revision: 20<sup>th</sup> July, 2021

## **BACKGROUND**

Business constantly involves taking calculated risks with a view to maximize shareholder wealth while being a good / responsible corporate citizen for the society and environment alike. The Board of Directors and the management, in their fiduciary capacity, are expected to ensure that uncertainties impacting the Company's strategies, objectives and goals are identified and adequate proactive steps taken to ensure sustainable growth.

Recent changes in regulations have attempted to formalize this role of the management and Board of Directors and prescribed the role of the Boards, the structure and composition of the apex body in the Company to address risks followed with necessary disclosure requirements.

## **OBJECTIVE AND PURPOSE**

This policy articulates the Company's approach to address uncertainties in its endeavour 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 the framework for risk management.

This policy and the Internal Financial Controls comprehensively address the key strategic / business risks and operational risks respectively.

## **DEFINITION AND COMMITMENT**

"Risk" is the effect of uncertainty on objectives and Risk Management is the coordinated activities to direct and control an organization with regard to risk.

The Company recognizes that risk is an integral and inevitable part of business and is fully committed to managing 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 the cost of minimizing the impact of risks and incorporates risk mitigation plans in its strategy and business/ operational plans.

The Company, through its risk management process, strives to contain and minimize the negative effect of an uncertainty within the risk appetite as agreed from time to time with the Board of Directors and strives to capitalize on the positive effect of any uncertainty. The Company realizes that some variables in the external environment may not be fully controllable.

The Company treats risks by either eliminating/ reducing the likelihood and/ or impact of its occurrence, transfer/ share the risks if possible or avoid the risks. In doing so the Company consciously balances the cost and benefits of the risk treatment options and also the business opportunity in taking a particular risk.

## **RISK IDENTIFICATION AND MITIGATION FRAMEWORK**

The management is primarily responsible for instituting a risk management framework and put in policies and processes for implementing the framework. The management uses the ISO 31000 framework as a guiding tool in its risk management efforts.

The Risk Management Committee formed by the Board of Directors, is bound by the charter drawn up by the Board of Directors of the Company which lays down the rights, duties and responsibilities of the Risk Management Committee. The Risk Management Committee is inter alia responsible for oversight of the overall risk management process of the Company and to ensure that key strategic and business risk are identified and addressed by the management. Specifically, RMC is concerned with the identification of internal and external risks faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks, business continuity or any other risk, as may be identified from time to time and ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

The Steering Committee comprising of the MD and CEO, the CFO and Company Secretary, and all Vice Presidents and Associate Vice Presidents are responsible for laying down the risk management framework within the Company, its implementation, identification of the key strategic and business risks that are likely to impact the achievement of Company's objectives and put in place risk treatment plans and measures for risk mitigation including systems and processes for internal control for the identified risks.

The One Link comprising of all the General Managers in the Company are responsible for identifying, assessing and treating risks that affect the smooth and efficient functioning of business, correct and accurate financial reporting, safeguarding of assets and achieving the functional objectives. They are also responsible for creating a risk awareness within the organization and culture within their domain. They assist the Steering Committee in implementing the risk treatment plans for the key strategic and business risks facing the Company.

Each function starts the risk management exercise by identifying the uncertainties and its effect in the context of its functional objectives. Functional objectives encompass explicit and implicit expectations of various stakeholders concerning the function. The identified uncertainties and their effect are rated on a matrix of likelihood and impact and those that have at least a medium rating in one with a high rating in the other are considered for active treatment and monitoring.

All risk identification, assessment and mitigation exercise is carried out before the annual planning exercise and the specific risk mitigation tasks along with resources are made part of the annual budgets and functional objectives for the coming year(s). These are reviewed periodically by the respective functions and necessary course corrections are made if necessary.

The risk identification, assessment and mitigation process actively involves people at all levels in the management.

## REVIEW OF RISK MANAGEMENT POLICY

This policy will be reviewed at least once in two years to ensure that it meets the expectations laid down by the risk management committee of the board, changes to legislations and any emerging risk management practices found relevant to the Company due to changing industry dynamics and evolving complexity.

# Policy on Equal Opportunity and Non-Discrimination

## 1. Introduction

Asian Paints Limited (the Company) is committed to provide equal opportunities without any discrimination, *inter alia*, on the grounds of age, color, origin, nationality, disability, religion, race, caste, gender, sex, sexual orientation, personal characteristic or status. We believe that Inclusion, Equity, and Diversity (IED) at the workplace is an instrument for economic growth, sustainable competitive advantage, and societal progress.

Our IED vision is that:

*“Being a progressive, world class organisation we have created a psychologically safe and inclusive environment which champions diversity in capability and thought leadership”.*

This policy is in alignment with the provisions of the Rights of Persons with Disabilities Act, 2016, the Rights of Persons with Disabilities Rules, 2017, the Transgender Persons (Protection of Rights) Act, 2019 and the Transgender Persons (Protection of Rights) Rules, 2020 and related governing laws in the country.

## 2. Applicability of this Policy

At Asian Paints, we recognize the value of a diverse workforce. We are committed to providing equal opportunities in employment and fostering an inclusive workplace where all employees are treated with respect, equality, and dignity. This policy is applicable for all job applicants, employees of the Company and its subsidiaries.

## 3. Equality and Non-Discrimination

The Company aims to create equal opportunities where all employees from different backgrounds may function without any barriers. The company provides fair opportunity to all employees to participate, develop and contribute freely and equitably. The Company prohibits any kind of discrimination, harassment, victimization, or any other unfair practice against an employee and/or a business associate on the grounds of age, color, origin, nationality, disability, race, religion, caste, gender, sex, sexual orientation, personal characteristic or status.



#### **4. Eligibility for positions offered at the Company**

At Asian Paints, there is no discrimination in the selection process, *inter alia*, based on the grounds of age, color, origin, nationality, disability, religion, race, caste, gender, sex, sexual orientation, personal characteristic or status. The Company shall ensure its hiring channels and procedures are inclusive. Hiring is purely based on merit and candidates are evaluated based on their qualifications, skills, experience, potential and competence to perform the role requirement. Reasonable facilities and amenities shall be provided to job applicants with disabilities as per request and company's discretion.

#### **5. Confidentiality**

- a. All employees and candidates have the right to disclose their gender, gender identity, disability status, HIV/AIDS status, etc. or keep such information private.
- b. Any employee desiring to change their name, gender or disability status or any information relating to their medical health in the official records of the Company should contact the Human Resources team.
- c. All such information collected by the Company (as identified in pt. (a) above) from in relation to their protected characteristics will be kept confidential, and will be used in accordance with applicable laws and subject to applicable law and/or the following exceptions:
  - i. Managers/HR may be given information about an employee's disability for allowing/providing necessary facilities
  - ii. Security personnel may be given information about an employee's disability to facilitate obtaining any necessary support during an emergency.
  - iii. Information in relation to the protected characteristics shall be shared with Statutory Authorities and/or disclosed appropriately in public disclosures (without identifying the person) as per the requirements of applicable law.

#### **6. Facilities and Amenities**

The Company shall take all actions to ensure that a conducive environment is provided for all employees including persons with disabilities, LGBTQIA+ persons to perform their roles and excel in the same. The Company shall conduct, support, and promote at its locations, awareness campaigns and sensitization programs through appropriate means to promote inclusion.

The Company shall build systems and processes to ensure that:

- The facilities are compliant with the 'Harmonized Guidelines and Space Standards for Barrier Free Built Environment for Persons with Disabilities and Elderly Persons' (as amended from time to time), issued by the Ministry of Urban Development, Government of India.
- The provision is made for an accessible environment and assistive devices as required are made available.

## **7. Liaison and Complaint Officer**

The Company has appointed Mr. Nishad Divekar, General Manager – Human Resources, as a Liaison Officer for persons with disabilities, as per the requirements of the Central Rules under the Rights of Persons with Disabilities Rules, 2017 (including such and as a Complaint Officer as per requirements of the Transgender Persons (Protection of Rights) Rules, 2020.

The Liaison and Complaint Officer shall ensure:

- a) that all feasible locations and functions comply with the provisions of the policy.
- b) that employees and job applicants with disabilities and persons of all genders receive the needed facilities and amenities for performing their job and participating in the selection process on an equal basis with others.
- c) that awareness is created among all employees to create an inclusive work environment
- d) that enquiry into the complaints received is conducted and report is submitted to the Chief Human Resources Officer.

## **8. Grievance Redressal**

Business HRs have the functional responsibility for ensuring compliance with this policy. They should proactively take steps to ensure that all employees are sensitized and there is no discrimination in recruitment, training, career development and other aspects of employment.

For any complaints related to the implementation of this policy, employees may reach out to their Business HR and/or Liaison and Complaint Officer identified as per this policy at [InclusionEquityandDiversity@asianpaints.com](mailto:InclusionEquityandDiversity@asianpaints.com).

In case an employee raises a concern, it is assured that they won't be under any risk in the form of retribution or retaliation. The Company shall not tolerate any harassment or victimization (informal pressures) against any employee raising the concern.

The Company shall endeavor to resolve all the grievances and/or concerns raised regarding the implementation of this policy within 30 days of receipt of the said information. Such cases shall be dealt as per the Code of conduct policy of the company and appropriate corrective action shall also be taken.

## **9. Amendments to the policy**

The Company is committed to continuously reviewing and updating its policies and procedures. Accordingly, this policy is subject to modification and updates. This policy shall be reviewed once in three (3) years.

This Policy will be available on the intranet portal of the Company and the website of the Company at [www.asianpaints.com](http://www.asianpaints.com).

**Amit Syngle**  
**Managing Director & CEO**

# ASIAN PAINTS LIMITED

## ARCHIVAL POLICY

Approved and adopted by the Board of Directors of Asian Paints Limited at its meeting held on 16<sup>th</sup> November, 2015

## INTRODUCTION

In accordance with Regulation 30 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Asian Paints Limited (hereinafter referred to as “the Company”) is required to formulate a Policy on archival of information/events disclosed on the website of the Company ([www.asianpaints.com](http://www.asianpaints.com)).

The Archival policy shall be effective from 1<sup>st</sup> December, 2015 (“Effective Date”).

## POLICY

In line with the Company’s “Policy on determination of Materiality of Events/Information”, the Company shall disclose all such events to the Stock Exchanges and such disclosures shall be hosted on the website of the Company for a period of 5 years, from the end of the financial year in which the said disclosure was made, and thereafter the same shall be archived so as to be available for retrieval for such period as may be decided by the Managing Director & CEO and Chief Financial Officer of the Company.

## AMENDMENTS TO THE POLICY

The Company is committed to continuously reviewing and updating our policies and procedures. Therefore, this policy is subject to modification. Any amendment of any provision of this policy shall be carried out by persons authorized by the Board in this regard.

# Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace

Responsible Party: Corporate HR

Revised Date: 1<sup>st</sup> April, 2020

## Purpose

Employees have right to life and live with dignity under Article 21 of the Constitution and right to practice any profession or to carry on any occupation, trade or business which includes a right to a safe environment free from sexual harassment.

## Applicability

This policy has come into effect from 18th June, 2013 and is applicable to all permanent employees, contract workers, probationers, temporary employees, trainees, apprentices of Asian Paints Ltd and any person visiting the Asian Paints Ltd, Asian Paints House, Vakola establishment in connection with any work.

## Responsibility

It shall be the duty and responsibility of the Business Unit Head to ensure prevention, prohibition and redressal of sexual harassment at the workplace; and also ensure adherence to the provisions under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**“Sexual harassment”** includes any one or more of the following unwelcome acts, or behaviors (whether directly or by implication) namely:

1. physical contact and advance; or
2. a demand or request for sexual favours; or
3. making sexually coloured remarks; or
4. showing pornography; or
5. any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

## Sexual Harassment at Workplace:

1. No woman shall be subjected to sexual harassment at the workplace
2. The following circumstances, among other circumstances, if it occurs or is present in relation to or connected with any act or behavior of sexual harassment may amount to sexual harassment:
  - a. implied or explicit promise of preferential treatment in her employment or implied or explicit threat of treatment in her employment detrimental or
  - b. implied or explicit threat about her present or future employment status or
  - c. interference with her work or creating an intimidating or offensive or hostile work environment for her or
  - d. Humiliating treatment likely to affect her health and safety.

### *Internal Complaints Committee*

In order to provide safe and congenial work environment and to protect employees from sexual harassment at workplace, Internal complaints committee has been constituted at various locations. The Presiding officer and every member of the Internal complaints committee shall hold office for a period of three years from the date of their nomination. This internal complaints committee shall look into all complaints received. Details of the various committees are available on Huddle under “Consolidated Policies and Benefits” groups for executive and managers, non-plant officers and plant officers.



## *Complaint of Sexual Harassment :*

Any aggrieved women may make, in writing, a complaint of sexual harassment at the workplace to the Internal Committee within a period of three months from the date of the incidence.

Provided further that the internal complaints committee may, for the reasons to be recorded in writing, extend the time limit not exceeding three months, if it is satisfied that the circumstances were such which prevented the women from filing a complaint within the said period.

## *Handling of complaints by Internal Complaints Committee :*

- a. The internal complaint committee may before initiating an enquiry, at the request of the aggrieved women take steps to settle the matter between her and the respondent through conciliation. No monetary settlement shall be made as a basis of conciliation.
- b. Where the settlement has been arrived at, the Internal Complaints Committee shall record the settlement so arrived and forward the same to the employer to take action as specified in the recommendation.
- c. The copies of the settlement shall be given to the aggrieved women and the respondent and no further enquiry shall be conducted by the internal complaint committee.
- d. Where the aggrieved women do not make request for settlement with the respondent or the respondent does not comply with any term or condition of settlement arrived or no settlement is arrived at between the aggrieved women and respondent, the Internal complaints committee shall proceed to make enquiry into the complaint in accordance to the service rules applicable to the respondent.
- e. The principles of natural justice and fair play shall be adhered to in an enquiry if both parties are employees, and copy of the findings of the committee shall be provided to both the parties.





- f. The Internal complaints committee is constituted as per the provisions under 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', and shall have same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 in respect of the following matters during the course of inquiry, namely
- I. Summoning or enforcing the attendance of any person and examining him on oath.
  - II. Requiring the discovery and production of document; and
  - III. And anyother matter which may be prescribed
- g. The enquiry shall be completed within a period of ninety days from the date of receipt of complaints by the Internal Complaints Committee.
- h. During the pendency of the enquiry, on a written request made by the aggrieved women, Internal Complaints Committee may recommend to the employer to:
- i. Transfer the aggrieved women or the respondent to any other workplace; or
  - ii. Grant leave to the aggrieved women up to three months (the leave granted to the aggrieved women shall be in addition to the leave she would be otherwise entitled)
  - iii. Grant such other relief to the aggrieved woman which is prescribed.
- i. Recommendation by Internal complaints committee as per the above clauses shall be duly implement by the Business Unit Head and reported to the Internal Complaints Committee in writing.
- j. On the completion of the enquiry, the Internal complaints committee shall provide report of its finding to the Business Unit Head within the period of ten days from the date completion of enquiry and such report shall be made available to the parties concerned.



- k. Where the Internal complaints committee arrives at a conclusion that the allegation against the respondent has not been proved, it shall recommend to the Business Unit Head that no action is required to be taken in the matter.
- l. Where the Internal Complaints Committee arrives at the conclusion that the allegation against the respondent has been proved, it shall recommend to the Business Unit Head to take action as per the clause 13 (3) of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- m. Where the Internal Complaints Committee arrives at the conclusion that the allegation against the respondent is malicious or the aggrieved women or any other person making the complaints has made the complaints knowing it to be false or the aggrieved women or any other person making the complaints has produced any forged or misleading document, it may recommend to the Business Unit Head to take action against the women or the person who has made the complaint. Mere inability to substantiate a complaint or provide adequate proof need not attract action against the complainant. Malicious intent on part of the complainant shall be established after an inquiry in accordance with the procedure as prescribed has been completed before any action is taken.
- n. Where the Internal Complaints Committee arrives at a conclusion that during the enquiry any witness has given false evidence or produced any forged or misleading document, it may recommend to the Business Unit Head to take action in accordance with the provisions of the service rules applicable to the witness.
- o. For the purposes of determining the sums to be paid to the aggrieved woman under the Clause 13(3)(ii) of the Act, the Internal Committee shall have regard to:
- i. the mental trauma, pain, suffering and emotional distress caused to the aggrieved woman,
  - ii. the loss in the career opportunity due to the incident of sexual harassment,
  - iii. medical expenses incurred by the victim for physical or psychiatric treatment,
  - iv. income and financial status of the respondent, and
  - v. feasibility of such payment in lump sum or in installments.
- p. Any information related to the conciliation, inquiry, recommendations or action taken shall be kept confidential and not be published, communicated or made known to the public, press and media in any manner.





## *Additional Responsibility of the Business Unit Head*

- a. provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace;
- b. Display at any conspicuous place in the workplace, the penal consequences of sexual harassments; and the order constituting the Internal Committee.
- c. organize workshops and awareness programs at regular intervals for sensitizing the employees with the provisions of the Act and orientation programs for the members of the Internal Committee in the manner as may be prescribed;
- d. provide necessary facilities to the Internal Complaints Committee dealing with the complaint and conducting an inquiry;
- e. assist in securing the attendance of respondent and witnesses before the Internal Complaints Committee;
- f. make available such information to the Internal Complaints Committee as it may require having regard to the complaint received from aggrieved woman;
- g. provide assistance to the woman if she so chooses to file a complaint in relation to the offence under the Indian Penal Code or any other law for the time being in force;
- h. cause to initiate action, under the Indian Penal Code or any other law for the time being in force, against the perpetrator, if the aggrieved woman so desires;
- i. treat sexual harassment as a misconduct under the service rules and initiate action for such misconduct;
- j. Monitor the timely submission of reports by the Internal Complaints Committee.

The Internal Complaint Committee shall in each calendar year prepare an annual report in the prescribed form and submit the same to the Business Unit Head and District Officer (District Magistrate / Collector) within 15 days of the close of the calendar year.



Where the employer fails to constitute an internal committee or take action or contravenes or attempts to contravene or abets contravention of the provisions of the Act, he shall be punishable with fine which may extend up to fifty thousand rupees. For conviction of same offence again, twice the punishment imposed earlier will be the liability. In cases of higher punishment, revocation, cancellation of registration/license may be imposed.

### ✓ *Appropriate / Desired Conduct*

- Keeping a respectful physical distance when speaking with a colleague
- Taking care to use respectful language when talking with co-workers and being mindful of one's body language
- A hands-off policy
- Having respect for surroundings and people around even when displaying a sense of humour.
- Discourage conducting meetings in a Hotel Room, make use of common areas (quiet space in the lobby/24-hour cafe/sitting area/lounge) for conducting the meeting. In case the same is unavoidable, a prior approval from the Function Head will be required.
- Taking responsibility for corrective action as soon as one becomes aware of any incident of sexual harassment, even involving others. In case a colleague shares their concern(s) with you, do not trivialize the issue. Encourage the colleague to report the case to IC committee.

### ✗ *Unacceptable Conduct*

- An unwelcome physical contact
- Stalking
- Demeaning comments / remarks about physical attributes about women colleagues / customers / clients / vendors
- An employee is made uncomfortable by team members who regularly tell sexually explicit jokes
- An employee pinches and fondles a co-worker against his/her will
- Sending emails or messages to co-workers that contain sexually explicit language and jokes
- Non-verbal unwelcome behavior such as staring repeatedly, obscene gestures, sexually suggestive glances
- Abetting harassment of a colleague
- A senior asking for sexual favours in return for better prospects, threat of withdrawal of benefits, threat to continuity of job of a subordinate
- Any unwelcome behavior 'under the influence of alcohol' cannot be treated as a justification for sexual advances / harassment.



 **Office Romance**

The company does not encourage or discourage romantic relationships developing between two consenting employees. However, in case a relationship develops between two individuals who work in the same department or location and whether having a reporting relationship or not, it will be the responsibility of both the individuals to inform Vice President – Human Resources immediately. The Vice President – Human Resources may, upon examination of the facts, prescribe such steps as he / she may think necessary, including change in reporting relationship and change in assignment, to ensure there are no conflict of interests or other undesirable consequences. In the event such relationship goes sour, associated with feelings, misgivings, loss or any kind of damage to the individual, any acts and consequences emanating from the same shall be the responsibility of concerned individuals.

*The Policy on Prevention of Sexual Harassment at workplace is being extended to male employees effective 1st October 2016. Accordingly, an aggrieved male employee may make, in writing, a complaint of sexual harassment at the workplace to the functional head or business HR within a period of three months from the date of the incidence. The Functional head would be responsible to constitute an appropriate committee for the investigation of the complaint. The committee would initiate an enquiry and submit a report on completion of the investigation. Based on the enquiry findings and the recommendations made by the committee, the management would take action in accordance with the provisions of the service rules.*



## **ASIAN PAINTS LIMITED**

### **POLICY ON ENGAGEMENT OF STATUTORY AUDITORS OF THE COMPANY**

**Formulated on:** 29<sup>th</sup> March, 2023

## **1. SCOPE AND APPLICABILITY**

The objective of the Policy on engagement of Statutory Auditors of the Company (“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. This Policy would ensure transparency, objectivity, independence of the statutory auditor and compliance with all statutory requirements.

The Policy is applicable to the Company and to the extent relevant to the subsidiaries, associates, and joint ventures of the Company.

## **2. APPOINTMENT OF STATUTORY AUDITORS**

The appointment of statutory auditors is governed by the provisions of the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In accordance with Section 139 of the Act, the Company shall appoint an individual or a firm as an auditor for one term of 5 (five) consecutive years and maximum two terms i.e. 10 (ten) years.

Further, the partner of the firm who is authorised to act and sign on behalf of the firm shall rotate if he has acted in that role for 5 (five) successive years.

The statutory auditors shall not be appointed/re-appointed for 5 (five) years after the completion of the term of 10 (ten) years as mentioned above. Furthermore, no audit firm having a common partner to the other audit firm, whose tenure has expired in the Company immediately preceding the financial year, shall be appointed as an auditor of the Company for a period of 5 (five) years.

## **3. POLICY AND PROCEDURES FOR APPOINTMENT OF STATUTORY AUDITORS**

### **3.1 Eligibility and qualifications of statutory auditors**

The Company shall appoint a firm as an auditor of the Company, and only the partners who are Chartered Accountants in practice shall be authorized by the firm to act and sign on behalf of the firm. Additionally, the following factors shall be assessed while identifying an auditor:

- a. Professional standing and reputation
- b. Independence and no conflict-of-interest position in terms of relevant regulatory provisions, standards, and best practices
- c. Past relevant professional experience of at least 10 years in audit services.

A partner authorised by the firm to act and sign on behalf of the firm shall not be eligible as such, if:

- a. he is of unsound mind and stands so declared by a competent court
- b. he is an undischarged insolvent
- c. he has applied to be adjudicated as an insolvent and his application is pending
- d. he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence.



Such a firm and the partner authorised by the firm to act and sign on behalf of the firm, against whom any order or case relating to fraud or misfeasance, or misappropriation of funds is pending with the National Financial Reporting Authority, the Serious Fraud Investigation Office, the National Company Law Tribunal, the National Company Law Appellate Tribunal and/or the courts of law shall not be considered for appointment as statutory auditors of the Company.

Before such appointment is made, the written consent of the audit firm to such appointment, and a certificate from it that the appointment, if made, shall be in accordance with the conditions as prescribed under the Act, shall be obtained.

### **3.2 Audit Committee**

The responsibility for oversight and ensuring that the appointment of statutory auditors meets the requisite statutory and regulatory standards as well as the stipulations under this Policy vests with the Audit Committee. The Audit Committee shall evaluate the qualifications and experience of the proposed statutory auditors and whether such qualifications and experience are commensurate with the size and requirements of the Company.

The Audit Committee after being satisfied shall make recommendations for appointment and terms of appointment of auditors of the Company to the Board for consideration. The Audit Committee shall recommend audit fees for statutory auditors which is in terms of applicable regulatory provisions and is reasonable and commensurate with their respective scope and coverage of audit, size and spread of assets, accounting and administrative units, complexity of transactions, level of computerization, identified risks in financial reporting, etc.

### **3.3 Board of Directors**

The Board of Directors of the Company, considering the recommendation of the Audit Committee, shall approve and further recommend the appointment of statutory auditors to the members in the Annual General Meeting.

### **3.4 Shareholders**

The appointment/re-appointment of the statutory auditors is required to be approved by the Shareholders of the Company in the Annual General Meeting by passing an Ordinary Resolution. The explanatory statement of the notice of the meeting shall disclose the following:

- a. Proposed fees payable to the statutory auditor(s) along with term of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change; and
- b. Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.

### **3.5 Disclosures**

- a. The Company shall inform the auditor concerned of its appointment.



- b. The Company shall file a notice of such appointment with the Registrar of Companies.
- c. The Company shall disclose such appointment to Stock Exchanges on which its shares are listed.
- d. The Company shall upload the auditor's profile on the website of the Company.
- e. The Company shall disclose such appointment and the overall fees that the Company has paid to the statutory auditors and the details of the services provided to the Company and to the Group for both audit and non-audit services.

#### **4. ROLE AND RESPONSIBILITY OF STATUTORY AUDITORS**

The statutory auditors shall:

- a. be strictly guided by the relevant professional standards in discharge of their audit responsibilities with highest diligence.
- b. be present in all the meetings of the Audit Committee scheduled for consideration of financial results.
- c. present to the Audit Committee its strategy and working plan in relation to the audit and the implementation thereof, any other issues relating to the audit process, and any other issues provided for by applicable laws.
- d. provide their opinion on management's accounting treatment of complex, high-risk or contested operations or transactions, the methods and hypotheses used by management in significant accounting estimates, as well as the effect of taking alternative methods or hypotheses into consideration.
- e. report any significant findings deriving from its audit process and other related work.
- f. approach the Chairman of the Audit Committee in case of any concern with the management of the Company/material subsidiary such as non-availability of information/non-cooperation by the management which may hamper the audit process.

#### **5. REVIEW OF PERFORMANCE**

The Audit Committee shall annually review and monitor the auditor's independence, performance, effectiveness of audit process and level of coordination among the different firms auditing the entities of the Group, if there is more than one such firm.

To this end, the statutory auditors shall include in the annual certification a statement in which it reports on compliance with the internal procedures that have been implemented to guarantee quality and safeguard independence.

#### **6. NON-AUDIT SERVICES**

The offering of any non-audit related services under Section 144 of the Act, by the statutory auditors of the Company, and all entities that are part of the network firm / network entity of which such auditor is a member, shall require the prior approval of the Audit Committee of the Company. However, such service shall not include any of the following services, whether rendered directly or indirectly to the Company or its subsidiary companies:

- a. accounting and bookkeeping services
- b. internal audit
- c. design and implementation of any financial information system
- d. actuarial services

- e. investment advisory services
- f. investment banking services
- g. rendering of outsourced financial services
- h. management services
- i. any other kind of services as may be prescribed.

#### **7. CASUAL VACANCY AND REMOVAL**

Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within 30 days, but if such casual vacancy is as a result of the resignation of an Auditor, such appointment shall also be approved by the Company at a general meeting convened within 3 months of the recommendation of the Board and the firm shall hold the office till the conclusion of the next Annual General Meeting.

In case the statutory auditors propose to resign, all concerns with respect to the proposed resignation, along with relevant documents shall be brought to the notice of the Audit Committee. Further, the reasons for such resignation as given by the auditor, shall be disclosed by the Company to the stock exchanges.

The Auditor may be removed before the expiry of the term only by a special resolution of the Company, after obtaining the previous approval of the Central Government in that behalf in the manner prescribed under the Act.

#### **8. RESTRICTION ON EMPLOYMENT OF AUDITORS**

A current or former partner/ director (including such other equivalent designation) of any firm that has been appointed as the statutory auditors of the Company, shall not be appointed to a financial reporting oversight role (*a role in which a person is in a position to or does exercise influence over the contents of the financial statements of the Company or anyone who prepares causing a violation of independence requirements*) for a period of 2 (two) years from the date of termination of the last engagement of the relevant firm as statutory auditors of the Company.

#### **9. AMENDMENTS TO THE POLICY**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Policy is subject to modification. The Audit Committee shall review this Policy once in three (3) years. This Policy and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website at [www.asianpaints.com](http://www.asianpaints.com).

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.



**ASIAN PAINTS LIMITED**  
**ABRIDGED VERSION OF INTERNAL AUDIT CHARTER**

Approved on: 19<sup>th</sup> January, 2023

## 1. INTRODUCTION: THREE LINES OF DEFENCE

As part of robust internal controls, Asian Paints Limited ('the Company') has adopted the three lines of defense model:

- a. The front line includes the functions which are responsible for delivery of product/ services while managing the risks. They have the necessary knowledge, skills, information, and authority to operate the relevant policies and procedures for risk management.
- b. The second line are the functions which provide assistance with managing risks. They are specialized in compliance, quality, information security etc. and provide support in the management of risk to the first line.
- c. The third line is Internal Audit (IA) which provides independent and objective assurance and advice on the adequacy and effectiveness of governance and risk management.

The objective, scope, independence & objectivity, authority and responsibility of IA are governed by the Internal Audit Charter. The authorities and responsibilities relating to IA are delegated to the Chief Internal Auditor (CIA), by whatever name called within the Company, to achieve these objectives.

This is an abbreviated version of the Internal Audit Charter, and the detailed version of the Charter is for internal reference purposes.

## 2. OBJECTIVE

The Internal Audit (IA) department's objective is to provide independent and objective assurance and consulting services to add value and improve the Company's operations. It helps those charged with governance {which comprises of Board of Directors (Board) and Audit Committee (AC), Managing Director & Chief Executive Officer (MD & CEO), Chief Financial Officer (CFO) & Company Secretary (CS)} in the Company to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

## 3. SCOPE OF INTERNAL AUDIT

The scope of IA includes providing reasonable assurance on the adequacy and effectiveness of risk management processes in the Company and internal control over operations viz. policies and procedures towards orderly and efficient conduct of business, sustainability of business, compliance with applicable laws, information systems including information technology and information security, safeguarding of its assets, prevention & detection of frauds & errors, accuracy & completeness of the accounting records and financial information.

Additionally, as per the request of AC and/or MD & CEO, internal audit could be involved in an advisory or consulting role in so far as it is not impinging upon its independence and objectivity. To ensure independence, the person involved in advisory, and consulting will be different from the person carrying out audit of that area.

As part of the oversight responsibility, the AC and/or MD & CEO may ask the IA department to perform internal audits, advisory or consulting activities for subsidiaries, associates, and joint ventures of the Company.

#### **4. INDEPENDENCE AND OBJECTIVITY**

- a. The CIA will report functionally to the Audit Committee and administratively to the MD & CEO.
- b. IA will be independent of the activities it audits, IA personnel will not have any responsibility/authority for management of operating activities, controls, or procedures it audits.
- c. IA personnel will not design the operating procedures. However, they may provide suggestions to operating employees insofar as it is not impinging upon their independence and objectivity.
- d. Personnel of IA department and co-sourced internal audit service provider shall be free from any conflicts of interest.
- e. In case there is any potential conflict to either independence or objectivity, the CIA should bring the same to the attention of the AC and act in accordance with the guidance from the AC.

#### **5. AUTHORITY**

The CIA or other IA personnel/ external agency/ firm, nominated/appointed by the CIA, for the purpose of carrying out any audit, shall have the following authority with respect to the Company, its subsidiaries, associates and joint ventures:-

- a. full, free, unrestricted and timely access to records (manual/electronic), systems, property, personnel and facilities;
- b. complete authority to audit any and all of the activities;
- c. allocate resources, set frequencies, select subjects, determine scope of work, and apply the techniques required to perform the audit;
- d. obtain the necessary assistance of personnel where they perform audits;
- e. obtain any other specialized services from within or outside the Company to carry out their work;
- f. access to the objectives, long and short terms plans, budgets, performance reports, IT systems and other related information;
- g. to have periodic sessions with the AC and, direct access to the AC Chairperson.

All employees of the Company and of the subsidiaries, associates and joint ventures are required to assist the IA department, by providing necessary information, records, access, resources to effectively discharge the IA responsibilities.

#### **6. CHIEF INTERNAL AUDITOR RESPONSIBILITIES**

- a. Internal Audit plan:
  - i. Develop a risk-based internal audit plan in consultation with those charged with governance and the management and obtain AC approval on the audit planned and implement the audit plan.
  - ii. Engage with risk management function to onboard emerging risks in IA plan/ scope.

- b. Internal Audit execution:
  - i. Ensure independence is maintained at all times.
  - ii. Ensure adequate coverage of all significant risks on all the audits conducted.
  - iii. Leverage technology and analytics, wherever appropriate.
  - iv. Deploy resources (including external) with necessary expertise required for the audit.
  - v. Ensure appropriateness of management action to address any shortcomings highlighted during audit.
- c. Internal Audit Practices:
  - i. Ensure that IA stays relevant by keeping abreast of emerging auditing practices and changing business environment and needs of the Company.
  - ii. Take periodic feedback from auditee, benchmark with industry peers/ professional practices/ framework by professional bodies, to strive for continuous improvement in audit practices.
- d. Reporting:
  - i. Periodically reporting progress made with respect to the audit plan along with significant findings and management's action plan to address these issues, to those charged with governance.
  - ii. Report to other relevant internal stakeholders on matters which require external reporting as per any applicable law.
  - iii. Share/ discuss the audit plan and findings with the Statutory Auditors of the Company.
- e. Assist the management in investigation of fraud/ misconduct, where called upon.
- f. Provide IA service/ Internal Financial Control related assurance support to the subsidiaries, associates and joint ventures on request from the Board of the respective companies, AC or the MD & CEO of the Company.

## **7. ADHERENCE TO STANDARDS**

The CIA and other IA personnel, including personnel from the co-sourced internal audit service providers to follow the Company's Code of Conduct and auditing processes/ guidelines/ standards issued by the Institute of Chartered Accountants of India from time to time as applicable/ relevant to the Company.

## **8. PERFORMANCE MANAGEMENT**

The AC, along with the MD & CEO, shall evaluate the performance of the CIA as per a formal and systematic approach and based on objective criteria agreed upon from time to time.

## **9. LIMITATIONS**

- a. Corrective Actions: IA does not have the authority or responsibility for implementing corrective actions for resolving audit findings as these are management's responsibility. IA can assist the management in formulating corrective actions and carrying out follow-up audits to ensure that these have been implemented.
- b. Reasonable assurance: IA's procedures are based on selective and sample testing, therefore, IA may not be able to detect all cases of significant risks, management override, misrepresentation, material error, fraud, bribery, non-compliance and corruption and any other illegal/ unethical activities.
- c. Fraud risks: While IA personnel should be sensitive to any significant control weaknesses that could be a potential source of fraud and report any instances of suspected or detected fraud uncovered during an audit, however they are not expected to have knowledge equivalent to that of a person whose primary responsibility is to detect and investigate fraud.

## **10. AMENDMENTS TO THE CHARTER**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, the Internal Audit Charter is subject to modification. The Audit Committee shall review the Internal Audit charter once in three (3) years. The abridged version of the Internal Audit Charter and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website at [www.asianpaints.com](http://www.asianpaints.com).



**ASIAN PAINTS LIMITED**  
**ADVOCACY POLICY**

Version 1.0	30 <sup>th</sup> March, 2023
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## **INTRODUCTION**

Standing true to our Charter value of 'Standing for each other's success', we at Asian Paints Limited are committed to open and transparent engagements that create a sustainable future, advance economic value, and promotes trust in our vision of 'Bringing joy to people's lives.

This Policy is called the "Asian Paints Limited – Advocacy Policy" (hereinafter referred to as "this Policy") and shall be effective from 30<sup>th</sup> March, 2023 ("Effective Date").

As a leading paint manufacturing Company, Asian Paints actively engages in discussions with governments, policy makers, think-tanks, and civil society to advocate the important issues impacting our business, our customers, the communities that we operate in, and the world at large.

The scope and nature of engagement with the external stakeholders is required to be within the framework that the Code of Conduct prescribes for all employees.

We play an active role towards building consensus around:

- manufacturing safe and sustainable products,
- ease of doing business,
- ensuring skills for jobs and employability, and
- thought leadership in environment and sustainability approach.

Asian Paints generally participates in public policy making and advocacy activities via the following industry bodies/ associations:

- Federation of Indian Chambers of Commerce & Industry (FICCI),
- Confederation of Indian Industry (CII),
- Indian Paint Association (IPA),
- The Advertising Standards Council of India (ASCI),
- Indian Society of Advertisers (ISA),
- Public Affairs Foundation of India (PAFI), and
- Associated chambers of commerce and Industry (ASSOCHAM).

## **AMENDMENTS TO THE POLICY**

Asian Paints is committed to continuously reviewing and updating its policies and procedures. The Board of Directors shall review this Policy once in three (3) years. Therefore, this Policy is subject to modification. This Policy and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website ([www.asianpaints.com](http://www.asianpaints.com)).

# **ASIAN PAINTS LIMITED**

## **ENVIRONMENT POLICY**

*Last revision was approved by the Board of Directors at their meeting held on 26<sup>th</sup> October 2023.*

**Asian Paints is committed to managing its operations including the deployment of resources using principles of sustainable development to minimize impact on the environment and communities.**

- We shall comply with all statutory requirements. We consider compliance with statutory EHS requirements as the minimum performance standard and are committed to going beyond and adopting stricter standards. We will partner with the Government and Industry Associations for policy and regulatory reforms related to the environment. We shall annually publish our environmental performance to all stakeholders.
- We shall source our materials and products from vendors that comply with all applicable statutory regulations including child labour laws. We shall encourage our Business Partners to protect environment including efficient use of natural resources, climate change mitigation, reducing greenhouse gas (GHG) emissions, prevention of pollution, waste reduction, and operate with consistent standards.
- We shall continually improve our products with an intention to reduce their environmental footprint. We shall inform the customers about the environmental impact and safe use of our products.
- We shall consult, inform, and train our employees to understand the impacts of operations on the environment and enable them to work in compliance with the policy.
- We are committed to protecting the environment by:
  - Adhering to the highest operational standards for handling hazardous materials
  - Preventing Pollution & leveraging the 3R (Reduce, Reuse, Recycle) Principle and moving towards Zero Industrial Effluent Generation and Zero Hazardous Solid Waste Generation
  - Minimizing impact of end-of-life plastics generated out of our packaging material
  - Reducing Energy-Intensity, Carbon-Intensity and increasing the contribution of Energy from Renewable Sources
  - Leveraging Rainwater Harvesting, Water Conservation & Water Replenishment and utilizing waste water as an alternate source
  - Nurturing Biodiversity within and outside our factory premises
- We are committed to continuous improvement in our Environmental Management System and performance on environment related parameters in all business processes and shall track and publish such improvement through measurable indicators.



This policy applies to all our sites where we have operational control over our activities, products and services, distribution, and logistics, as well as to all employees and contractors that work in them. This policy extends to all our subsidiaries, associates, and joint ventures to the extent applicable.

Asian Paints is committed to continuously reviewing and updating its policies and procedures. Our management is responsible for the execution of the policy. The Board of Directors shall review this Policy once in three (3) years. Therefore, this Policy is subject to modification. This Policy and every subsequent modification, alteration, or amendment made thereto, shall be promptly disclosed on our website ([www.asianpaints.com](http://www.asianpaints.com)).

# **ASIAN PAINTS LIMITED**

## HEALTH AND SAFETY POLICY

14<sup>th</sup> January, 2022

## **Health and Safety Policy of Asian Paints Ltd:**

Asian Paints is committed to ensuring safety and protecting the health of its employees, service providers, visitors, neighboring communities, customers and assets.

### **Scope and applicability of the Policy:**

This Health and Safety Policy is applicable to all the operating sites of Asian Paints, its subsidiaries, and joint ventures (where Asian Paints has Management Control). The operating sites include Plants, Research & Technology facilities, Offices, Distribution operations, Sales depots, Retail Sales & Services and Project Sales. This policy is applicable at work, travel between home and work of employees, business related travel including stay and all Company organized business events.

Objectives of the Company Management shall be to:

1. Comply with all applicable health and safety statutory regulations.
2. Move towards Zero Injuries, Zero Occupational illnesses and Zero incidents of Property Damage
3. Comply with the applicable Safety Manual to achieve its safety, health and wellbeing objectives.
4. Adopt and implement best practice standards of risk management to prevent and mitigate consequences arising out of major accident hazards.

The Company Management shall:

1. Ensure compliance with all applicable health and safety legislations and relevant standards.
2. Integrate safety, health and wellbeing into all business processes.
3. Ensure that all activities across the value chain are conducted as per the defined health and safety procedures, including
  - a. selection and evaluation of suppliers, contractors and other service providers,
  - b. research leading to the development of new products and services,
  - c. design, engineering, construction and commissioning of new projects,
  - d. adopting principles of inherently safe design,
  - e. operating and maintaining plants and other facilities in accordance with the designated safety criteria throughout their working life,
  - f. distribution of products,
  - g. technical service at customer sites and other consumer interfaces
4. Educate customers on the safe use of products.
5. Provide safe and healthy working conditions for the prevention of work-related injury and ill health of employees and service providers.
6. Ensure that adequate resources, support and supervision are provided to employees and service providers to carry out their job safely and to continually upgrade health and safety standards.

7. Conduct risk assessments, safety audits and safety inspections at a prescribed frequency and take all remedial measures to eliminate hazards and reduce health and safety risks, arising out of operations. Risk registers are continuously reviewed and upgraded on a regular prescribed frequency.
8. Implement Behavior-Based Safety Program in order to inculcate safety as a personal value
9. Maintain a comprehensive On-Site Emergency Plan and related facilities to handle emergencies.
10. Assess the competence of individuals in the area of safety during recruitment and career advancement.
11. Define roles and responsibilities of employees in the safety organization of the plant/facility/operations.
12. Keep employees and service providers informed, educated, trained and retrained on safety, health and wellbeing to ensure the safe conduct of their jobs.
13. Establish mechanisms for consultation with employees and their representatives, contractors, suppliers, customers, local communities, neighbors and regulators to promote safety and build a safe work culture.
14. Establish mechanisms for the participation of employees and service provider's representatives wherever applicable.
15. Ensure that each employee including contractors and visitors comply with all safety rules and regulations framed for the operation.
16. Extend all possible help to industries /depots/offices around Asian Paints Operations in case of emergencies.
17. Provide a resume of health and safety performance in the Company annual report.

The Company shall ensure the effectiveness of this policy through:

1. Setting goals and objectives on safety, health and wellbeing and reviewing these periodically to ensure that these are being met.
2. Analysis of health and safety incidents, identification of root causes and implementation of corrective and preventive actions (CAPA).
3. Appropriate action, in case of a violation by an employee, as per rules and procedures framed for the purpose.
4. Review of this policy annually or on significant changes in the business.
5. Periodic review of the safety, health and wellbeing standards for their continued appropriateness and effectiveness.



# ASIAN PAINTS LIMITED

## INFORMATION SECURITY POLICY

We are committed to embracing a 'security first' culture and being a technology-led organization, enabling fearless innovation and growth, and enhancing trust with all stakeholders by:

1. Adhering to all relevant IT laws and regulations
2. Embedding information security principles in all business processes and practices
3. Nurturing skills and embracing behaviours that enable a safe digital environment
4. Implementing a robust Information Security Management System and continuously improving the same
5. Adopting cutting-edge technology to manage the evolving threat landscape





# **ASIAN PAINTS LIMITED**

## **INVESTORS' GRIEVANCE REDRESSAL POLICY**

Approved by the Stakeholders Relationship Committee of the Board of Directors.

Version 1: 29<sup>th</sup> July, 2022

Version 2: 3<sup>rd</sup> November, 2023

## **1. PREAMBLE AND OBJECTIVE**

This Policy is formulated to provide efficient service to the investors and to redress their grievances in a timely manner.

The Board of Directors of the Company have appointed the Company Secretary to act as the Compliance Officer as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time and Nodal Officer under the Companies Act, 2013. The Company Secretary is responsible for providing prompt and effective services to the investors.

Link Intime India Private Limited (erstwhile TSR Consultants Private Limited), is the Registrar and Share Transfer Agent (“RTA” or “Link Intime”) of the Company and is primarily responsible for providing prompt and efficient service to the investors and in consultation with the Company, wherever required.

## **2. INVESTOR CORRESPONDENCE**

The RTA and the Company receive various correspondence from the investors, either directly or forwarded by the Stock Exchanges, Depositories or uploaded on SCORES (“SEBI Complaints Redressal System”), relating to the securities, annual reports, dividends, and other ancillary matters. These correspondences may either be complaints or queries/requests by the investors.

The Company has well-defined guidelines with respect to the classification of shareholders’ communication/grievances, servicing timelines and the process for redressal of grievances and the escalation matrix thereof.

## **3. INVESTOR SERVICE TIMELINES AND CLASSIFICATION AS GRIEVANCE**

The Company’s RTA follows the turnaround time mentioned below for the performance of the investor service requests/grievance(s) (hereinafter referred to as ‘stipulated turnaround time’):

<b>Nature of Service</b>	<b>Timeline (Number of days)</b>
<b>A. Investor Service Request</b>	
Processing of transmission request	21
Processing of issue of duplicate security certificate request	30
Processing of dematerialization request	15
Processing of remat request	30
Processing of transposition request	15

Nature of Service	Timeline (Number of days)
<b>Processing of request for change in /update of</b>	
a. Name	30
b. Signature	30
c. Nomination	30
d. Contact details (address, e-mail address and mobile number)	15
e. Bank account details	15
f. Processing of request for updation of PAN	15
Processing of revalidation request of dividend / interest / redemption instruments and remitting to the shareholders bank account	24
<b>B. IEPF Related</b>	
Processing of request for issuance of Entitlement Letter	30
Filing of E-Verification Report by the Company upon receipt of claim in Form IEPF-5	30
<b>C. Grievance Redressal</b>	
Redressal of investor grievance	21
<b>D. Request for Information</b>	
Providing response to the inquiries and request for information of the investors	
a. E-mail communication	5
b. Physical communication (Routine)	12
c. Physical or E-mail communication (disputed matters which require special handling in consultation with the Company or Advocates appointed by the Company)	30
<b>E. Other Operational Activities</b>	
Allotment of securities (IPO)	6
Intimation regarding distribution of corporate benefits (dividend, bonus, stock split)	
a. E-mail communication	15
b. Physical communication	30

In case RTA requires any additional information or supporting documents to address the investor service request/grievance, the return communication requesting the information and/or document would be released within the above-mentioned turnaround time. After receipt of requested information and/or document, the RTA would address the investor service request/grievance within respective turnaround time.

### **General manner of classification of shareholder communication**

- a. If a shareholder writes to the Company/RTA pertaining to his/her unwillingness to provide any document, or where the shareholder expresses his/her dissatisfaction over the rejection of a particular document or any other matter which is required either as per law or as per Company's Standard Operating Procedures, then the same will not be treated as a complaint.
- b. Multiple correspondence or reminders received for the same matter within the stipulated turnaround time for handling the investor service request/grievance will be treated as one complaint.
- c. If an investor request remains unresolved within the stipulated turnaround time and the matter is escalated to the designated officials of the Company, as provided in the escalation matrix below, then the same will be treated as a complaint.
- d. Escalating the matter to the designated officials of the Company before completion of the stipulated turnaround time will not be treated as a complaint.

In case of any ambiguity, the Company Secretary shall be the sole authority to decide on the nature and classification of the communication and the decision of the Company Secretary shall be final and binding.

## **4. INVESTOR GRIEVANCE REDRESSAL MECHANISM**

SEBI vide its Circular(s) has mandated investors to take up their grievances for redressal with the Company, through their designated persons/officials who handle issues relating to compliance and redressal of investor grievances. In case, the Company fails to redress the complaint within the timelines prescribed, the investors may then file their complaint on SCORES.

**Following are the steps taken by the Company to handle the grievances of investors and their requests:**

- a. RTA is principally responsible for managing the share related affairs (viz. investors service requests/grievances) of the Company. The designated email address of RTA for the said purpose is [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in).
- b. The Company has a designated email address [investor.relations@asianpaints.com](mailto:investor.relations@asianpaints.com) for assistance and redressal of the grievance(s) of the investors and is monitored by the officials of the Secretarial Department of the Company.

- c. If an investor request remains unresolved within the stipulated turnaround time, then the matter can be escalated to the designated officials of the Company, as mentioned in escalation matrix below.
- d. Reports from time to time are being obtained by the Company from the RTA in respect of correspondences & grievances, and the same is placed before the Stakeholders Relationship Committee of the Board of Directors of the Company from time to time.

The Stakeholders Relationship Committee reviews the effectiveness of the grievance redressal mechanism in place for handling complaints from investors.

- e. All the investor complaints/grievances, including the ones received through SCORES, Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited, Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, any other regulatory authorities, etc. (hereinafter referred to as 'the regulatory authorities') shall be attended and resolved by the Company expeditiously.
- f. The Company reports the following complaints to the Stock Exchanges in terms of Regulation 13(3) of the Listing Regulations on a quarterly basis:
  - i. Complaints received from the regulatory authorities by the Company and RTA;
  - ii. Complaints reported to the regulatory authorities as complaints by the RTA; and
  - iii. Grievances escalated to the designated officials of the Company, and where the request has not been addressed within the stipulated turnaround time.
- g. The statement of investor complaints, on a quarterly basis, is also placed before the Board of Directors of the Company.
- h. The Company also makes annual disclosure of the statement of investor complaints in its annual report pursuant to the requirements of the Listing Regulations.
- i. The Company obtains, annually, from the RTA, a report by their independent internal auditors on the RTA activities including the process of grievance handling. Further, the Company places the Internal Audit Report and action taken report on the observations, if any at the meeting of the Stakeholders Relationship Committee and the Board of Directors as required under applicable SEBI regulations.

## 5. ESCALATION MATRIX FOR INVESTORS' GRIEVANCES

### a. Registrar and Share Transfer Agent:

Investors are requested to route their service requests/grievances first to the Company's RTA.

Following are the contact details of RTA:

#### **Link Intime India Private Limited (erstwhile TSR Consultants Private Limited)**

C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. 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: [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)

Website: <https://www.tcplindia.co.in>

The updated details of collection centres are available on the website of Link Intime at <https://www.tcplindia.co.in/office-network.html> and is also available under the "Investors" Section on the website of the Company at [www.asianpaints.com](http://www.asianpaints.com).

### b. Escalation Level 1 (Company):

Wherein the grievance(s) of the investors are not resolved within 7 working days of sending the email to RTA/the Company or within required timelines after delivery of all the requisite documents and information or wherein the investor is not satisfied with the resolution provided, he/she/they can refer the grievance(s) to the following executives of the Company at:

#### Shares Related:

<p><b>Mr. Saurabh Mahadik</b> Executive – Secretarial Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055 Tel No.: 022-6218 1186</p> <p>Email: <a href="mailto:saurabh.mahadik@asianpaints.com">saurabh.mahadik@asianpaints.com</a></p>	<p><b>Mr. Sahil Makkar</b> Assistant Manager – Secretarial Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055 Tel No.: 022-6218 1097</p> <p>Email: <a href="mailto:sahil.makkar@asianpaints.com">sahil.makkar@asianpaints.com</a></p>	<p><b>Mr. Jay Shah</b> Manager – Corporate Secretarial Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055 Tel No.: 022-6218 1184</p> <p>Email: <a href="mailto:shah.jay@asianpaints.com">shah.jay@asianpaints.com</a></p>
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**IEPF Related:**

<b>Mr. Siddhant Vavekar</b> Executive – Secretarial Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055 Tel No.: 022-6218 1105  Email: <a href="mailto:siddhant.vavekar@asianpaints.com">siddhant.vavekar@asianpaints.com</a>	<b>Mr. Prathik Prabhu</b> Assistant Manager – Secretarial Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055 Tel No.: 022-6218 3013  Email: <a href="mailto:prathik.prabhu@asianpaints.com">prathik.prabhu@asianpaints.com</a>	<b>Ms. Avani Yadav</b> Manager – Corporate Secretarial Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055 Tel No.: 022-6218 1187  Email: <a href="mailto:avani.yadav@asianpaints.com">avani.yadav@asianpaints.com</a>
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**c. Escalation Level 2 (Company):**

Wherein the grievance(s) of the investor is not resolved within the next 5 working days of sending the email to the above executives of the Company or where the investor is not satisfied with the resolution provided, he/she/they can refer the grievance(s) to the Deputy Company Secretary of the Company at:

**Ms. Saloni Arora**  
Deputy Company Secretary  
Asian Paints Limited  
6A, Shantinagar, Santacruz (East),  
Mumbai – 400 055  
Tel No.: 022-6218 1139  
  
Email: [saloni.fadnis@asianpaints.com](mailto:saloni.fadnis@asianpaints.com)

**d. Escalation Level 3 (Company):**

Wherein the grievance(s) of the investor is still not resolved to its satisfaction, he/she/they can forward their complaint to the CFO & Company Secretary of the Company at:

**Mr. R J Jeyamurugan**  
CFO & Company Secretary  
Asian Paints Limited  
6A, Shantinagar, Santacruz (East),  
Mumbai – 400 055  
Tel No.: 022-6218 1139  
  
Email: [rj.jeyamurugan@asianpaints.com](mailto:rj.jeyamurugan@asianpaints.com)

**e. SCORES Platform:**

In case if the grievance(s) of the investors are still not resolved to the investor's satisfaction, the investor may approach the Securities and Exchange Board of India and file their grievance through "SCORES", the centralized online system for lodging and tracking complaints.

Investors who wish to lodge a Complaint on SCORES are required to register themselves on [www.scores.gov.in](http://www.scores.gov.in) by clicking on "Register here" under the "Investor Corner". While filing the registration form, details like the Name of the investor, Permanent Account Number (PAN), contact details, and email id, are required to be provided for effective communication and speedy redressal of the grievances. Upon successful registration, a unique user id and a password shall be generated and communicated through an acknowledgment email to the complainant.

Investors are advised to refer to the relevant SEBI Circular<sup>^</sup> to understand the SEBI prescribed framework for redressal of investor grievances.

**f. Online Dispute Resolution Portal:**

SEBI through its Master Circular<sup>^</sup> on resolution of disputes has streamlined the dispute resolution mechanism in the Indian securities market under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market.

Accordingly, in cases where investors raise issues, that require adjudication on any third party rights, on questions of law or fact or which is in the nature of a law between parties, or if investors are not satisfied with outcome of complaints filed on SCORES platform post SEBI review, they can initiate dispute resolution through the ODR portal within the prescribed timeline.

**Explanation:**

- a. Investors can approach the Online Dispute Resolution mechanism or other appropriate civil remedies at any point of time. In case the complainant opts for Online Dispute Resolution mechanism or other appropriate civil remedies while the complaint is pending on SCORES, the complaint shall be treated as disposed on SCORES platform.
- b. The dispute resolution through the ODR portal can be initiated only if such complaint/dispute is not pending before any arbitral process, Court, Tribunal, or Consumer Forum or if the same is non-arbitrable under Indian law.

Investors are advised to refer the relevant SEBI Master Circular<sup>^</sup> to understand the SEBI prescribed framework for online dispute redressal of investor grievances.

<sup>^</sup> Details of relevant SEBI Circular(s)/Master Circular(s) have been provided as **Annexure A** to this Policy.



**g. Other Legal Recourse:**

In addition, investors also have the option to approach legal forums including Civil Courts, Consumer Courts, etc.

**CONTACT DETAILS OF NODAL OFFICER AND DEPUTY NODAL OFFICER OF THE COMPANY**

<b>DEPUTY NODAL OFFICER</b>	<b>NODAL OFFICER</b>
<b>Ms. Saloni Arora</b> Deputy Company Secretary Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055  Email: <a href="mailto:saloni.fadnis@asianpaints.com">saloni.fadnis@asianpaints.com</a>	<b>Mr. R J Jeyamurugan</b> CFO & Company Secretary Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055  Email: <a href="mailto:rj.jeyamurugan@asianpaints.com">rj.jeyamurugan@asianpaints.com</a>
Tel No.: 022-6218 1139	

**CONTACT DETAILS FOR SEEKING COMPANY RELATED INFORMATION**

<b>CORPORATE COMMUNICATIONS</b>	
<b>Mr. Arun Nair</b> Manager – Corporate Communications Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055  Email: <a href="mailto:proffice@asianpaints.com">proffice@asianpaints.com</a>	<b>Ms. Sunila Martis</b> Associate General Manager – Finance Asian Paints Limited 6A, Shantinagar, Santacruz (East), Mumbai – 400 055

## **6. REVIEW OF INVESTORS’ GRIEVANCES REDRESSAL POLICY**

This Policy will be reviewed at least once in two years to ensure that it meets the expectations laid down by the Stakeholders Relationship Committee of the Board of Directors of the Company, changes to legislations and any other practice(s) to be incorporated, found relevant by the Company.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## Details of SEBI Circular

Sr. No.	Purpose	Details of the Circular
1.	Redressal of Investor Grievances	<p><b><u>Upto 3<sup>rd</sup> December, 2023:</u></b></p> <p><a href="#"><u>SEBI Master Circular No. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated 7<sup>th</sup> November, 2022</u></a></p> <p><b><u>With effect from 4<sup>th</sup> December, 2023:</u></b></p> <p><a href="#"><u>SEBI Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20<sup>th</sup> September, 2023</u></a></p>
2.	Online Dispute Resolution Platform	<p><a href="#"><u>SEBI Circular No. SEBI/HO/OIAE/OIAE IAD-1/P/CIR/2023/145 dated 31<sup>st</sup> July, 2023 (updated as on 11<sup>th</sup> August, 2023)</u></a></p>

# **ANNEXURE NO. 4**

**SCHEDULE OF MEETINGS OF THE BOARD OF DIRECTORS AND  
COMMITTEES OF THE BOARD OF DIRECTORS OF THE COMPANY\***

\* *Subjective information*