



ASIAN PAINTS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION

Formulated on: 16th November, 2015

First revision: 27th November, 2019

Second revision: 1st April, 2020

Third revision: 29th March, 2023

1. INTRODUCTION

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

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

This Policy for determination of materiality of events/information 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; and
- 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;
- e. “**Stock Exchange**” means a recognised stock exchange as defined under clause (f) of Section 2 of the Securities Contracts (Regulation) Act, 1956; and
- f. “**Subsidiary(s)**” shall mean subsidiaries of the Company as defined under the Act.



Words, terms, and expressions used and not defined in the Listing Regulations will have the same meaning as contained in (i) the Act, (ii) Securities Exchange Board of India Act, 1992, as may be modified from time to time.

3. POLICY AND PROCEDURES

(I) MATERIALITY THRESHOLDS:

- A. 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. Further, the events specified in Para A of Part A of Schedule III are deemed to be material events and the Company is mandatorily required to make disclosure of such events. The Company is required to make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality as set out in this Policy.
- B. In this context, the following has been approved and adopted by the Board of the Company at its meeting held on 16th November, 2015, with the objective of determining materiality of events.
1. The events specified in Para A of Part A of Schedule III of the Regulations shall be disclosed by the Company as applicable from time-to-time and in a manner as set out in the Regulations and this Policy.
 2. For disclosing the events specified in Para B of Part A of Schedule III, the Company shall consider the following criteria for determination of materiality of an event/information:
 - a. the omission of an event/information, which is likely to result in discontinuity or alteration of event/information already available publicly.
 - 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.
 - c. Where it would be difficult to report any event including events specified in Para B of Part A of Schedule III, based on qualitative criteria as stated in points (a) and (b) above, the same may be considered material for disclosure, upon meeting materiality thresholds as mentioned herein below:
 - i. if the impact of the occurrence of such an event would exceed 5% of the gross standalone turnover of the Company, in the immediately preceding accounting year.

- ii. For events with respect to a Subsidiary of the Company, if the impact of the occurrence of such an event would exceed 5% of the gross consolidated turnover of the Company, in the immediately preceding accounting year.
- 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.
3. As specified in Para C of Part A of Schedule III of the 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 financial statements 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.

(II) DISCLOSURE OF EVENTS / INFORMATION:

- A. Any event required to be reported under Regulation 30 of the Listing Regulations shall be informed to the Managing Director & CEO and/or the CFO & Company Secretary of the Company on an immediate basis with adequate supporting data or information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the CFO & Company Secretary. The process of disclosure shall be in line with the process set out under the "CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION".
- B. The Managing Director & CEO and the CFO & Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this Policy.



- C. 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
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
Phone: 022 62181000

- D. 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 provisions of the Regulations or any other law as may be applicable.
- E. The Company shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and in accordance with the provisions of the Regulations, as may be amended from time to time.
- F. 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) 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 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.

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.